



International Association
of Privacy Professionals

OneTrust

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Management Software

CCPA Readiness: Second Wave

Firms continue to prep for the CCPA, but much work remains

Only 2% of firms consider themselves fully compliant today

The California Consumer Privacy Act has gripped privacy pros' attention in 2019. The impending law — which takes effect January 2020 — has triggered various discussions on how to interpret it, how to comply and what challenges privacy pros face in convincing their organizations to make the CCPA a compliance priority.

Debates even continue on whether the CCPA and other new state laws like it will be preempted by a U.S. federal privacy law.

Methodology

As with the first wave of the survey conducted in April, privacy professionals working at organizations that are subject to the CCPA were the target of the survey. We sent out our short survey link to our 48,600 U.S. Daily Dashboard subscribers July 23, 2019. In addition, we also informed our members about our survey research via the IAPP's website and social media. After this initial launch, we sent a reminder email about our survey in early August. In total, we received 290 responses. The average time to complete the survey was about three minutes.

In early 2019, the IAPP fielded a survey with support from OneTrust to seek insight into some of these questions and recently fielded a follow-on study. We published the [results of the first survey in April](#). To monitor how levels of CCPA preparedness are changing over time, we fielded the second survey in July to August 2019. This short report summarizes the major takeaways from the second study relative to the first.

What's new?

Respondents' CCPA preparedness has markedly improved since the first quarter of 2019. When we asked respondents to rate their preparedness level with the CCPA on a scale of 0 to 10 (with 0 being "have not started to prepare" and 10 being "fully prepared"), the average preparedness score was 5.27 (up from 4.75 when the last survey was conducted in March and April). Thus, some notable progress has been made over the past several months, and most organizations are now more than halfway through their journey to full CCPA compliance.

Significant work remains, however, as only 2% of organizations report that they are currently in full compliance with the law, whose enforcement deadline is just months away.

Strikingly, the biggest obstacles organizations face on their road to CCPA compliance — as well as the factors motivating them — remain virtually unchanged since the first wave of the survey. At the

top of privacy pros' list of concerns is their lack of time/bandwidth, followed by the complexity of the law and their lack of resources. Given that concerns about these obstacles have been stable throughout the year, it stands to reason that privacy pros have not yet been able to make the case to their chief technology officers, CEOs, and boards that more attention and resources should be devoted to CCPA compliance. Moreover, given that complexity of the law continues to be an obstacle, it seems that the **amendments** made to the CCPA in the meantime have done little to clarify the law.

The biggest motivators driving organizations to become CCPA compliant also remain the same as in the Q1 study: Concerns about the reputations of their organizations are the primary factor driving compliance, followed by concerns about consumer privacy and enforcement actions.

Summary of Key Findings

- Overall, organizations continue to make progress toward full CCPA compliance.
- Yet, only 2% of organizations are currently in full compliance with the CCPA.
- Lack of time/bandwidth and complexity of the law remain the biggest obstacles to CCPA compliance.
- Reputational risks and desire to protect consumer privacy also remain biggest compliance motivators.
- GDPR compliance efforts continue to provide leverage to organizations seeing to meet the CCPA's requirements.
- Privacy pros are growing increasingly skeptical that a federal law preempting the CCPA will be passed.
- The potential for a federal law to preempt the CCPA does not matter for the work of a privacy pro.

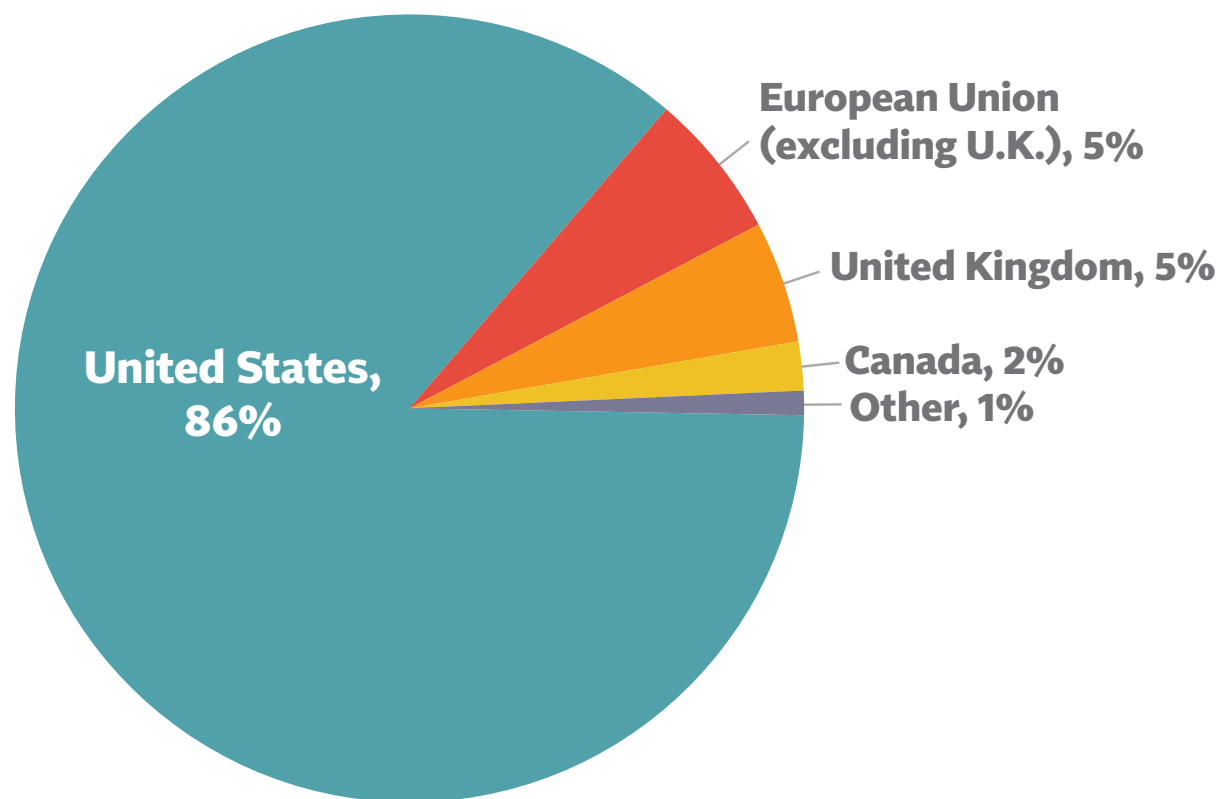
Something that has changed visibly over the past several months is the belief among privacy pros that Congress will be able to pass a U.S. federal privacy law that preempts the CCPA. Earlier this year, 47% of privacy pros were doubtful that Congress would pass such a law within the next year or two. By this summer, that number had grown to 65%. This difference suggests that privacy pros are growing increasingly skeptical that a preemptive federal privacy law will make its way onto the books during this session of Congress.

As was found in the last wave of the survey, firms that are highly compliant with the GDPR are more likely to be prepared for the impending CCPA deadlines and have set earlier compliance target dates than their peers. About one in three organizations report being able to significantly leverage their GDPR compliance efforts to achieve CCPA compliance. Thus, GDPR-like obligations are imposed on organizations that collect and sell personal data by the **new U.S. state laws that are cropping up**, all that work of preparing for the GDPR seems to be paying off for many organizations that will be subject to both laws.

Conclusion

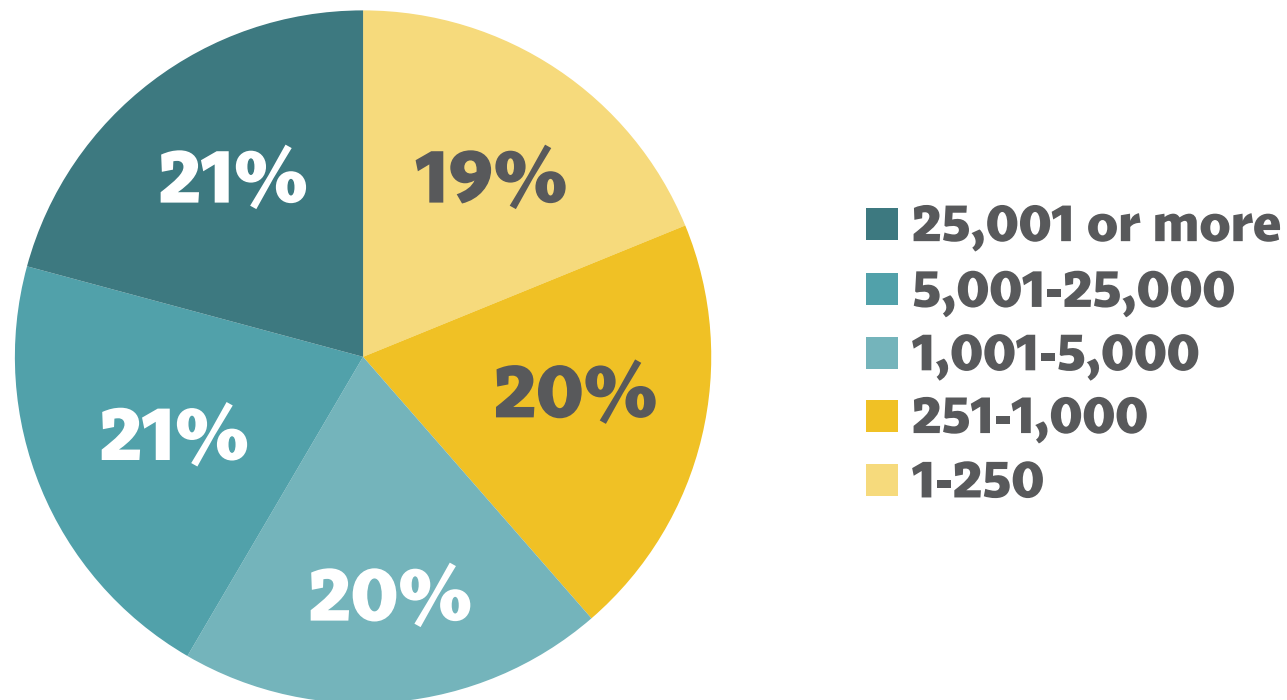
This study demonstrates that privacy pros have been working steadily over the past few months to get more prepared for the CCPA, which is scheduled to enter into force Jan. 1, 2020. It is important to continue to monitor CCPA compliance efforts, given the potential for companies to face fines for failing to protect consumer privacy and safeguard consumers' rights under the new law — not to mention the fallout such enforcement actions would have for brands and reputations. Moreover, growing doubts about a federal law being passed that would preempt the CCPA signal that California's new law will be here to stay.

Respondents primarily worked for organizations headquartered in the United States



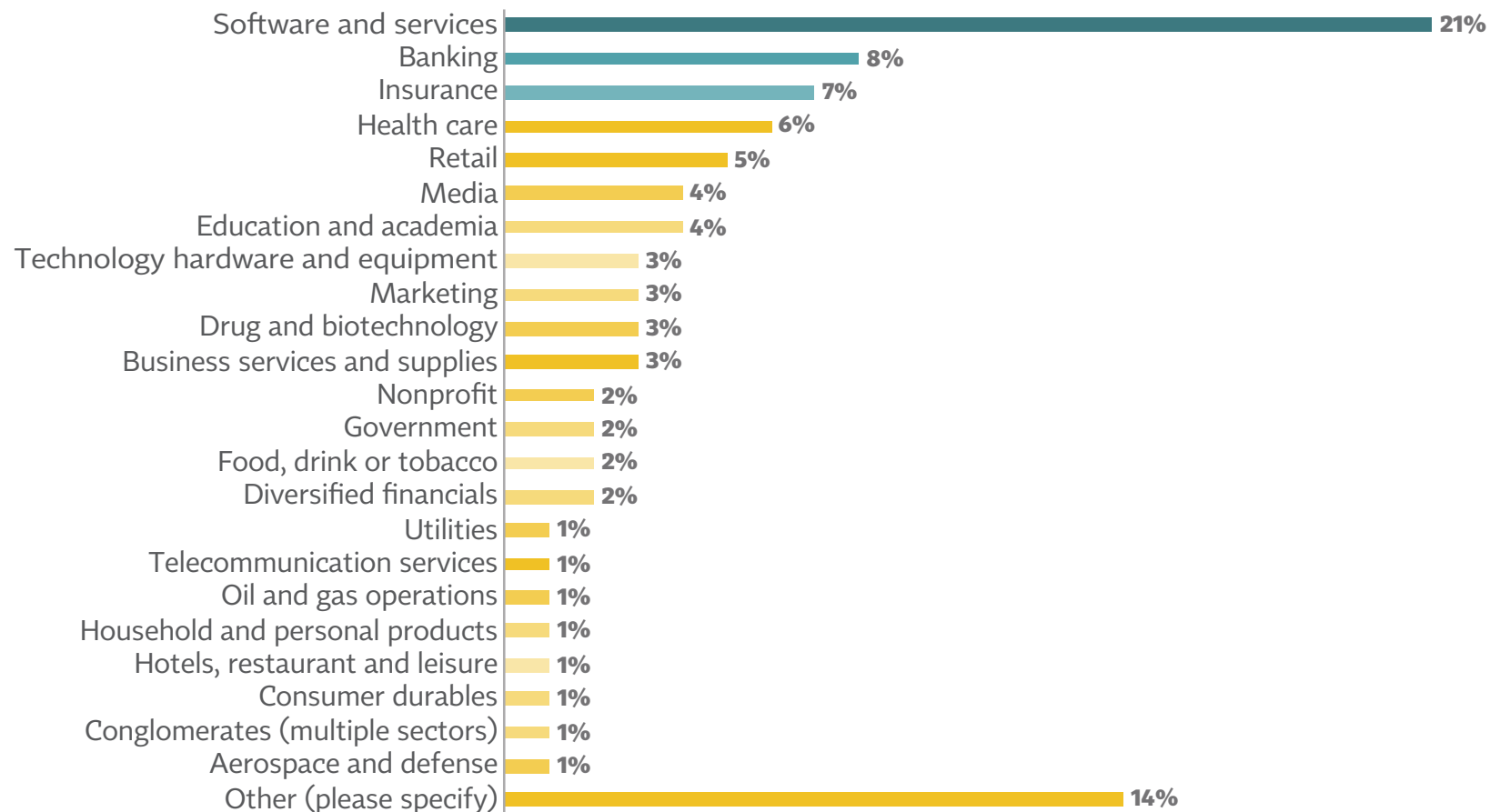
Question: What is the primary location of your organization's headquarters?

More than half of respondents worked for organizations with 1,000 employees or more



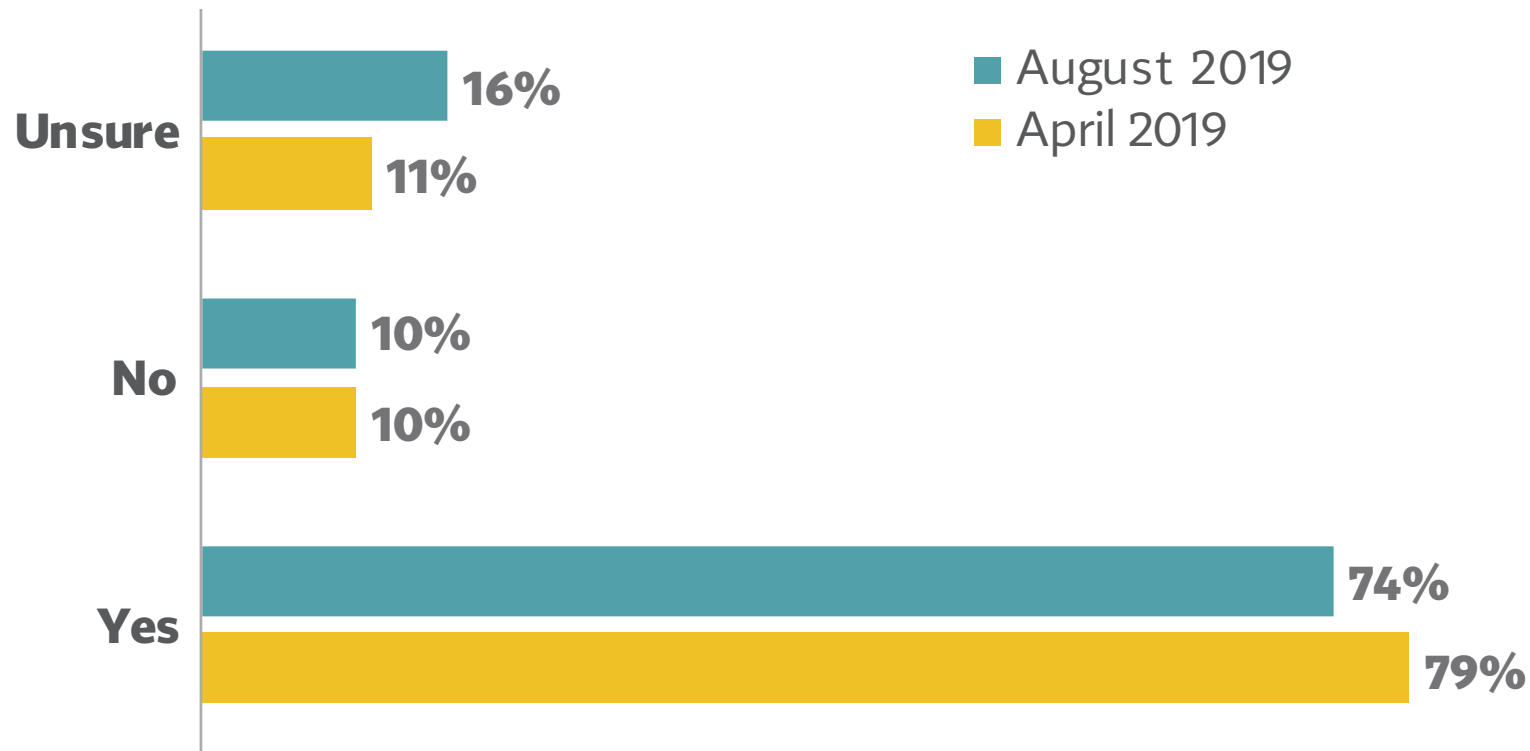
Question: How many people are employed globally by your organization?

Software and services was the most represented industry, followed by banking and insurance



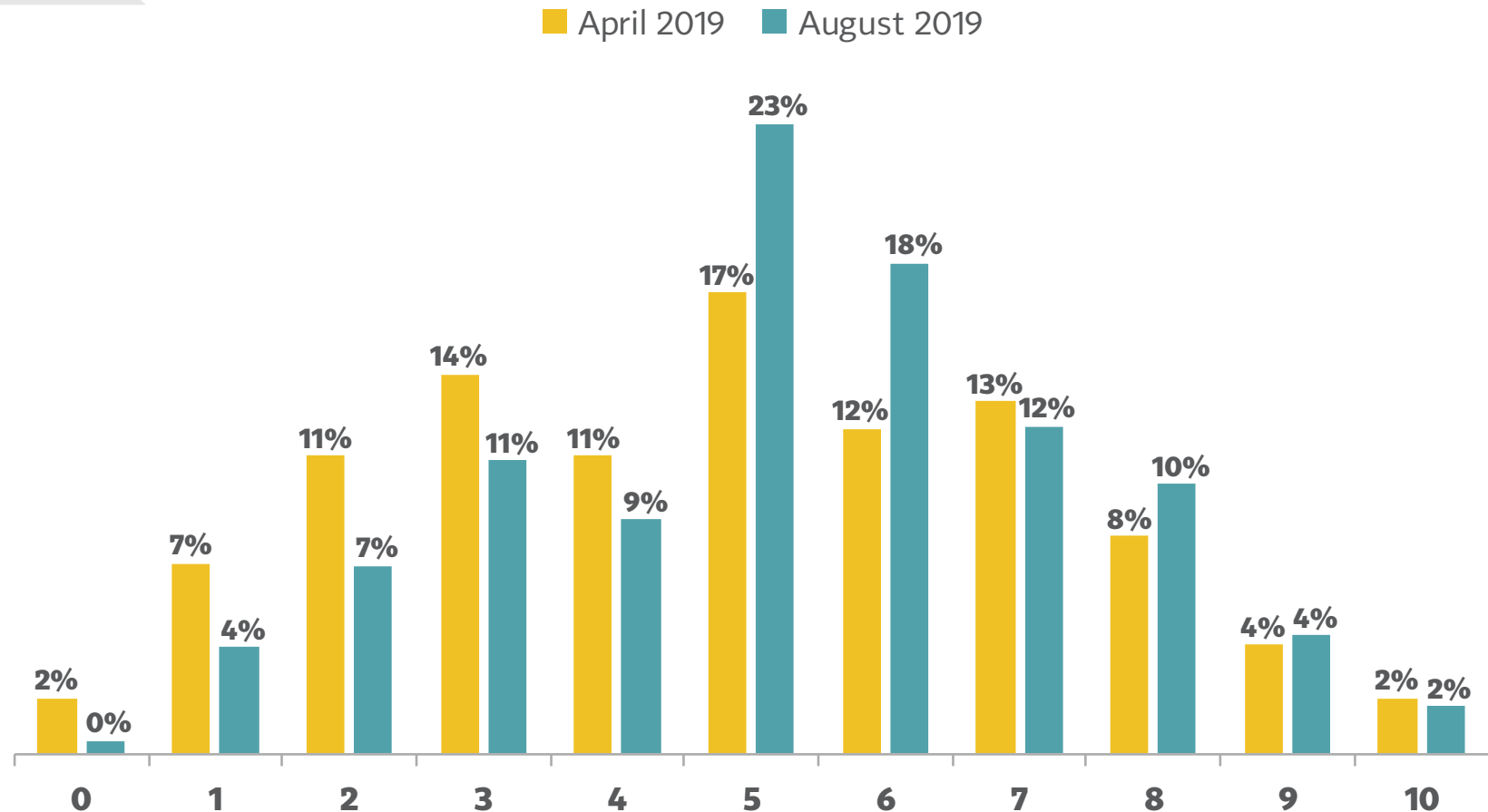
Question: Which of the sectors below best fits your organization?

Uncertainty swells? 16% of respondents were unsure if the CCPA will apply to them – up from 11% several months ago



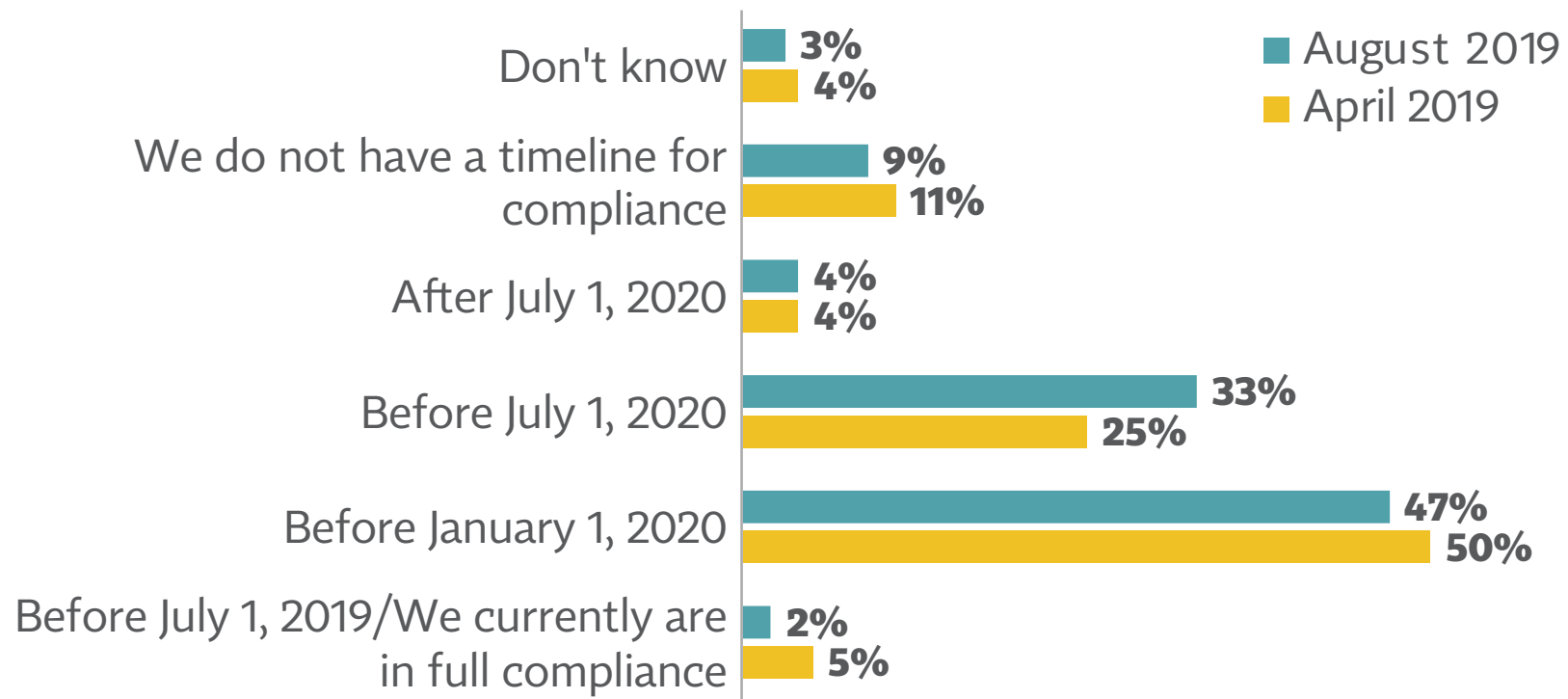
Question: As the law is currently written, do you believe your organization will be subject to the California Consumer Privacy Act when it goes into effect Jan. 1, 2020?

More ready than not: Over the course of this year, organizations have become more prepared for the CCPA



Question: On a scale of 0 to 10 (with 0 being “have not started to prepare” and 10 being “fully prepared”), how would you rate your organization’s current level of preparedness for the CCPA?

Some organizations have set or moved their compliance target date to July 1, 2020



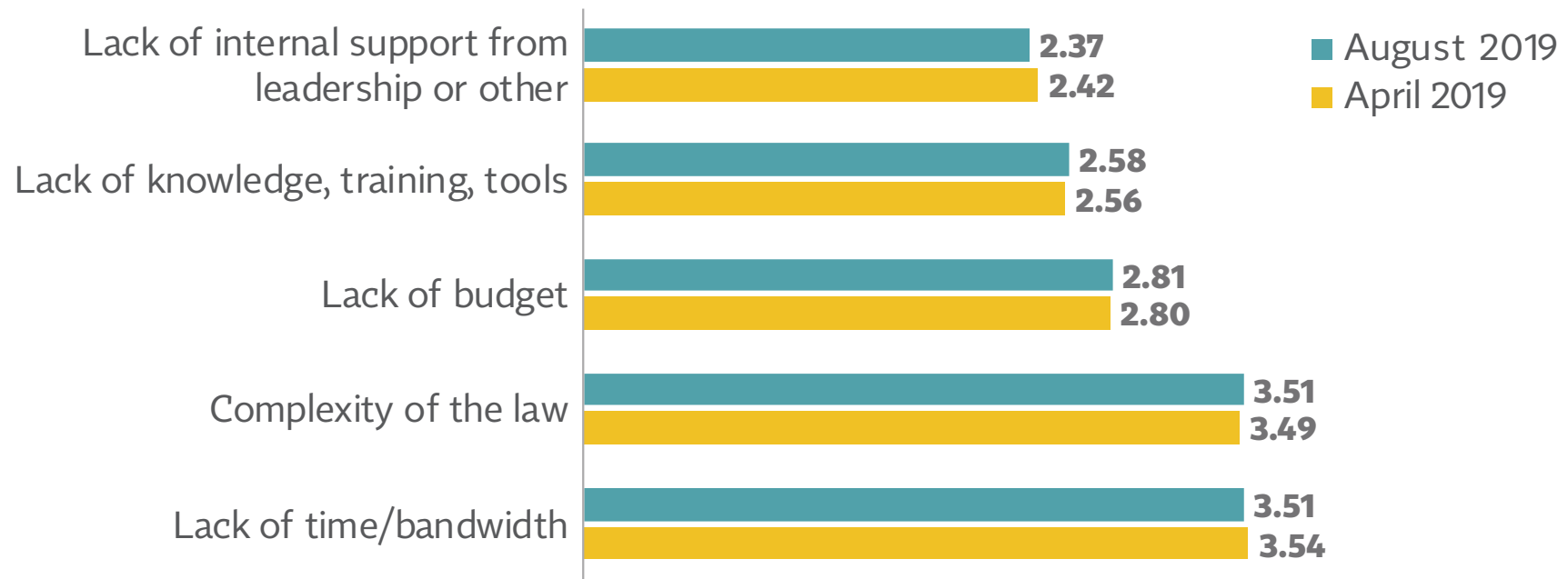
Question: Approximately when do you expect your organization to be in full compliance with the CCPA?

More than 8 in 10 firms that are highly prepared for the CCPA now say they will be compliant by January 2020

When Do You Expect to be in Compliance with the CCPA?

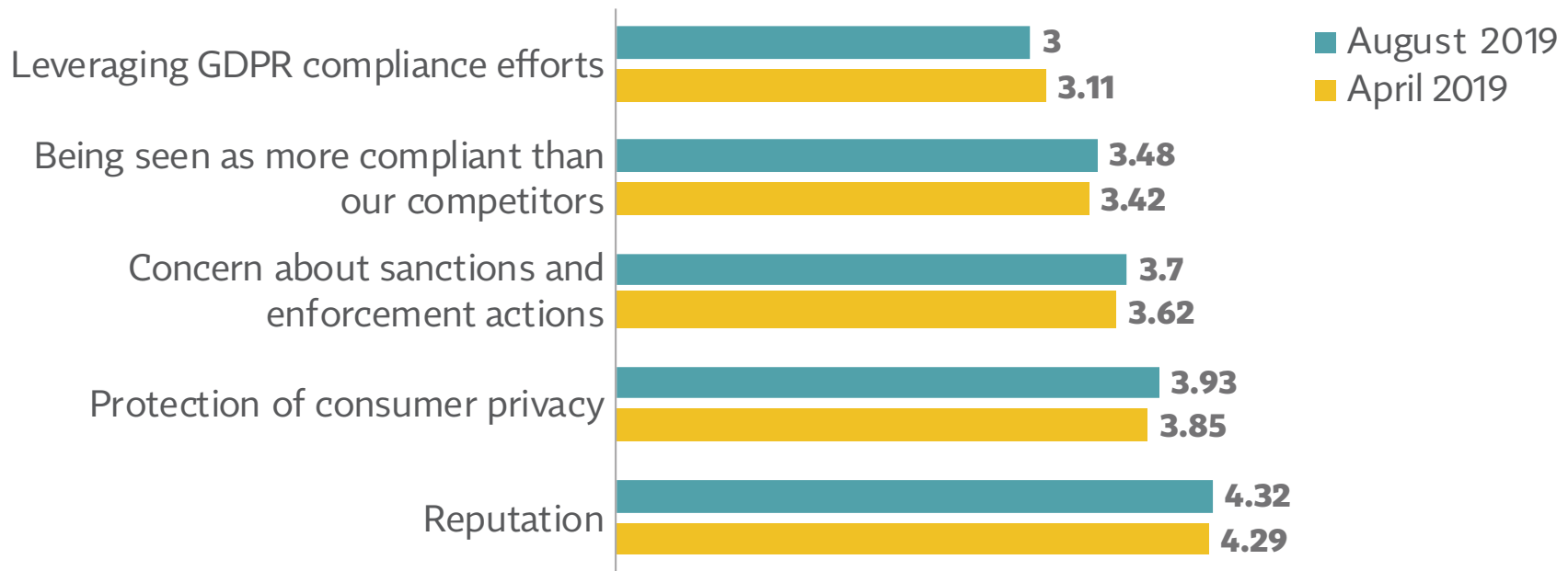
	We are currently in full compliance	Before January 2020	Before July 2020	After July 2020	No timeline	Don't know
Current CCPA preparedness level						
0-3 (low)	0%	27%	42%	8%	15%	6%
4-6 (medium)	0%	41%	39%	4%	11%	4%
7-10 (high)	7%	75%	15%	2%	2%	0%

Limited resources and legal complexity remain the top-ranking impediments to CCPA compliance



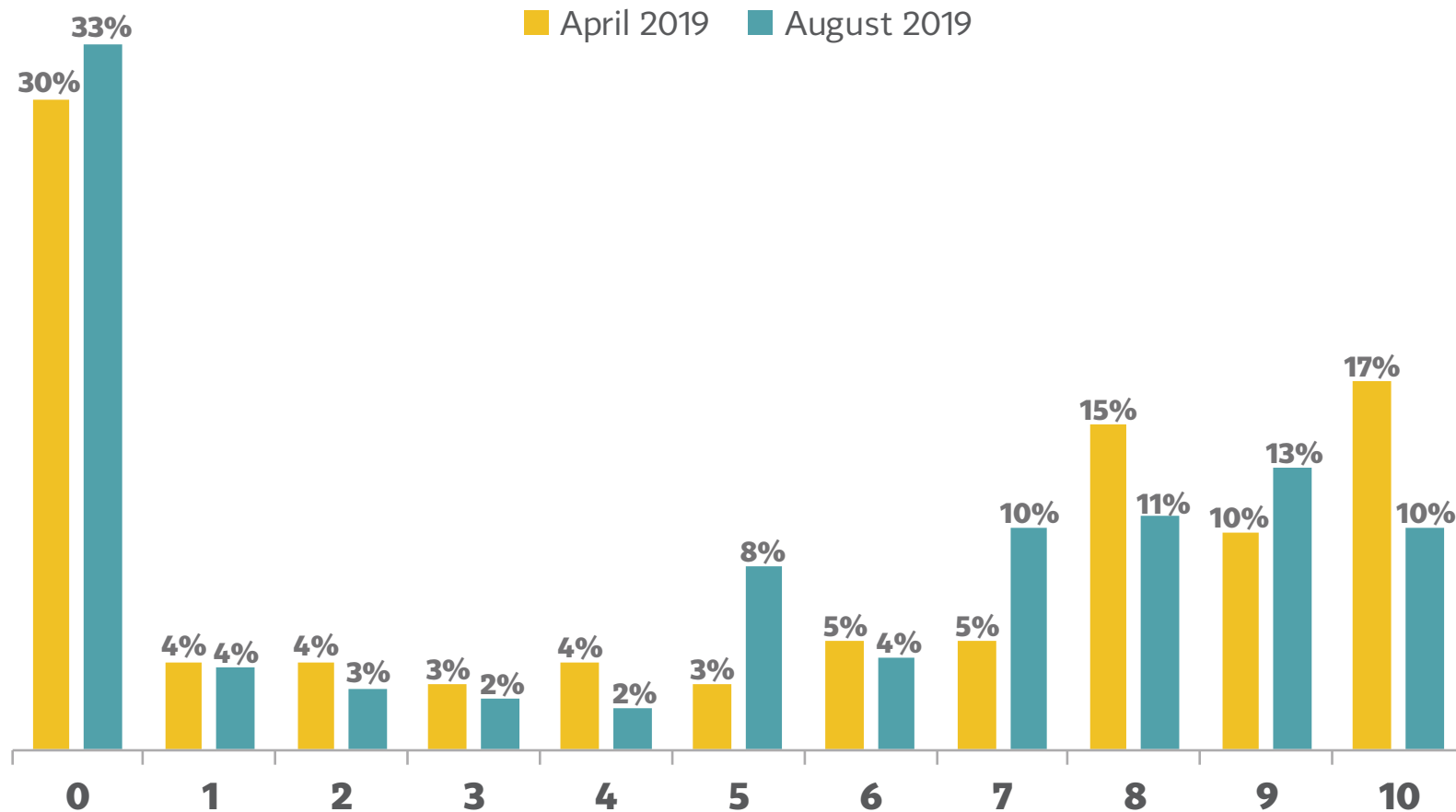
Question: Please rate the following factors in terms of **how much of an impediment** they are to your efforts to comply with the CCPA.

Reputational risk also continues to top the list of factors motivating compliance with the CCPA



Question: Please rate the following factors in terms of **how much of a motivator** they are to your efforts to comply with the CCPA.

About a third of privacy pros continue to heavily leverage their GDPR compliance efforts to achieve CCPA compliance



Question: On a scale of 0 to 10 (with 0 being “not at all” and 10 being “fully”), how much are you leveraging your GDPR compliance efforts to comply with the CCPA?

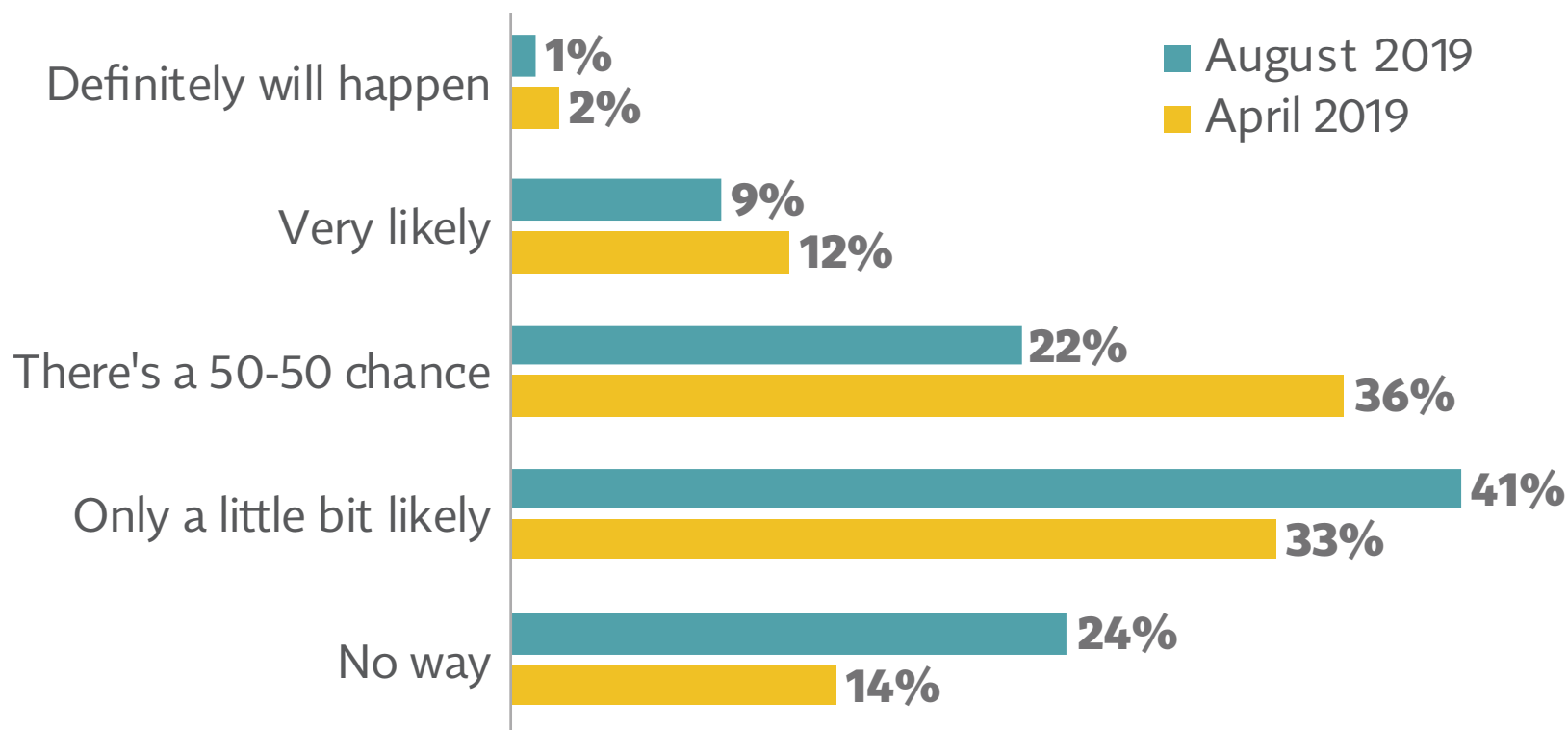
Firms that are more compliant with GDPR have been able to set earlier timelines for CCPA compliance

When Do You Expect to be in Compliance with the CCPA?

	We are in full compliance	Before January 1, 2020	Before July 1, 2020	After July 1, 2020	No timeline	Don't know
Current level of GDPR compliance*						
0-3 (low)	0%	27%	14%	0%	43%	14%
4-6 (medium)	0%	27%	33%	13%	20%	0%
7-10 (high)	2%	50%	34%	3%	6%	3%

* Only includes respondents who are subject to the GDPR.

Doubting it: Privacy pros are growing more skeptical that Congress will pass a federal privacy law preempting the CCPA



Question: In your opinion, how likely is it that a federal privacy law that preempts the CCPA will be passed by Congress over the next year or two?