

1 **CALIFORNIA PRIVACY PROTECTION AGENCY BOARD**

2
3 TRANSCRIPTION OF RECORDED PUBLIC MEETING

4
5 **January 12, 2024**

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7
8 Present: JENNIFER URBAN, Chairperson
9 LYDIA DE LA TORRE, Board Member
10 VINHCENT LE, Board Member
11 ALASTAIR MACTAGGART, Board Member
12 JEFFREY WORTHE, Board Member
13 KEVIN SABO, Moderator
14 ASHKAN SOLTANI, Executive Director
15 PHILIP LAIRD, General Counsel
16 TIFFANY GARCIA, Chief Deputy Director
17 VON CHITAMBIRA, Deputy Director of Administration
18 MAUREEN MAHONEY, Deputy Director of Policy and
19 Legislation

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28 Transcribed by: FOCUS INTERPRETING

1 **CALIFORNIA PRIVACY PROTECTION AGENCY**

2 **TRANSCRIBED RECORDED PUBLIC MEETING**

3 **January 12, 2024**

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5 **MS. JENNIFER URBAN:** Good morning, everyone. Welcome to the
6 January 2024 meeting of the California Privacy Protection Agency
7 Board. It's January 12, 2024, at 10:09am. Thanks to everyone for
8 your patience while we manage the complexities of the hybrid
9 meeting format. I'm Jennifer Urban, I'm the Chairperson of the
10 Board, and I'm pleased to be here in person with the board members
11 in Oakland and some members of the public, and to welcome any of
12 you via Zoom as well. As ever, before we get started with the
13 substance of the meeting, I have some logistical announcements.
14 First, I'd like to ask everyone-- this sounds very echoey to me. Is
15 it alright on a-- okay, if everybody in the room can take it as
16 long as it's picking up alright for the folks online. Sure. Yeah.
17 It's still-- it's quite far from my mouse, but it's-- I feel like
18 the voice of a deity of some sort. Oscar may have the solution.
19 Well, it's still a bit loud. I'm going to go ahead and continue,
20 but please interrupt me if it gets too frustrating. So, ironically,
21 first, I would like to check that everybody else have their
22 microphone muted when they are not speaking. Second, I'd like to
23 ask everyone who is here in person to turn off or silence your cell
24 phone to avoid interruption. Thank you for doing that. And third,
25 importantly, this meeting is being recorded. We do encourage
26 everyone to wear masks if you're attending in person. We are in the
27 midst of another COVID surge, and we do want to avoid exposing
28 vulnerable members of the community or inadvertently making our

1 public meetings inaccessible to them. As you know, our temporary
2 ability to meet remotely and still comply with Bagley-Keene has
3 changed quite a bit and is much more limited than it was.
4 Therefore, this meeting is in a hybrid format. My fellow board
5 members and members of the CPPA staff are here in person, and I
6 know most members of the public are joining remotely. As you
7 noticed already, the hybrid format creates some technical
8 complexities so if we have any technical kinks, we'll ask that you
9 please bear with us. We'll pause the meeting and address the issue.
10 Thank you in advance if anything happens for your patience. Let me
11 now go over the logistics of meeting participation. Today's meeting
12 will be run according to the Bagley-Keene Open Meeting Act as
13 required by law. We will proceed through the agenda, which is
14 available as a handout here in Oakland and also on our website.
15 Materials for the meeting are also available as handouts here and
16 on the website. You may notice board members accessing their
17 laptops, phones, or other devices during the meeting. They are
18 using the devices solely to access materials for the board meeting.
19 After each agenda item, there will be an opportunity for questions
20 and discussion by board members. I will also ask for public comment
21 on each agenda item. Each speaker for public comment will be
22 limited to three minutes per agenda item. We also, for the public,
23 have a designated item on the agenda for general public comment.
24 That's number six today. If you are attending via Zoom and you wish
25 to speak on an item, please wait until I call for public comment
26 and allow staff to prepare for Zoom public comment. Then please use
27 your 'Raise the Hand' function, which is in the reaction feature at
28 the bottom of your Zoom screen. If you wish to speak on an item and

1 you're joining by phone, please press star nine on the phone to
2 show the moderator that you are raising your hand. Our moderator
3 will call your name when it's your turn and request that you unmute
4 yourself for comment at that time. Those using the webinar can use
5 the unmute feature, and those dialing in by phone can press star
6 six to unmute. When your comment is completed, the moderator will
7 mute you. Please note, for those of you joining remotely, that the
8 board will only be able to hear you and not see you. So it is
9 helpful if you identify yourself that this is entirely voluntary,
10 and you may input a pseudonym when you log into the meeting if
11 you're using the webinar. If you're participating in person and
12 wish to speak on an item, please wait for me to call for public
13 comment and then move toward the podium or move toward-- yes, move
14 toward the podium to my right and form a line. When you are called
15 to speak, you will have three minutes at the podium. As with Zoom
16 attendees, it's always helpful if you identify yourself, but again,
17 this is entirely voluntary and you are free to remain anonymous or
18 refer to yourself with a pseudonym. Please do speak into the
19 microphone, so everyone participating remotely can hear you and
20 your remarks can be recorded in a meeting record. The hybrid
21 meeting format, as I mentioned, is somewhat complex. And, so, I'd
22 especially like to thank the team managing the technical aspects of
23 the meeting today, Ms. Trini Hurtado and Mr. Oscar Estrella.
24 Second, I would like to explain what to do if those attending
25 remotely experience an issue with the remote meeting. For example,
26 the audio dropping. If something happens, please email our Info
27 email address. That's "info@cpga.ca.gov." That is 'i' 'India,' 'n'
28 'November,' 'f' 'Foxtrot,' 'o' 'Oscar,' '@cpga' (our initials),

1 'ca' for 'california.gov.' This will be monitored throughout the
2 meeting. If there is an issue that affects the remote meeting, we
3 will pause the meeting to let our technical staff work on fixing
4 the issue. As a reminder, the board always welcomes public comment
5 on the agenda, and it is our intent to ask for public comment
6 before we vote on any agenda item. If, for some reason, I forget to
7 ask for public comment and you wish to speak on that item, please
8 raise your hand. The moderator will alert me and we will recognize
9 you. Once again, each speaker will be limited to three minutes per
10 agenda item, relatedly I'd like to remind everyone of some of the
11 other rules of the road under Bagley-Keene. Both board members and
12 members of the public may discuss agendized items only, and if
13 you're speaking on an agenda item, both board members and members
14 of the public must contain their comments to that agenda item.
15 There are two additional options under Bagley-Keene, however.
16 First, the public specifically can bring up additional topics when
17 the board brings up that agenda item. That is number six today.
18 However, board members cannot respond. We can only listen. In
19 addition, agenda items the items not on the agenda can be suggested
20 for future board meetings when we take up the agenda item
21 designated for that purpose (number seven today). We'll take breaks
22 as needed, including for lunch, and shorter breaks as needed. I'll
23 announce each break and when we plan to return approximately so
24 that members of the public can leave and come back if they wish to
25 do so. Please note that agenda item number eight today is a closed
26 session item. The board will leave the room for the closed session
27 and return after it's completed its closed session discussion.
28 During the closed session time, the Zoom session will remain open

1 and members of the public can come and go as you like. My thanks to
2 all my fellow board members for their service and everyone working
3 to make the meeting possible. I would like to thank all the
4 conference experts who helped out in addition to our technical
5 staff, Mr. Philip Laird, who's acting as our meeting counsel today,
6 Mr. Ashkan Soltani, here in our capacity as executive director, and
7 our moderator, Mr. Kevin Sabo, who I'd like to thank and welcome
8 and ask him to please go ahead and conduct the roll call.

9 **MR. KEVIN SABO:** Yes, the roll call for attendance. Board
10 member de la Torre?

11 **MS. LYDIA DE LA TORRE:** Present.

12 **MR. SABO:** Present. Board member Le?

13 **MR. VINCHENT LE:** Present.

14 **MR. SABO:** Le present. Board member Mactaggart?

15 **MR. ALASTAIR MACTAGGART:** Present.

16 **MR. SABO:** Mactaggart Present. Board Member Worthe?

17 **MR. JEFFERY WORTHE:** Present.

18 **MR. SABO:** Worthe present. Chair Urban?

19 **MS. URBAN:** Present.

20 **MR. SABO:** Urban present. Madam Chair, you have five presents
21 and no noes-- no absences.

22 **MS. URBAN:** Thank you very much, Mr. Sabo. The board has
23 established a quorum. As usual, I would like to let board members
24 know we'll take a roll call vote on any action items. With that,
25 we'll move to agenda item number two, which is an update from our
26 executive director, Mr. Ashkan Soltani. Thank you so much Mr.
27 Soltani for briefing us today. Whenever you're ready, please go
28 ahead.

1 **MR. ASHKAN SOLTANI:** Great, thank you, Chair Urban and members
2 of the board. I'm pleased to present our annual update from the ED.
3 First, I'll provide you with a few updates since our last meeting,
4 and then I'll give a quick look-ahead at some highlights as we kick
5 off the year. So, starting with the agency's-- 2023 was a big year
6 for us. I'm pleased to share that since our last hiring update to
7 the board in September, we've added seven new full-time employees
8 and one student in intern across the various divisions. In
9 addition, three of our team members have received promotions within
10 the agency. Since we're a small agency and new, these hires are
11 essential to meeting our mission, and I'd like to thank the Admin
12 team for their incredible effort in helping us grow. I'm also proud
13 to share that our agency participated in CalHR's Superior
14 Accomplishments Awards Program for the first time last year. This
15 program recognizes state employees who have made an exceptional
16 contribution to the state, and nominees must be given-- must have
17 worked at the agency for at least a year. I'm thrilled to share
18 that we had five employees recognized for their service. A few
19 names will be familiar with you: Kristen Anderson, Neelofer Shaikh,
20 Maureen Mahoney. In addition, Julie Hall on our Enforcement team,
21 who also handles our complaints, and Koi Saelee, who's on our Admin
22 team. They were all recognized. Next, I'll move on to the data
23 broker registry. Speaking of an outstanding achievement, I'm
24 pleased to announce that the data broker registry is up and
25 running. As you know, Senate Bill 362 transferred the data broker
26 registry from the Department of Justice to our agency. The
27 Department of Justice had an existing IT portal in place for
28 operating the registry and collecting payments, but unexpectedly,

1 they were unwilling to maintain the system, even temporarily to
2 receive registration payments for Jan 1 to Jan 31, which is the
3 current registration window. As a result, we scrambled to implement
4 a basic registration system using our very limited IT resources.
5 This effort was truly a testament to the dedication and flexibility
6 of our staff, particularly our Admin team, and Elizabeth Allen, who
7 was recently promoted to our legal department and is handling a lot
8 of the day-to-day on the data broker registry. In accordance with
9 the law, we launched the registry on Jan 1, and we'll continue to
10 maintain the portal until the end of the month. We've received a
11 good number of registrations and are actively monitoring overall
12 compliance as compared to past years and with other states. We will
13 then publish a list of paid registrants on our website after the
14 payments are processed, likely in March, and we'll continue to
15 implement the registry in future years. Next onto rulemaking: as
16 you know, SB 362 also required us to set fees in regulation, which
17 the board approved last meeting. We successfully completed the
18 necessary rulemaking for the data broker registry fee, and the
19 approval documents are in the process of being uploaded to our
20 website. In addition, staff are diligently working on preparing
21 materials for the agency's next rulemaking package on
22 cybersecurity, risk assessments, ADMT, as well as updates to the
23 existing CCPA regulations. This process includes receiving
24 individual input from board members on ADMT and risk assessments
25 that were proposed in our December meeting. I believe we've now
26 received feedback from nearly all the board members, and we're in
27 the process of incorporating that feedback to present to the board
28 at our next meeting. In addition, we're also undertaking the

1 economic analysis necessary to support that rulemaking, although we
2 ultimately need to finalize the proposed text before we can
3 complete that work. Next onto enforcement: our Enforcement Division
4 has been very active. You'll recall that the Enforcement Division
5 had Mike Macko announced an inquiry into connected vehicles in
6 July, the same month that we received our enforcement authority. We
7 have many investigations underway, not just in connected vehicles,
8 but many other general areas that Mr. Macko proposed to the board.
9 We will be addressing enforcement in more detail at our annual
10 update in the spring, but for now, I wanted to point out that
11 Enforcement Division has grown by 400 percent in the last three
12 months, and we plan to grow even more in the near future. The
13 division's next hire will be the assistant chief counsel for
14 Enforcement and that recruitment's underway along with additional
15 attorney recruitments. Please share those with your networks if you
16 have suggestions or folks you think might be interested. Recruiting
17 is very difficult in this area, as you know. In the meantime, the
18 division is active-- the Enforcement Division is actively pursuing
19 investigations and regularly reviewing consumer complaints, which
20 have also been a useful way for us to understand what consumers are
21 experiencing in the marketplace. Next, onto business guidance: our
22 CPPA website-- on the CPPA website, you'll now find a resources
23 page, which includes information for businesses. Currently on that
24 page, we have guidance on four topics, one on which businesses need
25 to comply with the CCPA, another on information about opt-out
26 notices or about notices in general, I'm sorry, another on
27 information on opt-out preference signals and how businesses have
28 to respond to those, and then another helpful resource on personal

1 information and those definitions. All of this guidance is
2 informational and not legal advice. Primarily, these pull together
3 different portions of our laws and regulations into a concise
4 reference on these topics. As appropriate, we'll continue to
5 provide these guidance on additional topics, but we think that's a
6 good start for our agency. In addition to business guidance, we've
7 also added a table of motions to our website, which is a summary of
8 all the past action the board have taken and voted on. Like the
9 meeting transcripts, this chart will hopefully serve as a reference
10 for past board activity for the board and the public. Now, looking
11 ahead, January 21-27 is Data Privacy Week and leading up to Data
12 Privacy Day on Sunday, January 28. We are once again partnering
13 with Senator Dodd, Senator Dodd's office on outreach efforts, and
14 we'll also take on another social media campaign informing the
15 general public on what they can do to keep their information safe.
16 I'm also proud to share that in conjunction with Data Privacy Week,
17 we're launching a brand new privacy information resource for the
18 state, a new privacy website at privacy.ca.gov. In alignment with
19 our mission to promote public awareness and understanding of
20 privacy, we've created an entirely new website, which sits separate
21 from the agency's website, to provide information and resources
22 related to privacy to the public. While our agency is responsible
23 for the website, we think it's important to use this as a resource
24 for privacy protections across the state, including links to other
25 laws-- privacy laws, agencies, and complaint systems. This launch
26 is just to start. We plan to add more information and resources as
27 part of our larger public awareness effort and education campaign
28 this year. And just to note, our website, cppa.ca.gov, isn't going

1 away. That will still host the information as it has now, including
2 regulations, board meeting information, and additional guidance.
3 Our Public Affairs Division will update you on important outreach
4 efforts and do a deeper dive on this website as part of our regular
5 updates. And then a side note, as part of launching this website,
6 we had an opportunity to work with the State Center for-- CDT,
7 Department of Technology, to configure analytics in a more privacy
8 preserving way for the state. And what that will do is raise not
9 just protections on our website, but hopefully protections for
10 consumers accessing any website of the California state government
11 so that was a nice little side bonus. And so with that, that
12 concludes my update. I'm pretty excited how far we've come just in
13 the last year, both in terms of size as well as various efforts on
14 public awareness, enforcement, complaints. I'm happy to take any
15 questions or address any ambiguities. Thank you.

16 **MS. URBAN:** Thank you very much, Mr. Soltani. It's pretty
17 exciting that five out of our small staff got statewide awards.
18 That has to be a really impressive proportion of our staff to
19 receive these statewide awards. And this is all really exciting.
20 I'll be looking up and down to see if anybody has questions or
21 comments. I wanted-- oh, yes, Mr. Mactaggart, please.

22 **MR. MACTAGGART:** Hi there. I was just wondering: do you happen
23 to have any data on the consumer complaints? Like, are there 10?
24 Are there, you know, a hundred? What sort of numbers and what are
25 we typically getting back to them? Just sort of saying 'thank you'
26 and, you know, then did we ever close the case and say, 'sorry, we
27 looked into it; we don't think you have a complaint' or what's the
28 process there?

1 **MR. SOLTANI:** Happy to get into that at a high level. So
2 certainly it's more than 10. It's about 10 times that, we actively
3 have Mr. Macko will provide some details in his regular enforcement
4 update, including on the complaint system. We have a flow for both
5 sworn and un-sworn complaints where we typically respond to each
6 complaint that comes into our system. Some of those will be kind of
7 just referrals to other agencies or responses that the complaints
8 are not within our peer purview. For the ones that we, that are on
9 our peer purview, particularly sworn complaints in our purview, we
10 typically respond with any action or non-action that we've taken on
11 that matter, as well as refer it wrongly monitoring or enforcement.
12 And in fact, a number of the enforcement matters that I referenced
13 were the result of complaints.

14 **MS. URBAN:** Thank you. Other questions or comments? I'm excited
15 to hear about the [privacy.ca.gov](https://www.privacy.ca.gov) website. I confess I'm a little,
16 I'm having a little bit of trouble visualizing how it connects to
17 our existing web materials, and I'm assuming there'll be a link
18 from our website to [privacy.gov](https://www.privacy.gov) and then other state agencies might
19 link to it and might also put content on it. Did I understand you
20 correctly?

21 **MR. SOLTANI:** Certainly we'll link to it from our website and
22 certainly we have linked to other agencies and included content
23 from other agencies. Previously, the Department of Justice had
24 additional information on what other kind of agencies handle
25 privacy. We do hope to engage our kind of through our
26 intergovernmental affairs additional kind of opportunities for
27 people to add information about their laws. As you know, there's
28 also a lot of collaboration that we undertake with either joint

1 enforcement or referrals. And so we wanted-- we saw, and this is
2 partly to Mr. Mactaggart's question as well. We saw in our
3 complaint system a lot of confusion as to, for example, what our
4 agency's purview are, when people have concerns about government
5 surveillance, for example, that's not necessarily our purview. And
6 so this helps us both achieve our mission as well as refer people
7 to the important resources that they need in an event that we can't
8 help them or we can't service them. But in terms of your question
9 as to the difference, I see our ccpa.ca.gov website really being
10 for the board and for the agency's kind of government-facing
11 activities. And I see kind of the privacy portal as being really a
12 consumer resource to help inform Californians when they think
13 privacy. And we have a couple of these in the state. We have
14 cannabis, we have apportion, we have other kind of theme-oriented
15 sites. And so we were really encouraged to be able to, this was not
16 an easy process, I'll just say. We were really encouraged to be
17 able to get this resource and really help use this resource to
18 promote privacy across the state. As you know, that's one of the
19 three pillars of our mission.

20 **MS. URBAN:** Wonderful. Thank you so much. Yes, Ms. de la Torre.

21 **MS. DE LA TORRE:** Thank you. We talked about the consumer side.

22 **MS. URBAN:** Maybe a little closer.

23 **MS. DE LA TORRE:** Can you hear me now?

24 **MS. URBAN:** Yeah.

25 **MS. DE LA TORRE:** Thank you. We talked a little bit about the
26 consumer side. You also mentioned guidance provided to the
27 regulated community and some developments in terms of the
28 information that has been posted on our site. Are there any plans

1 to develop further guidance? Can you give us details on that? As
2 you will know, is very typical of privacy agencies to develop
3 robust guidance for the regulated community, ideally before
4 enforcement, so that we can ensure that they have a chance to get
5 the compliance before there's a need for enforcement. Thank you.

6 **MR. SOLTANI:** That's a great question. Indeed, we do have the
7 business guidance and business resources on this website, and we'll
8 continue to update that. One thing that informs a lot of what
9 business guidance we provide is also questions to our Info box. We
10 have a few frequently asked questions, and we essentially, when we
11 see certain topics that seem to cause confusion or people have
12 questions about, we do provide additional kind of this business
13 guidance. As you know, we are limited in effectively what we can
14 say beyond our rulemaking, but the business guidance takes what we
15 have said in our rulemaking or in our regulations, in our laws, and
16 provides a kind of a concise resource. And then lastly, I don't
17 want to get ahead of our Enforcement Division, but I do expect
18 we'll be providing additional compliance direction to the regulated
19 community as well. I'll let Mr. Macko speak to that at the
20 appropriate time.

21 **MS. DE LA TORRE:** Thank you.

22 **MS. URBAN:** Thank you. Yes, Mr. Le?

23 **MR. LE:** Yeah. Thank you, Mr. Soltani, for the update. Yeah, no
24 questions. I think I just wanted to appreciate all the progress
25 that we've made on a lot of different things since our last update.
26 You know, the website, I know probably building that data broker,
27 taking that data broker registry over, you know, last minute
28 probably was a huge lift and a good call-out for them, need to grow

1 our own, IT expertise in the agency. So yeah, be congratulations of
2 being able to build that on short notice. And the growth of
3 enforcement, 400 percent. I think a lot of folks are eager to see
4 the enforcement, the progress of the Enforcement Division so we'll
5 be listening to Mr. Macko's presentation with bated breath. And
6 again, the partnership with the Legislature, Senator Dodd, on this
7 data privacy awareness. So yeah, good work. Thank you.

8 **MR. SOLTANI:** Thank you.

9 **MS. URBAN:** Alright. I seeing no additional hands from board
10 members, I will simply add my congratulations and gratitude for
11 some incredible development and successes over the past year and
12 since your last update. Are there any comments from the public, Mr.
13 Sabo?

14 **MR. SABO:** Yes. We have one hand raised, massar@alum. We're
15 going to unmute you and you're going to have three minutes to
16 speak. Go ahead and unmute yourself using star six. So you've been
17 unmuted. You can go ahead. You have three minutes.

18 **MX. MASSAR@ALUM:** Hi, can you hear me?

19 **MS. URBAN:** Yes, thank you.

20 **MX. MASSAR@ALUM:** Hi, I just tuned in, but the speaker
21 mentioned the website, privacy.ca.gov, and I just went to it and
22 all I get is a weird site that requires me to log in and with a
23 warning about unauthorized access so I'm not sure what's going on
24 there. I just thought I'd mentioned that.

25 **MS. URBAN:** Thank you so much. So it's launching on Privacy
26 Week, is that right, Mr. Soltani?

27 **MR. SOLTANI:** That is correct. That is correct.

28 **MS. URBAN:** Maybe say that again so everybody understands

1 because it makes sense to be confused.

2 **MR. SOLTANI:** Yeah, sorry. It's currently password protected.
3 It's in kind of where we're finalizing some of the content, and it
4 will launch as part of Data Privacy Week, which is next week.

5 **MS. URBAN:** Do you have a date by which it will be launched?

6 **MR. SOLTANI:** I believe we're going to launch that on the 17th,
7 is that right?

8 **MS. URBAN:** So January 17, the public can go to privacy.ca.gov
9 and be able to see the resources you described.

10 **MR. SOLTANI:** Indeed. And if you follow us on social media, on
11 Twitter or on LinkedIn, we'll have announcements to that effect as
12 well.

13 **MS. URBAN:** Okay. Thank you very much. And thank you very much
14 to the speaker for flagging that for us. Is there further public
15 comment, Mr. Sabo?

16 **MR. SABO:** Yes, next we have Edwin and Glenda. I will unmute
17 you now, and then you can go ahead and speak. You have three
18 minutes to make your comments.

19 **MX. EDWIN LOMBARD:** Good morning. My name's Edwin Lombard. Good
20 morning members of the CPA-- CPPA. As we enter 2024, we would like
21 to take this opportunity to respectfully urge CPPA to honor the
22 need for a 2024 transparent regulatory process on the following
23 items. First, CPPA regulatory timeline. It is well talked about
24 that this is the year of AI as everyone from government, business,
25 and individuals anticipate addressing these issues. The small
26 businesses I work with are eager to be a part of this process. So
27 we asked today, when will CPPA share its regulatory AI timeline
28 with us? Can any of you please provide an answer to this question

1 today? Second, working with small businesses. Will CPPA take the
2 time to address that our resources are limited. and that CPPA
3 overregulation could cripple or in the existence of many small
4 businesses from retail theft, inflation, and excessive CPPA
5 regulation, small businesses simply cannot survive. There is no
6 doubt that all of you and staff or qualified to handle the AI
7 regulations, but with respect, it is doubtful that anyone at CPPA
8 has operated a small business or has experienced what we need to
9 stay open. We urge an empathetic and responsible 2024 regulatory
10 approach. Let me close with this. To be clear, we are not saying do
11 not do anything. We expect CPPA to do something, but it will be
12 helpful to have a balanced approach so that small businesses can
13 continue to be part of the California economy. Thank you, and we
14 look forward to working with you in 2024.

15 **MS. URBAN:** Thank you very much, Mr. Lombard. Mr. Sabo, is
16 there further public comment?

17 **MR. SABO:** Yes. Julian, I have unmuted you. You can go ahead
18 and begin your three minutes when you're ready. Julian Cañete, I've
19 unmuted you. You can go ahead and speak whenever you're ready.
20 Julian Cañete, you've been unmuted. You can go ahead and speak
21 whenever you're ready. I see your hand raised. Madam Chair, I don't
22 see any other hands other than Julian Cañete's.

23 **MS. URBAN:** Alright, well, if Mr. Cañete's hand goes up again
24 maybe we can circle back in case he had a mic issue or something.
25 Thanks very much to members of the public who did comment, the
26 board members, and especially to Mr. Soltani for that exciting
27 update. We'll now move to agenda item number three, which is an
28 update on budget and priorities for spring 2024. As a reminder,

1 this is part of our regularized-- annualized, excuse me, our
2 regular annualized calendar and is our opportunity for an update
3 after the publication of the governor's budget, which I think was a
4 couple of days ago. So please turn to those materials for this
5 agenda item in your packet for today. This item will be presented
6 by our Deputy Director of Administration Von Chitambira. Thank you
7 so much, Deputy Director Chitambira, for being with us today. Could
8 you please let us know when you're going to advance the slide since
9 we are facing the opposite direction so we can follow along? And
10 please go ahead.

11 **MS. VON CHITAMBIRA:** Good morning and thank you, Chairperson
12 Urban, board members. For this item, I'll be presenting the budget
13 update and planning as well as priorities. Advance to the next
14 slide. So the agenda shows that I'll be starting by looking back at
15 fiscal year 2022-23, which is this past year. Then we'll get into
16 our current year expenditures and the proposed budget for '24-25
17 and priorities. Next slide. And starting with '22-23, prior year
18 budget and expenditures. Next slide. Our budget for '22-23 was
19 \$10,852,000 as reflected on the bottom line of the slide. And this
20 amount is comprised of the \$10 million appropriation per statute.
21 Is that okay? Okay. In addition to the \$10 million, we had \$616,000
22 from fiscal year '21, 2021, the initial appropriation for the
23 agency. That was a non-budget item. So, we're able to bring this
24 forward, in additional \$236,000 in baseline adjustments. And
25 baseline adjustments are employee compensation and benefits, and
26 this is what brought us to the \$10.8 million. Next, I will discuss
27 the budget summary. Next slide. So, with that \$10.8 million, this
28 is how we'd planned to spend those dollars in fiscal year '22-23.

1 This is the first year that we received our 34 authorized positions
2 for the agency. And as part of that funding for the 34 positions,
3 we expected to spend 39 percent towards salaries, 23 percent in
4 benefits, general expenses at 10 percent. And these general
5 expenses are typically resources needed for staff to continue with
6 their duties. That includes resources for supporting our legal
7 team, filing Form 700, equipment, IT, everything was included in
8 that. We also had contracts, internal and external contracts, and
9 media and outreach at 7 percent. And that is how we plan to spend
10 the \$10.8 million. I'll move on to how those funds were actually
11 spent. The budget summary-- expenditure summary. At the end of
12 2223, our actual expenditures were spent as follows: 20 percent was
13 spent towards the salaries and 9 percent towards benefits, general
14 expenses landed at 2 percent, interdepartmental contracts at 10
15 percent. Again, these for interdepartmental contracts, these are
16 contracts with our agencies that have been supporting us with admin
17 functions, including IT, HR, as well as procurement. External
18 contracts were at 2 percent, and media and outreach was at 57
19 percent. We had some contracting delays for media and outreach, and
20 so that will continue. You'll see that in the next slide as well.
21 And contracting for media and outreach was necessary with the cost
22 savings as this is part of the mission for the agency, the three
23 prong of education and outreach, it made sense to have a three-year
24 contract set aside to fund that mission. In future years, we can
25 expect contracting costs to go down as we will be able to build
26 capacity in-house. Next slide. Now moving on to the current year
27 '23-24. In '23-24, our budget was \$12.625 million. To arrive to
28 this amount, we had our setting appropriation of \$11.458 million.

1 Now, our starting appropriation is no longer the \$10 million
2 because we now have the COLA included in that. Available from 2021,
3 which was brought forward, was \$318,000. We had a one-time cost of
4 living true-up of \$602,000. And this is from the fiscal year 2021-
5 22. We had baseline adjustments for \$247,000. And because the media
6 and outreach contract was not finalized in the prior year, you see
7 those dollars showing up again this year because this is when we're
8 able to finally execute the contract. Moving on to the next slide,
9 the budget summary for 2023-24. At this point, we now have 48
10 positions in the agency, and so we expect more funding to go
11 towards our salaries and benefits. And then we have contracting
12 again at 11 percent for the interdepartmental contracts and
13 external contracts only at 9 percent, general expense at 4 percent.
14 And general expense has remained low because we're continuing to
15 focus on a hybrid work environment, which is resulting in cost
16 savings. Next slide, '23-24 year-to-date expenditures. At this
17 point, when we were preparing the financial information for the
18 board meeting, we had financial information up to November of 2023,
19 which is only five months into the fiscal year. And so, at that
20 point, only 33 percent of our budget had been used. Of that 33
21 percent, 29 percent of the available funds-- so the 33 percent is
22 about \$4.1 million from the \$12 million that we have available.
23 From that \$4 million, 29 percent has been spent on salaries and 14
24 percent on benefits so, again, personnel costs continue to be the
25 highest expense. Contracting costs are 22 percent and 28 percent,
26 and then general expense appears to be at 7 percent. We expect
27 salaries to continue to grow and take more of that space on the
28 pie, and so the contracting costs will be decreasing as the

1 salaries continue to grow in the benefits. Next slide. For fiscal
2 year '24-25, this is our proposed budget. Our beginning
3 appropriation is \$11.4 million. Our cost-of-living adjustments is
4 \$777,000. Baseline adjustments are at \$263, and our total budget
5 that we are proposing is \$11,898,000. Next slide. So, the
6 governor's budget was presented on January 10. Included in that
7 budget was our COLA adjustment for 3.6 percent and budget bill
8 language for the COLA adjustment. The advantage in having our COLA
9 budget bill-- in the budget bill language is that it'll streamline
10 the process for us to receive our COLA adjustment. Prior to the
11 budget bill language being included, we had to prepare a BCP, and
12 that was a more cumbersome process for the COLA adjustment. And now
13 it'll be more streamlined, however, we'll still have to submit a
14 BCP for any new positions that we need. With our COLA adjustment
15 for this year, we are requesting a graduate legal assistant, and
16 this position will be assisting in the Legal Division with the
17 lower-level work that is coming in. And moving on to the next
18 slide. For future BCP considerations, they include SB 362, a grant
19 program and administrative staff. The data broker registry was
20 transferred to the agency January 1, 2024, from the DOJ. And the
21 DOJ had a remaining budget of about \$180,000 in the current fiscal
22 year. Since DOJ is no longer responsible for the data broker
23 registry, those funds will be transferred to the agency. And so
24 they are currently temporarily funding an attorney position that is
25 working on that, SB 362. This position was administratively
26 established, which means it is a temporary position. The funding
27 will end in January-- in June 30, 2024. And so because the funding
28 will end, we'll need to submit a BCP to secure permanent funding

1 for SB 362 positions. In addition to that, the agency is required
2 to have a grant program per statute, and the agency is currently
3 assessing resources to set up and run the grant program. It is
4 possible that a BCP may be required to secure positions for that
5 grant program. From the time the agency was created, it was always
6 the intent to bring in administrative services in-house, however,
7 they're currently contracted out. And so as the agency grows, the
8 focus is now on bringing in administrative resources in-house for
9 us to have more streamlined operations. We are currently in the
10 process of hiring a retired annuitant to help us assess our needs
11 for human resources. And once that assessment is done, we'll be
12 able to build HR in-house. We also plan to bring in contracting
13 services. Procurement has been a struggle for us, and so hopefully
14 bringing in contracting in-house will also help streamline our
15 contracts. And we're also in the process of assessing the need for
16 IT services and transferring them from Department of Consumer
17 Affairs. And that concludes my presentation.

18 **MS. URBAN:** Thank you very much, Ms. Chitambira. Questions or
19 comments from board members. Mr. Worthe and Ms. de la Torre, Mr. Le
20 and okay, let's go down the road. Mr. Worthe, please go ahead.

21 **MR. WORTHE:** Thank you for that presentation. You don't have to
22 answer all this now, but if it's easy for you to go back, but I'm
23 trying to follow the page. Some are numbered, some weren't, but I
24 think I have them. So page two, I just would love to see the
25 headcount for the past years and the proposed, just to try to track
26 the budget for the staff. You mentioned the baseline budget
27 adjustments. It's a different number each year, but you said it was
28 related to employee compensation. What exactly does that mean?

1 Because I figured the main budget obviously covers employee
2 compensation. So, what does the baseline adjustment do and what's
3 that process, I guess?

4 **MS. CHITAMBIRA:** So the benefits do change each year. And so,
5 when CalHR does the increase, maybe 3 percent, then we have to
6 calculate how much that will be based on the positions that we have
7 as an agency. That information is sent to Department of Finance,
8 and they provide funding for that change.

9 **MR. WORTHE:** So that's above and beyond the cost-of-living
10 adjustment?

11 **MS. CHITAMBIRA:** It is tied to that.

12 **MR. WORTHE:** It is? The baseline adjustment is?

13 **MS. CHITAMBIRA:** Yes, but not the CPI, which is our COLA
14 adjustment. Yes.

15 **MR. WORTHE:** Right. I was curious on page six, which was the
16 pie chart for the '22-23 expenditures, I thought the media buy got
17 pushed forward, but it shows being spent that year. You brought it
18 back into the following year, the \$6 million, right?

19 **MS. CHITAMBIRA:** Yes, so to explain that, so the \$6 million in
20 '22-23 is when we had cost savings because we didn't have as many
21 employees hired at the time. And with that funding, that \$6
22 million, it shows in the next fiscal year, '23-24, but it's
23 actually tied to the '22-23 budget so it was--

24 **MR. WORTHE:** We kind of booked it in '22 but spent it in '23-
25 24?

26 **MS. CHITAMBIRA:** Yes, so we encumber-- and we'll continue to
27 spend it in future years, and we're encumbering a portion of that
28 each year, but it decide to '22-23 budget.

1 **MR. WORTHE:** How many years will that cover us for the media
2 portion of the budget? Like when does that come back? When we have
3 to have an outlay again like that?

4 **MS. CHITAMBIRA:** We expect to spend that funding by June 2024.
5 So we decide for three years.

6 **MR. WORTHE:** And we should expect that kind of number again?

7 **MS. CHITAMBIRA:** No, we do not expect that kind of number in
8 the future. So, we needed to have that at the beginning because we
9 didn't have a team in our public affairs team. But now we do have
10 employees and we are hiring more so that funding has been tied to
11 the media buys. But that more work to do with media-- with outreach
12 and public affairs will be done in-house, and we don't expect to
13 have that much spending.

14 **MR. WORTHE:** Okay. And listen, I think this next one, page 11,
15 I think this is a hard question because there's so much change and
16 so much added responsibility, right that the agency's taken on. But
17 I just looked from '22-23 to '24-25, the budget's up about a
18 million dollars, which is about 9 percent so for a 4.5 percent per
19 year. Do you think that's kind of-- does that feel normal or is
20 that unusual because of all the changes in the growth and there, is
21 this too hard to try to extrapolate those increases going forward
22 because of all the change and the growth and the new
23 responsibilities? Or is that kind of representative? I'm just
24 trying to get a sense long-term.

25 **MS. CHITAMBIRA:** Long-term, it's a little tricky to assess.
26 However, from where we started, the changes have been tied to the
27 cost-of-living adjustments so the CPI, consumer price index, so
28 with the \$10 million, each time, we are adjusting for CPI. So if

1 it's lower in the future years, we can expect less funding.
2 However, if there's a need within the agency, suppose we're able to
3 justify a need for additional enforcement resources, if we're able
4 to justify that and indicate through the governor's budget that
5 there's a need for this. We'll be able to get more funding outside
6 of the CPI.

7 **MR. WORTHE:** Right. Which--

8 **MS. CHITAMBIRA:** So, it's possible we can continue to grow. I
9 would think we are going to continue to grow.

10 **MR. WORTHE:** Okay, on 13, SB 362 is creating new positions,
11 whether now or later, but just how many positions are we having to
12 add to take on that responsibility? I was just curious.

13 **MS. CHITAMBIRA:** We are still evaluating, but we understand
14 that there's a need for at least an attorney. We have a need for IT
15 resources as well as for regular administrative staff so at
16 minimum, maybe three--

17 **MR. WORTHE:** Oh, that's it? Okay.

18 **MS. CHITAMBIRA:** --but we are evaluating the needs.

19 **MR. WORTHE:** Okay. And then on the IT and human resources, the
20 idea of bringing those in house, would we get a chance to look at
21 the cost benefit of those--

22 **MS. CHITAMBIRA:** We have.

23 **MR. WORTHE:** --once you, you already have or--

24 **MS. CHITAMBIRA:** We are, so we understand there's a need for
25 sure because of some of the difficulties we've had working with
26 other agencies. Because we're outside, we are always, sometimes not
27 always the priority. I would want to say that it is important for
28 us to have these in-house. But for HR purposes, we are bringing in

1 someone in-house to do this assessment for us as it makes sense for
2 us to bring this in-house, and, if it does, how much are we going
3 to save? Because right now we have dedicated resources with DGS. It
4 has been helpful, but we think that it could be better if we had it
5 in-house. And so, this resource that we are bringing in a retired
6 annuitant with the state can help us better assess that. We'll be
7 able to make it a better determination.

8 **MR. WORTHE:** What about IT? Would you do the same thing?

9 **MS. CHITAMBIRA:** The same is true for IT, absolutely.

10 **MR. WORTHE:** Okay.

11 **MS. CHITAMBIRA:** I think Executive Director Soltani can speak
12 more to IT.

13 **MR. SOLTANI:** --kind of these proposals to the board at the
14 time when we make the request from Department of Finance as part of
15 the BCP process. So as we've done that analysis and make a
16 recommendation, we'll make a recommendation to the board that this
17 is what we'd like to do. And then that will be part of the regular
18 budget process when we do both this time of year as well as after
19 July when we start doing planning.

20 **MR. WORTHE:** I think it's helpful because I was only thinking
21 just in the math of it all, but you just brought up the point that
22 I wouldn't be privy to. Explain when you do that-- the troubles
23 you've had, right? Because it's not a cost benefit only.

24 **MS. CHITAMBIRA:** Right.

25 **MR. WORTHE:** Right. Thanks. That's all I had. Thank you so
26 much.

27 **MS. CHITAMBIRA:** Thank you.

28 **MS. URBAN:** Ms. de la Torre?

1 **MS. DE LA TORRE:** Thank you so much for the presentation. I
2 have two questions. The first one is my understanding is that we
3 are facing a situation in the budget overall in the state of
4 California that is leading to cuts. I also am aware of the fact
5 that we have certain protections because of the fact that our
6 statute guarantees funding. But I was wondering if you could speak
7 as to how that situation can affect us this year and in the near
8 future as my understanding is that that shortfall is not going to
9 change in the near future. Hopefully it will eventually change, but
10 I think that we are facing two, three, four years where that might
11 be the case constantly.

12 **MS. CHITAMBIRA:** Sure, we do have the \$10 million appropriation
13 per statute, so we'll continue to receive that. However, in
14 response to the expenditure freeze, the team-- the leadership team
15 has worked with the executive team to communicate the need for us
16 to be prudent in everything that we are purchasing. And we have a
17 process in-house where we need to justify why we need something
18 before it is procured. And part of that process is ensuring that
19 whatever we're purchasing is mission critical, aligned with the
20 mission of the agency, and our goals. And if it is necessary, we
21 have to continue to procure what we need as a growing agency, we
22 have to maintain operations. And so, we are being mindful in our
23 spending, understanding that we do have this appropriation per
24 statute, so we do have finding available to us, but also being good
25 stewards, continuing to be mindful of our spending.

26 **MS. DE LA TORRE:** Thank you so much for that answer. My second
27 question is around the reference to the grant program. I think
28 that's the last slide. Could you elaborate on what that grant

1 program is and what covers? It might be that information was
2 provided to the board, but it's not fresh in my mind. What's the
3 grant program?

4 **MS. CHITAMBIRA:** I do want to field this question over to Phil,
5 our general counsel. He is much more informed about what the grant
6 program is exactly and how it's supposed to operate. I do
7 understand the resources necessary from an admin perspective, but
8 I'll let him speak from a legal perspective.

9 **MR. PHILIP LAIRD:** Good morning, board members. Yes, so
10 actually in our law, there is a provision that was added about a
11 grant program that exists based on funding that'll come in through
12 penalties and fines assessed by DOJ and by our agency. As that pool
13 grows, the law basically provides that 9 percent annually of the
14 total funds that come into the Consumer Privacy Fund go to a grant
15 program. There's three components of the grant program, one that
16 would support-- go to nonprofits that are trying to promote privacy
17 in California. The second one is to nonprofits and governmental
18 entities that are promoting privacy awareness for youths. And so
19 contemplated could be even school boards or things of that nature
20 that could apply for that grant. And the third component is a grant
21 for law enforcement entities in California to partner with
22 international authorities on data breach investigations. So this is
23 a grant program that, again, is built in the statute and is one of
24 our sort of core functions directions to the agency to implement
25 and administer. But to date the consumer privacy fund historically
26 didn't have anything in it. But as we start to see enforcement from
27 both the attorney general's office and our agency underway, those
28 funds will be coming in and then it'll be incumbent on the agency

1 to administer those programs annually.

2 **MS. DE LA TORRE:** I have a couple of follow-up questions. I was
3 aware of the provision on the statute, but I really appreciate you
4 linking it to this: the fund is going to receive revenue based on
5 enforcement. Both enforcement of the AG and enforcement by the
6 agency will kind of feed into that fund. Is that a correct
7 assumption?

8 **MR. LAIRD:** That's correct.

9 **MS. DE LA TORRE:** But the agency will make the determination on
10 where the grants go?

11 **MR. LAIRD:** The agency solely administers the grant program.
12 Yes, absolutely.

13 **MS. DE LA TORRE:** Okay, got it. In terms of the vision for
14 that, and I understand that that's still being worked out, what
15 will be the expectation from the board perspective? Are those
16 decisions going to be made aware? Is there going to be options and
17 we will get to kind of approve the final? How is it going to look
18 like from the board perspective?

19 **MR. LAIRD:** Yeah. Great, great questions. And we won't get too
20 far afield of the budget necessarily right now, but I can preview
21 we're thinking a lot about those processes. Actually, I can say Ms.
22 Garcia and I come from an agency that did quite a bit of grant
23 administration in our previously roles so we're familiar with the
24 options here. But at its core, we will need to define either
25 through regulations or statutory amendments further details and
26 sort of mechanics of these grant programs. So those are things that
27 the board will likely have an opportunity to weigh in on, and then
28 those mechanics could go a number of ways. As the board could sort

1 of delegate a final decision-making authority process to staff. At
2 the same time, we could engage in a process where staff proposes
3 certain grantee awards and the board approves them. So there's a
4 number of opportunities, but this is a program as we think through
5 and develop, we will bring a proposal to the board to kind of
6 really to sort of approve sort of the structure of that grant
7 program, but as it stands, it's pretty wide open, which is in my
8 mind a good thing because it allows us to build a really dynamic
9 grant program that'll be most effective for this space.

10 **MS. DE LA TORRE:** Thank you for your answers.

11 **MS. URBAN:** Thank you, Mr. Le?

12 **MR. LE:** Mr. Worthe actually asked my main question, which was
13 around the transition to in-house. But I guess just to set
14 expectations, I was seeing it more as you said, streamlining is you
15 get more priority, you get more control, but not necessarily cost
16 savings. Is that the right way to expect this? Or is there going to
17 be expected cost savings from moving things in-house?

18 **MS. CHITAMBIRA:** It depends. So, with some of the functions, we
19 could have cost savings. I expect that procurement, we could use a
20 smaller team, and we may have cost savings there. With HR, it's
21 hard to say. And I think with IT, we could potentially have cost
22 savings as well depending on how-- which way we choose depending on
23 the results of those assessments on our needs. I don't know if you
24 want to speak to that.

25 **MR. LE:** Thanks.

26 **MS. URBAN:** Mr. Mactaggart.

27 **MR. MACTAGGART:** Thank you. Just quick question, and you may
28 have said it, I may have dismissed it, but for the SB 362

1 positions, those requests would be in addition to our guaranteed
2 funding, it's not asking to spend our funding, okay?

3 **MS. CHITAMBIRA:** That's correct.

4 **MR. MACTAGGART:** And then the only other thing is could we, at
5 some point, get a report on the-- I wasn't aware that we were, had
6 spent as much of the \$6 million for the outreach as possible. I
7 mean, as we have, and it's going to be spent by next June, I'd love
8 to see a report about where it went, how much went on radio, TV. Do
9 we measure any effectiveness? Did we do anything like that? And
10 maybe if I've already seen one this come, I apologize then.

11 **MR. SOLTANI:** Yeah, I can speak to that. The Public Affairs
12 Division will be providing an update as part of the annual calendar
13 on a public affairs efforts will, which include and we've done in
14 the past when we did our past public awareness in 2022, I believe,
15 that there was a subcommittee that Mr. Le and Mr. Thompson were on.
16 We presented kind of what outreach we did, radio, what the ROI was,
17 what kind of engagement we got. And so we'll do that. I just want
18 to also clarify that the-- we essentially have two public affairs
19 contracts underway. One was for the media buy, and that's the one
20 that we'll conclude at the end of this year. And then the \$6
21 million ongoing is for kind of both media and production. And that
22 will be a separate kind of related-- they're basically two
23 components. One is for the kind of the buy side, and the other is
24 for the production side. And so those two pots will be used in
25 conjunction, but we will report back out to the board. And my
26 understanding is that second part, that \$6 million can go beyond
27 2024 actually, it can go--

28 **MS. CHITAMBIRA:** The second one. Yes.

1 **MR. SOLTANI:** That can actually go beyond that. I think that
2 ends 2025 with an option to 2026, right? So, that \$6 million can
3 extend us to 2026 for media production, development, including
4 outreach and including some stakeholder engagement. The prior
5 encumbrance from fiscal year '21-22 that ends at the end of this
6 fiscal year, and that will be part of the public affairs
7 presentation that Ms. White will present, I think, in the spring.

8 **MR. MACTAGGART:** Okay, thanks. It'd be great just to get a
9 sense of both contracts and how much we're spending on production
10 versus outreach and all the rest of it, absolutely.

11 **MS. URBAN:** And the timing because I understand that it's \$6
12 million overall, it's all encumbered, so from a prior year. But it
13 sounds like some of it has to be spent by the end of this fiscal
14 year, but other, there's still additional funding for the
15 production and other efforts that could go on.

16 **MR. SOLTANI:** Correct.

17 **MS. URBAN:** And it's all out of the \$6 million?

18 **MR. SOLTANI:** No.

19 **MS. URBAN:** Oh, okay.

20 **MR. SOLTANI:** So, there was an \$8 million procurement in '21-
21 22-- one of the first years when I was like the only employee, and
22 we had a lot of cost savings, and we didn't have a public affairs
23 team. And so we encumbered those funds. And that's that original, I
24 think it was the \$8 million-- \$7- or \$8-million contract that Mr.
25 Le and Mr. Thompson both oversaw. We still have funds remaining in
26 that. I think we have about \$6 million remaining of those funds.
27 And those need to get spent by the end of this fiscal year. And
28 it's going to be part of our kind of major push in conjunction with

1 the privacy website. We're engaging in a really large public
2 affairs effort to really now drive not only awareness of the agency
3 and the privacy rights, but also drive additional engagement on our
4 rulemaking and to drive additional engagement on just general
5 complaints and enforcement. So that is going to be the media buy
6 plan and a public affairs effort that will basically be undertaken
7 before July 1 of this year. We are looking at media channels that
8 are more evergreen. So things that can extend slightly beyond that
9 point. So online video, billboards, some sort of out-of-home
10 presence. And that will be all as part of the presentation that Ms.
11 White will present. That is separate but related to this \$6 million
12 encumbrance of this current year. That was from the past fiscal
13 year in fact, the \$6 million that can take us three years on media
14 production and other kind of stakeholder engagement and other
15 aspects. And so those are the two pots that work together. So, in
16 tandem over the course of those, the three years and onto, say,
17 2025, we will have about \$14 million in public affairs broken into
18 at least two pots. And we'd be happy to present on how we have
19 spent and we'll spend those funds.

20 **MS. URBAN:** Thank you. Yes. I think that would be very helpful.
21 I had somehow inflated the eight and the six, and I only had eight
22 in my mind instead of 14. And yes. Okay. That's very helpful. Thank
23 you very much. Mr. Le, did you have something on this exactly
24 before we go to--

25 **MR. LE:** On this point? Yeah. Yeah, it was Mr. Thompson and I
26 on the subcommittee there, and we've since dissolved that
27 subcommittee, but we were tracking impressions where, which markets
28 that they were going to was like mostly a radio buy in advance of

1 the comment period. So yeah, I expect that we'll see that in future
2 presentations on our public affairs work.

3 **MS. URBAN:** Thank you, Mr. Le. Mr. Mactaggart?

4 **MR. MACTAGGART:** Sorry. So just so I'm clear, so we have
5 roughly \$12ish million, six of it needs to get spent. Does it need
6 to be actually spent by July 31? And to be even more granular, you
7 pay an agency to put ads up, do the ads all have to be I guess
8 finished by July 31? Or you could say, I'm going to pay you to run
9 ads for the rest of 2020-- calendar 2024. Can you?

10 **MR. SOLTANI:** That's right. So those are the evergreen. So two
11 questions. Yes, you're correct. Two pots, roughly \$12 million left.
12 One pot for media buy needs to be spent. And the media buy the \$6
13 million pot has a tiny bit of production budget in that pot as well
14 that we will spend. But we also have the second \$6 million pot,
15 which is the production budget. So the first pot, the media buy
16 pot, which is primarily for media purchasing, will need to get
17 basically paid out. It's encumbered, but we'll need to get paid out
18 by July 1 or end of June, basically. And so we will need to have
19 paid those invoices. But certainly if the vendor, and we are
20 exploring options, supports evergreen options where we could buy
21 like say a billboard ad that stays on for six months, we are
22 certainly looking at how to maximize our dollars in that sense so
23 that it's not just a media blast just for the two months. We're
24 also certainly looking at what fit is right for our agency in terms
25 of things like social media and web ads and these types of things,
26 balancing our privacy interests with reaching the community. We
27 want to reach in different demographics across the state. So
28 previously we did radio, which was pretty straightforward. But we

1 are exploring other opportunities, and we'll present that in our
2 spring meeting with kind of the direction we're undertaking. And
3 then lastly certainly I think there'll be ongoing past this fiscal
4 year and future, both with media production, but also our own
5 agency, a question of what and how much we want to do in this
6 space. Some of the evergreen options I'm interested in personally
7 are things like informative animations and illustrations that help
8 consumers that don't understand these complex topics understand how
9 to invoke their rights, invoke opt-out preference signals, what
10 rights they have, et cetera. So that's kind of my goal is to use
11 this to both, raise awareness, drive engagement, but also have some
12 like learning resources that then we can host on the [privacy.ca.gov](https://www.privacy.ca.gov)
13 website or on various social media channels that we're comfortable
14 with that help consumers understand their rights. Lastly we just
15 concluded as part of this budget a polling that we'll also present
16 a bit of information on about what consumers know about their
17 rights, what they expect, what are their priorities in terms of
18 what things they care about with respect to privacy and what pieces
19 of data they're most concerned about. We'll provide some insights
20 about that. We're also using that to track KPIs over time where we
21 will, and then this is going to feed into the strategic plan, but
22 know how effective were public awareness efforts in 2024 and/or in
23 '5, right? So we can see if people understand that they have these
24 rights. Currently, not a lot of people do understand that they have
25 protections, or they misunderstand that they have protections that
26 they don't. They think like companies need to ask consent when in
27 fact they don't, exactly.

28 **MS. URBAN:** Thank you. Mr. Soltani. Go ahead.

1 **MR. MACTAGGART:** So, just on this topic, Madam Chair, I'd love
2 it if we could ensure that maybe at the March meeting.

3 **MS. URBAN:** We have already the public affairs annual report
4 and the March meeting, and I think I've gathered quite a bit of
5 information about some of the detail that people would like to see.

6 **MR. MACTAGGART:** Yeah, it's super, super exciting for to have
7 this kind of opportunity to spend that kind of money to get the
8 word out.

9 **MS. URBAN:** I agree.

10 **MR. MACTAGGART:** As you say, the average California has no idea
11 that there is a privacy law. And so it's really exciting. I'd love
12 to have all of our eyes on that in March. And then my last question
13 for Von is just, I find this, this may be how the state has to have
14 it done, and the number that 2024-25 budget is the 8, 11.9 is, it
15 tracks with all the inflation, all the rest of it. But what's the
16 difference between the cost of living and the baseline budget?
17 Because when you look at the statute, it just says cost of living.
18 And so why did they break it down, these two?

19 **MS. CHITAMBIRA:** Right. So the cost of living adjustment line
20 that you see for us is the one tied to the CPI, which is specific
21 only to CPPA. We're the only ones receiving that well, and then the
22 baseline adjustments, all the other state agencies are also
23 receiving that, which are the employee compensation adjustments. So
24 the first one is tied to our appropriation, and then we are
25 receiving the CPI, customer price index adjustment to increase our
26 appropriation. And then in addition to that, we are receiving the
27 baseline adjustments with the employee compensation, which is just
28 for employee benefits. I don't know if you want to speak more on

1 that.

2 **MS. TIFFANY GARCIA:** Good morning. Just to twist it a little
3 bit, so our statute does authorize a COLA adjustment, and as the
4 presentation laid out, it is 3.6 percent. And so what that equates
5 to is \$440,000. But in conversations with the Department of
6 Finance, because we have civil servant employees that do receive
7 employee compensation and retirement adjustments, and it's handled
8 through a separate budgetary process, they build those in. And
9 that's that \$263. And then we have that \$177 that to get to the
10 four total-- \$440 total, which is our COLA that we have to go
11 through the budget change proposal process that we did submit. And
12 so with that \$177,000, we plan to fund one graduate legal assistant
13 position. So technically our COLA, again, is \$440,000 broken up
14 into those two buckets, just given how the Department of Finance
15 builds our budget that we work with them on and collaborate.

16 **MS. URBAN:** Thank you, Ms. Garcia. And also, I hope Mr. Laird
17 will shut me down if I can't, if this is too far outside. But I
18 would like to introduce Ms. Tiffany Garcia to the board and to the
19 public. She's our Deputy Executive Director, and we are very
20 pleased to welcome her from the Department of Consumer Affairs
21 where, well, and the Business-- oh, gosh, I'm not going to get it
22 all-- BCSH Agency where she has been a star for many years. So
23 we're very glad to have been able to tempt her over here. Welcome.
24 Other questions about the budget? I would like this for my own
25 benefit, but I dare to expect maybe for others. Ms. Chitambira, if
26 you could just give us, or whoever is the appropriate person, just
27 give us a quick timeline summary of where we are in the budget
28 process, whether our budget change proposal and everything has at

1 this point been approved, at what level and sort of where it goes
2 from here, just so we have a sense of the status of our funding.

3 **MS. CHITAMBIRA:** Sure, so the full BCP was submitted in the
4 fall, and it was included in the governor's budget on January 10 so
5 that was the COLA and the graduate legal assistant. We are
6 expecting to submit another BCP in the spring so that would be June
7 and February, and that'll include positions for SB 362. So that'll
8 be for the May Revise.

9 **MS. URBAN:** Thank you. And then the Legislature considers all
10 of it and makes its decision in the sort of May, June, July
11 timeframe?

12 **MS. CHITAMBIRA:** That's correct.

13 **MS. URBAN:** Thank you very much.

14 **MS. CHITAMBIRA:** Thank you.

15 **MS. URBAN:** Alright. Other questions or comments from the
16 board? Mr. Sabo, is there any public comment?

17 **MR. SABO:** Yes. Edwin and Glenda, I'm going to unmute you, and
18 then you will have three minutes to make your comment whenever
19 you're ready.

20 **MX. LOMBARD:** Thank you very much. Again, this is Edwin
21 Lombard, and on the topic of outreach and the media budget.
22 Normally, with government entities, the majority of the money is
23 spent with mainstream media. I would simply suggest that a
24 significant portion of this outreach budget be spent with ethnic
25 media, because in the Black community specifically the majority of
26 the information that we receive of this type that will reach the
27 entities that you're trying to reach, is done through ethnic media.
28 Where on mainstream media, we kind of gloss over these things, and

1 we're looking for the big ticket items to read. But in ethnic
2 media, when something like this is put into the fray, we pay close
3 attention to it and we actually receive the information. So I would
4 just simply suggest or recommend spending with the ethnic media,
5 some of this budget in the Black community, I would suggest to
6 California Black Media Association as an entity that you can go to.
7 Thank you very much.

8 **MS. URBAN:** Thank you, Mr. Lombard.

9 **MR. SABO:** Again, this is for agenda item three, Budget Update
10 and Priorities for Spring 2024. If you'd like to make a comment at
11 this time, please go ahead and raise your hand. Again, this is for
12 agenda item three, Budget Update and Priorities for Spring 2024.
13 Madam Chair, I'm not seeing any additional hands.

14 **MS. URBAN:** Thank you very much Mr. Sabo, and to Mr. Lombard
15 for the comment and to the board for the good questions, and
16 especially Deputy Director Chitambira for putting this together for
17 us informing us so effectively, thank you very much.

18 **MS. CHITAMBIRA:** Thank you.

19 **MS. URBAN:** With that, we will move to agenda item number four,
20 which is a strategic plan review and next steps from Sorello
21 Solutions. If you recall we last saw a presentation from the folks
22 at Sorello Solutions in September, which was a high level interim
23 report on the strategic plan process. And I believe they have a
24 draft plan ready for us to discuss today. Please turn to the
25 materials for this agenda item in your packet, which consists of a
26 presentation and a one-page or two-page strategic plan. I did want
27 to ask before we get started, Mr. Worthe, did you have an
28 opportunity to weigh in on this process?

1 **MR. WORTHE:** No, not be, for lack of their effort, I just felt
2 like it was hard for me to apply on a strategic plan for something
3 that I just started.

4 **MS. URBAN:** Okay, perfect. Alright.

5 **MR. WORTHE:** So I think the timing now is great. But they
6 definitely made efforts. Yeah, so this is on me, not on you.

7 **MS. URBAN:** Well, I think, and it's a very logical and
8 reasonable point that you might want to have a little bit more
9 experience with the agency as well. So I just wanted to check
10 though before.

11 **MR. WORTHE:** No, no, I appreciate it.

12 **MS. URBAN:** Before we moved into it. With that welcome back.
13 Thank you for being here. As I asked Ms. Chitambira, if you
14 wouldn't mind letting us know when you advance the slide so we can
15 flip our papers and I can look at my screen. Thank you.

16 **MS. EILEEN JACOBOWITZ:** Sure, will do. Oh, good morning board
17 members. My name is Eileen Jacobowitz with Sorello Solutions, my
18 colleague Jeannie Benoit is here. And I realized that I should have
19 brought my step-tool and my gloves to this meeting, but I'll
20 proceed.

21 **MS. URBAN:** I have to say that podium is for a giant.

22 **MS. JACOBOWITZ:** It's exceptionally tall.

23 **MS. URBAN:** And wide, and wide. I think it makes everyone look
24 small.

25 **MS. JACOBOWITZ:** Yes. Yeah, I was thinking maybe I could get on
26 someone's shoulders and do this presentation, but I'll do my best.
27 So thanks for inviting us back. And I want to say that in addition
28 to all of the amazing work that the agency has completed, that the

1 executive director highlighted, they also reached a really
2 important milestone, and that is the completion of their first
3 strategic plan. And we're back today to talk a little bit about the
4 process to share with you the draft strategic plan, and then get
5 your feedback on it. So if you go to the next slide, please. So
6 hopefully you're familiar with our approach. You remember our
7 approach. We started in May with a discovery process, and here we
8 are on phase three, where we're going to share with you the
9 preliminary strategic plan. And I'll talk about each of the phases
10 in a little more detail as we go forward. So why don't we go to the
11 next slide. So, phase one that we started in May, as you recall, we
12 spent the first bit of time just gathering information,
13 understanding the current environment. So we spoke to most of you
14 individually. We gathered information from you about the landscape,
15 your priorities, et cetera. We also conducted individual interviews
16 with each of the executive staff. And then we also administered a
17 survey to line staff, to agency staff. And we took all that
18 information and we analyzed it, and we summarized the feedback.
19 Next slide. Next, we took that information and we shared the
20 findings with the executive team. We worked closely with them to
21 identify goals and objectives, and we also crafted or identified
22 core values that were based on both staff survey feedback and also
23 the executive team. So that completed phase two. And now we're here
24 to next slide. Oh, just a reminder of what we asked about. We asked
25 you, and we asked the team about-- we asked for feedback on the
26 mission statement. We asked for feedback on the current culture on
27 agency strengths, opportunities for improvement. What you see is
28 what's ahead for the organization and then the landscape, and then

1 top priorities for the next three years. Next slide. Here's the
2 mission. We asked for feedback on the mission. People said, this is
3 pretty much what we do and why we exist. Next slide. And as you'll
4 recall, when we shared in September, we shared that the feedback
5 from both the executive team and staff was really positive about
6 the agency. So they talked about the strengths being both, the
7 caliber and the commitment of team. There's, you have an
8 extraordinary staff here, and people see it and recognize it and
9 value all the skills that you have. Agency nimbleness, because
10 you're a new agency, you're not mired in your bureaucracy of being
11 a legacy agency. The authorities that you have within the statute,
12 people see that you can do a lot of important things. You have a
13 lot of political support and open lines of communication, both with
14 your sibling organizations or like organizations, and also
15 internally. Next slide. And then folks, of course, pointed to
16 opportunities for improvement. One area was roles and
17 responsibilities as a new organization. I think there people said,
18 well, you need to be clear about what our lanes are, both at the
19 board level with the executive director, et cetera. And people
20 pointed to a need for additional staff. And you heard that a lot of
21 work has already been done to hire and fill vacancies. And some of
22 the things that came up had to do with bringing other functions in-
23 house so you don't have to outsource them. And you're seeing that
24 they're working on analysis around that now. Maturing the
25 organizational processes, procedures as a new organization, I think
26 that it's, what we heard was that there still was plenty of work in
27 terms of clarifying procedures for processes, how people do their
28 jobs, and documenting those kind of things. Improve communication

1 while it was solid. We also heard from some folks that there's
2 opportunities for improvement there. As a startup kind of culture,
3 we heard that people are working really hard and a lot, and some
4 people pointed to the need to make sure that folks also have work-
5 life balance. There were some folks pointing to a need for building
6 more relationships with external organizations and then
7 establishing criteria for supporting legislative bills. So that's
8 what we heard. Let's see, do we hear more? Next slide. Okay. We
9 also heard about trends. So we asked what do people see things that
10 are in on the horizon that are important for the agency to be
11 addressing, mitigating, anticipating. And you'll see there are four
12 high level trends and know that there was a lot of alignment with
13 everyone on the trends. In fact, there's a lot of alignment on most
14 of these things across hearing from you all, hearing from executive
15 staff and hearing from staff. So trends on the horizon changes at
16 the federal level that could impact your authority. Increased
17 awareness of privacy issues. We know that privacy is on people's
18 minds, especially around children's privacy. The dynamic nature of
19 just the field, both AI and other advances and regulations around
20 that. And interest from the state legislature, we heard that that's
21 a big deal. That might mean that there'll be more work or more
22 opportunities for the agency. And then next slide. Top priorities
23 for the next three years. This is where folks said it's important
24 to focus, and you'll see that this directly feeds into the
25 strategic plan, finalizing the regulations, successful enforcement,
26 public awareness and guidance, and building organizational
27 capacity. Next slide, please. So here we are today, and the
28 executive team and staff worked really spent a lot of time

1 digesting this information and being very thoughtful in their
2 deliberations. And as they developed the preliminary strategic
3 plan. So we developed something, we gathered, we put everything
4 together, we developed a pretty strategic plan for them. We gather
5 feedback from the executive team, and here we are today to gather
6 your feedback and public feedback. So with that, what I'd like to
7 do is direct you to this document you have here. This is the draft
8 strategic plan. And what I'd like to do is, I think where we make
9 sense to spend the most time is around the goals and objectives.
10 But I do want to share with you that, I think we do have the vision
11 on the slide before that. Yeah. So the vision is new. That's on one
12 side of your page there. The vision was newly developed. The
13 mission statement is the existing mission statement that you had
14 before. And then if you scroll up there--

15 **MS. URBAN:** Actually, so I understood you're going to ask us to
16 go through or to have comment, if we have comments if on each
17 piece?

18 **MS. JACOBOWITZ:** Sure. Yeah. We'll go through, let's go
19 through, I'll go through the vision, mission, and values, and then
20 we'll go back. Is that reasonable?

21 **MS. URBAN:** Sure.

22 **MS. JACOBOWITZ:** Okay. Well, let's do it now. If you have
23 comments about the vision or mission, let's do that now. Sure.

24 **MS. URBAN:** I have a very picky comment on the mission
25 statement "businesses and consumers are well informed about their
26 rights and obligations." The order of "businesses and consumers"
27 and "rights and obligations" is not in agreement. Generally
28 speaking, businesses have obligations and consumers have rights.

1 And so if we could swap "obligations" and "rights," that would add
2 clarity. I told you it was nitpicky.

3 **MS. JACOBOWITZ:** Duly noted. We have Jeannie taking notes right
4 here. Thanks for that.

5 **MS. URBAN:** Sure.

6 **MS. DE LA TORRE:** I also have a small comment. If we could--

7 **MS. JACOBOWITZ:** Could you turn on your mic?

8 **MS. DE LA TORRE:** It's on? Okay. If we could avoid using the
9 term "business" and refer to the regulated community, just because
10 "business" is a defined term in our statute, and it could be read
11 to exclude potentially some of the organizations that could be
12 indirectly, perhaps regulated by us. If it fits in the drafting, I
13 think it will be better to avoid that confusion. Regulated
14 community or some other term that's a little bit more... that cannot
15 be read as referring to the specific definition of business that we
16 have in the statute, perhaps.

17 **MS. URBAN:** So I hear that and I see the reason I, I'm not sure
18 we don't want to stick with the statute, and if we don't stick with
19 it for businesses or regulated community, then I think we probably
20 need to consider consumers. Yes, Mr. Mactaggart?

21 **MR. MACTAGGART:** You know, while I hear what Madam de la Torre
22 is saying from a, she's right, from a privacy expert's point of
23 view, I just worry a little bit if the average consumer is reading
24 this, they understand business, they're going to be like, what's a
25 regulated community? So I think maybe for clarity, I don't, I
26 totally hear what you're saying and you're correct. As you know,
27 one of my dreams is that it's not just businesses that are
28 regulated, the nonprofits follow and government agencies and all

1 the rest. So I can see going both ways anyway.

2 **MS. URBAN:** And I think part of Ms. de la Torre's point was
3 probably that businesses is also a subset of businesses within
4 California. But I tend to agree that even though it connects with
5 the statute in a way that I think Ms. de la Torre is right, in some
6 context, could be confusing. This simpler language maybe overall
7 easier for folks to digest. I think Mr. Le and then Mr. Worth.

8 **MS. DE LA TORRE:** And I'm not particularly strong on just
9 trying to offer feedback.

10 **MS. URBAN:** Yes.

11 **MR. LE:** Yeah. Same thing. One's more accurate, but one reads
12 better. And I would prefer the one that reads better at least for
13 the mission statement, which no one's referring to that as their
14 legal basis for a lot of different things. These businesses aren't.

15 **MS. URBAN:** I will say, I like the way that this mission
16 statement boils down and extracts all of the preambular language in
17 our law, which is, I think one of the things that is most
18 beneficial and well done about our law is that it is very clear
19 about our mission, frankly, and what it is that we are supposed to
20 do. And so I kind of like echoing some of that. Mr. Worthe.

21 **MR. WORTHE:** Yeah, I think we're good. I just was going to
22 point out that in the goals we do have regulated community. So it
23 does come up there.

24 **MS. URBAN:** Fair enough.

25 **MR. WORTHE:** So I think at least the fact that is, it is used,
26 but maybe just not in a mission statement.

27 **MS. DE LA TORRE:** One more thing, and I'm not completely strong
28 on it, but consumers is also limiting, maybe we should say

1 residents of California so that everybody understands because
2 there's protections in the law for individuals who will not read
3 themselves as included if we use the term consumers to just
4 consider using Californians, for example.

5 **MS. URBAN:** I like Californians.

6 **MS. JACOBOWITZ:** Okay, there's two votes for Californians.
7 We'll capture that. Thank you. Other comments on the mission
8 statement?

9 **MR. SOLTANI:** The only thought is businesses are Californians
10 too, right? So Californian businesses. So it's a little bit, we can
11 certainly think of another term that's not consumers, "citizens"
12 maybe or something.

13 **MS. DE LA TORRE:** No, I would avoid "citizens."

14 **MS. URBAN:** Not everybody's a citizen.

15 **MR. SOLTANI:** Yeah, right.

16 **MS. DE LA TORRE:** Residents could be and definitely have the
17 ability to play with whatever works best.

18 **MR. SOLTANI:** Yeah, I'm trying to think.

19 **MS. URBAN:** I think, I mean, for my own part, I think yes, as a
20 fictitious legal matter businesses or Californians as well, but as
21 a generalized kind of common understanding matter I think
22 Californians would be understood to P-people. I don't feel strongly
23 about consumers in this context, just because it's parallel with
24 businesses and reflects our statute. But I'm not sure as in terms
25 of process, what is our best way forward here.

26 **MS. JACOBOWITZ:** So we're be capturing your feedback and then
27 we'll bring it back to the executive team. And make some
28 recommendations. I will say that we work with a lot of state

1 agencies and departments and we can actually look at some of their
2 mission statements to see what they're using in terms of
3 Californians versus residents, et cetera. So we can make
4 recommendations around that.

5 **MS. URBAN:** Okay. So I understand that we have on the table
6 consumers as a possibility. Ms. de la Torre pointed out that that
7 is also limiting in its way and people may be engaging in various
8 activities that they don't think of themselves as being consumers,
9 but as being what the statute calls natural persons. And she
10 suggested residents of California, possibly Californians, you heard
11 some of the challenges with Californians. So if you have the
12 information you need.

13 **MS. JACOBOWITZ:** Yeah. Very helpful. Thank you. We captured
14 that.

15 **MS. URBAN:** Okay.

16 **MS. JACOBOWITZ:** Alright. If there are no other comments, I'll
17 move to values. And as you know, organizational values are used,
18 are about how people show up every day and treat each other and
19 treat the people they interact with outside the organization, and
20 they help guide decision making. So these are the four values that
21 were developed based on input from staff and blessed by the
22 executive team, crafted and blessed by the executive team. I'll
23 give you a moment to take a look at those.

24 **MS. DE LA TORRE:** I just wanted to point out that innovation
25 also has a reference to Californians. So yeah, it's, you could kind
26 of match that too.

27 **MS. URBAN:** True. I had a more kind of general question about
28 the values. The mission statement is appropriate, a broad statement

1 of our goal external to the agency, what the agency's purpose is.
2 These values seem very internal to me. And as a personal matter or
3 as a personal opinion, I would generally like to include some
4 values that relate to our external mission. So transparency, for
5 example a fairness seems to apply beyond the internal workings of
6 the organization, but I recognize that this may be a bucket for the
7 internal workings of the organization. So I wanted to ask if that
8 was the case and if it has more flexibility then it seems to me
9 that we could have some, we could also incorporate values that are
10 about how we interact as an agency with a regulated community, with
11 Californians and generally.

12 **MS. JACOBOWITZ:** Yeah, our intent was these are external and
13 internal facing, right? So--

14 **MS. URBAN:** So it might be possible to do something to just
15 make that a little bit more clear. So for example, under
16 communication it says we foster an environment of honesty and
17 openness that you, it just felt like the internal environment to
18 me. But of course, just to say that literally we communicate with
19 purpose and clarity, that second part could be extended a little
20 bit to say we communicate with purpose and clarity, both internally
21 and with the public or something like that.

22 **MS. JACOBOWITZ:** So, I here to try to add some language that's
23 feels external as well, right?

24 **MR. LE:** Yeah. I would second that I reading it, I could see
25 that I think it was written to apply both ways. Maybe changing the
26 order of things or just adding a little bit more context. But yeah,
27 it does read at least for some of these, internal.

28 **MS. JACOBOWITZ:** Okay. Thank you for that. Shall I move on?

1 **MS. URBAN:** I think so.

2 **MS. JACOBOWITZ:** Okay. If you turn over your, this single
3 sheet, we're now on the goals and you'll see that there are four
4 goals. The first one is strengthen public education, outreach, and
5 engagement. And I'll just give you a moment to take a look at the
6 goal and the objectives and let us know if there's any substantial
7 significant feedback you have on those.

8 **MS. DE LA TORRE:** So, again, I don't feel strongly about this,
9 but on five, when we say educate the privacy community about the
10 agency's efforts, I think our education objective goes beyond the
11 privacy community. So maybe if we could use a term that's more
12 inclusive than the privacy community. And just to point out, we see
13 again here consumer business and then a reference to California's
14 privacy rights. So if we could find consistency on the terminology
15 that, I think will be also, so that people don't think, oh, it's
16 this the same or is it different?

17 **MS. JACOBOWITZ:** Right. So if we change it in one place, change
18 it in another place.

19 **MS. DE LA TORRE:** Right. Like if we choose Californians, or
20 maybe there's a better term just across the document, the same
21 terms. Same thing with business. If we end up deciding that
22 business is the right term, maybe use it across the board for all
23 references or regulated community, or maybe there's a better term
24 that we cannot come up with, but your team with the support of the
25 agency might identify.

26 **MS. JACOBOWITZ:** Thank you for that. Next goal.

27 **MS. URBAN:** Looks like it.

28 **MS. JACOBOWITZ:** Okay. Second goal, vigorously enforce privacy

1 laws. I'll give you a moment there.

2 **MS. URBAN:** I will say I'm not terribly bothered by a
3 difference in the mission statement and those goals saying
4 regulated community because it is so directed at people.

5 **MS. JACOBOWITZ:** It's very specific, right.

6 **MS. URBAN:** People who would understand that term. Yeah.

7 **MS. DE LA TORRE:** I don't have any comment other than maybe we
8 should have started with saying that this is a really good effort,
9 we're just giving the, trying to be helpful, but I just in general
10 think it's very well put together.

11 **MS. JACOBOWITZ:** The executive team worked very hard, spent a
12 lot of time and had very thoughtful deliberation to create
13 something that is an amazing roadmap for the next few years.

14 **MS. DE LA TORRE:** It shows.

15 **MS. JACOBOWITZ:** Yeah. But then I'm going to move us to the
16 third goal. Strengthen Californian's privacy rights. We had
17 recommended Idahoans, but they rejected that out of hand.

18 **MS. DE LA TORRE:** I have a question on two of that. I'm not
19 completely sure If you could elaborate on what that means. The
20 standardized coordination monitoring assessment of state and
21 national legislation engagement and implementation to ensure
22 compliance with the statutory requirements. Is it who's complying
23 with the requirements? Like state agencies, I mean a little what
24 convey?

25 **MS. JACOBOWITZ:** I want to defer to staff on that. Just, I
26 don't want to misspeak here. So this is number two on the third
27 goal.

28 **MS. URBAN:** Yeah.

1 **MR. SOLTANI:** Certainly that can be more clearly worded, but
2 this is to reflect our kind of harmonization mission.

3 **MS. URBAN:** Oh, okay.

4 **MS. DE LA TORRE:** Maybe harmonization is a word that we might
5 want to...

6 **MS. URBAN:** Maybe to promote harmonization. I read it as Ms. de
7 la Torre did. I thought this was about the statutory requirements
8 that have applied to us.

9 **MR. LE:** I read it as harmonization, but I think we could
10 probably--

11 **MS. URBAN:** I think if you just said to promote harmonization
12 instead of to ensure compliance with statutory requirements. That
13 would probably--

14 **MR. SOLTANI:** We have that in four, the harmonization, but we
15 can wordsmith it a bit.

16 **MS. URBAN:** Okay.

17 **MS. DE LA TORRE:** So, but harmonization is on Four, right?

18 **MS. JACOBOWITZ:** Right.

19 **MS. URBAN:** Oh, of course.

20 **MS. JACOBOWITZ:** Is number two not, is that not about tracking
21 state and national legislation around the issues that you care
22 about?

23 **MR. SOLTANI:** Yeah, I think, it's not, it's partially
24 processes, but partially the kind of this Mahoney's portfolio. And
25 we can certainly look at combining two to four to be more kind of
26 concise. But as you know, under our direction of, in the statute,
27 we regularly engage with the legislature both here and elsewhere as
28 they look to implement these protections. And we want to promote

1 kind of, we track those developments and then we try to promote
2 harmonization.

3 **MR. LE:** Yeah. And I also kind of read it as one of the goals
4 was to have a standardized process for evaluating like what
5 Maureen's job is. Like, what do we support, what we don't? So I
6 also kind of saw it as partially, so yeah, maybe. I don't know if
7 you need a separate. Yeah. I mean, how to best do--

8 **MR. SOLTANI:** We'll try to capture both. Yeah.

9 **MS. DE LA TORRE:** Just make it a little bit more intuitive from
10 the perspective of somebody who didn't hear all of the
11 conversations that I'm sure we're in went into developing.

12 **MS. JACOBOWITZ:** Alright, move on to the fourth goal,
13 operational excellence. I'll give you a moment to take a look at
14 that. And the associated objectives.

15 **MS. URBAN:** I do not feel strongly about this, and I almost
16 hesitate to say it because it sounds very corporate and I don't
17 intend it that way. And I do not mean to also characterize what Mr.
18 Le said in maybe the September meeting, that way either. But I
19 remember, I believe Mr. Le saying something about having a goal of
20 the agency growing with a positive culture, which is in here, and
21 not developing, and this was not his word, the sort of cruft that a
22 large organization can develop so that they become sclerotic and
23 overly bureaucratic. And I wonder if there is room to have this
24 idea of remaining nimble. This is where I started to sound very
25 corporate. Let's be nimble, let's pivot.

26 **MS. JACOBOWITZ:** Agile. Don't forget agile.

27 **MS. URBAN:** Agile, that's the word looking for. But I do think
28 those of course, important things for organizations to be able to

1 accomplish, whether or not there's some fashionable word about for
2 it at the moment. And I think it would be a good portion of this
3 goal for us to have, because we do have the opportunity as such a
4 new organization to develop processes that allow us to perhaps not
5 become too sclerotic

6 **MS. JACOBOWITZ:** Sustain the agility that you have now.

7 **MS. URBAN:** Sure. Thank you.

8 **MR. LE:** Yes. I was fine with your organization. I agree with
9 that point. And I have no issue about the operational excellence. I
10 would maybe after we talk about this, like, to go back to number
11 one, the first goal that the whole.

12 **MS. URBAN:** Okay. Are we ready to go back? Alright. Can we flip
13 back to goal number one, Mr. Le?

14 **MR. LE:** Yeah. So one thing, number four on goal one is
15 facilitate compliance through supplemental business guidance. And
16 one thing that I raised during the calls, I don't want to just
17 facilitate compliance. I think the agency would do well to
18 simplify, right? And we see that in other jurisdictions, the
19 canilar has put out a lot of tools to make it easy to do a risk
20 assessment. So if we can capture simplifying compliance for
21 businesses, Mr. Lombard's point has raised a lot, you know, want to
22 make it easy for small businesses as well as large ones to comply
23 to the extent they actually are covered. You know, \$25 million, I
24 want to argue if that's a small business. But yeah, make it easy
25 for them, but also for consumers. And I think we are doing a great
26 job with consumers making it easy to opt out and things like that,
27 global privacy controls. But yeah, just to see it reflected in
28 these goals.

1 **MS. JACOBOWITZ:** I recall that there was a lot of conversation
2 for number four on what that verb should be. Facilitate. And you're
3 suggesting--

4 **MR. LE:** Simplify.

5 **MS. JACOBOWITZ:** Simplify. So we'll take that back.

6 **MR. LE:** Yeah. I don't want--

7 **MS. URBAN:** Facilitate and simplify.

8 **MR. SOLTANI:** I saw almost say rightsize or something.

9 **MS. JACOBOWITZ:** Corporate. That corporate.

10 **MS. URBAN:** Let's make sure we agilely right size.

11 **MS. JACOBOWITZ:** Nimbalise this guidance.

12 **MS. DE LA TORRE:** I really wanted to speak in support of what
13 Mr. Le mentioned. We have potentially broad number of small
14 businesses, medium businesses, so simplify and thinking about them,
15 it's, I think, very important. I just wanted to go back to your
16 comment and you mentioned simplify compliance and through
17 supplemental, we talk about guidance here, but some of the things
18 that you refer to, like the canilar tools is not just guidance. So
19 perhaps it's both guidance and potentially building tools for them
20 to make compliance simple. And I know that it, I personally don't
21 mean to kind of edit this on the spot, so feel free to take our
22 comments back and work through what's the best way to express
23 those. It might be that tools are built by the agency. It might be
24 that the agency supports tools that are being built by others. I
25 think that's very clear the case in some of the areas where the
26 agencies placing a lot of attention, like the tools for opt out,
27 which are in part developed externally. So I don't want, I don't
28 mean to force the agency to make a commitment to put resources

1 towards tools, but perhaps make a reference to tools that make
2 sense just beyond guidance. Thank you.

3 **MS. URBAN:** I agree with that. We of course, always have to be
4 aware that in California, under the California Administrative
5 Procedures Act, we don't have as much flexibility as a lot of other
6 jurisdictions do to create these things. And so I just want staff
7 and everybody to be aware that we're aware of that and this is an
8 aspiration. Also, the executive director mentioned his update,
9 additional resources for businesses on the website, which I poked
10 around on while you were talking. And I think some of these, I
11 mean, they're very straightforward charts and PDFs that just
12 translate some of the statutory language into simple language for
13 people to be able to digest easily. And I think this is great. And
14 should be really helpful. So maybe more of that in this goal would
15 be great. Is what I would say.

16 **MS. JACOBOWITZ:** Alright. I appreciate your feedback. I
17 appreciate you fought the tendency that we all have to do some
18 serious wordsmithing. So thank you for sharing your thoughts in
19 such a thoughtful way. I want to go to the next slide. So it's
20 separate, a separate file, then the PowerPoint slide. I just want
21 to talk about next steps, a couple slides ahead, the last slide.
22 That's okay. So next steps, we'll synthesize your feedback, we'll
23 make recommendations to the executive team once it's blessed by the
24 executive team. It'll be published on the website and shared with
25 staff. And then implementation happens. I wonder if we need to stop
26 for public comment.

27 **MS. URBAN:** We will. Yes. I was waiting.

28 **MS. JACOBOWITZ:** I won't leave.

1 **MS. URBAN:** Okay. So is that--

2 **MS. JACOBOWITZ:** That's all that's I have.

3 **MS. URBAN:** Alright. Thank you very much and thank you for all
4 of the effort that has gone into this over the last month and for
5 everybody within the agency and the board for all their work on it
6 as well. If there aren't other comments from the board, then I
7 would like to ask for public comment. Mr. Sabo?

8 **MR. SABO:** Yes, we have one member of the public. Chris, at
9 this time, I'm going to unmute you and you'll have three minutes to
10 make your comment. So go ahead whenever you're ready. You've been
11 unmute. Chris, you have three minutes to make your comment. If
12 you'd like to unmute yourself at this time. I've unmuted you. This
13 is the last call. Chris, I see your hand raised. You've been
14 unmuted if you'd like to speak. Madam Chair, I don't see any other
15 hands other than Chris.

16 **MS. URBAN:** Alright. Thank you very much Mr. Sabo. And again,
17 we can keep an eye out to see if Chris reappears perhaps under the
18 item for general public comments. With that, we will move to agenda
19 item number five with a slight caveat that I will look at Ms.
20 Mahoney. And my understanding just from reading the agenda is that
21 this is probably a fairly short item. So why don't we go ahead and
22 do it before lunch if you're ready. So agenda item number five is
23 an update on the agency legislative proposal to require browser
24 vendors and other platforms and devices as defined by regulation to
25 include a feature that allows California users to exercise their
26 privacy rights through opt-out preference signals. I'm sure the
27 board will remember, because it was just a month ago, we discussed
28 and approved this and I believe Ms. Mahoney has a briefing for us.

1 Thank you very much for briefing us today. Please go ahead.

2 **MS. MAUREEN MAHONEY:** Thank you Chairperson Urban, members of
3 the board for this opportunity to provide a brief legislative
4 update specifically with respect to the legislative proposal that
5 the agency advanced at the December board meeting. At that meeting,
6 consistent with the process approved in 2022 for taking positions
7 on bills and adopting legislative proposals, the board voted to
8 advance a legislative proposal to require browser vendors that
9 include a feature that allows users to exercise their California
10 privacy rights through opt-out preference signals. The board also
11 asked for progress updates on the proposal. So since that meeting
12 staff have begun working on draft language, we've had initial
13 consultations with legislative council and we're having
14 conversations with potential authors which have been incredibly
15 positive. We've also undertaken additional legal analysis as
16 requested by board members and are confident in our approach. Based
17 on this initial work and our experience with SB 362, the California
18 Delete Act, we're confident that we have adequate resources to
19 effectively sponsor the bill. Additionally, we have new staff
20 joining the legislative team later this month, which will further
21 expand our resources. And thank you, and I'm happy to answer any
22 questions.

23 **MS. URBAN:** Thank you very much, Ms. Mahoney. Questions?
24 Comments? Mr. Worthe?

25 **MS. DE LA TORRE:** Question that is short. You mentioned that
26 additional legal analysis?

27 **MS. MAHONEY:** Okay. Yeah, we, let's all back up, Ms. de la
28 Torre?

1 **MS. DE LA TORRE:** No, I just quickly, you mentioned additional
2 legal analysis has been completed. Was that already shared with the
3 board through a memo? I might have not read it, but perhaps it has
4 been shared or maybe there are plans to share it in the future.

5 **MS. MAHONEY:** I'm going to refer to Mr. Phil.

6 **MR. LAIRD:** Good morning again. Good afternoon, almost. Yes, a
7 memo has been issued to the board although it was earlier this
8 week, so.

9 **MS. DE LA TORRE:** Thank you. I apologize. I'll make sure to
10 thank you for all that.

11 **MS. URBAN:** Alright, there if no other comments or questions
12 from the board. Mr. Sabo, is there any public comments?

13 **MR. SABO:** This is for agenda item five, Update on Agency
14 Legislative Proposal. If you'd like to speak on this item at this
15 time under public comment, please go ahead and raise your hand
16 using Zoom's 'Raise Hand' feature or by pressing star 6 for joining
17 by phone. Again, this is for agenda item five, Update on Agency
18 Legislative Proposal. This is the last call for public comment on
19 agenda item five. Madam Chair, I'm not seeing any hands.

20 **MS. URBAN:** Thank you very much, Mr. Sabo. Thank you again, Ms.
21 Mahoney. And we'll look forward to additional updates as they
22 arise. I suggest that we go ahead and break for lunch in part
23 because it might be warmer where we're going, and I could use a
24 little time in a warmer room if that's amenable to everybody. I
25 would like to inform the public and the board that we will take out
26 of item-- out of order from the agenda item number eight during the
27 time that we're eating lunch, which will be the closed session item
28 pursuant to Government Code section 111-- excuse me, 26(e)(1), and

1 (2) (A). The board will be meeting and closed session to confer and
2 receive advice from legal counsel regarding the following matters,
3 California Chamber of Commerce v. California Privacy Protection
4 Agency, et al. and California Privacy Protection Agency, et al. v.
5 the Superior Court of the State of California for the County of
6 Sacramento California Chamber of Commerce. In addition, during
7 closed session, the board will be meeting pursuant to Government
8 Code section 11126(a)(1) to discuss the executive director's annual
9 review. I will say that we will, for purposes of the members of the
10 public, we will not be back before 1:00PM but we could arrive at
11 any point after that. But please feel free to step away as you
12 would like. We will keep the public meeting open on Zoom and we'll
13 return when our session is complete. Yes, Mr. Mactaggart?

14 **MR. MACTAGGART:** Sure. I don't know if its bill permissible,
15 but I just think just for the ease of the public. If we took number
16 seven now, we could essentially end the public portion and then you
17 wouldn't have to wait around for us to get back.

18 **MS. URBAN:** We still have to do both the open item for public
19 comment and the future agenda items, which is not terribly long,
20 but it does have some--

21 **MR. MACTAGGART:** But we could, unless anybody has lots of
22 agenda items, we could maybe do that and it would--

23 **MS. URBAN:** There are a few, but sure.

24 **MR. MACTAGGART:** I mean, it would just alleviate the public
25 waiting around for us.

26 **MS. URBAN:** Okay. Let's move to agenda item number six, public
27 comment on items not on the agenda. Before we proceed with this
28 item, please note that the only action the board can take is to

1 listen to comments and consider whether it will consider the topic
2 at a future meeting. We cannot take any other action on the item at
3 this meeting. It may seem as though we are not being responsive
4 that is not our intent. Following these guidelines is critical to
5 ensure that the Bagley-Keene Open Meeting Act is followed and to
6 avoid undermining either the commenter's goals or the board's
7 mission. But again, for this item, agenda item number six, the
8 public is welcome to comment on any topic that is not on the agenda
9 for today, Mr. Sabo, do we have public comment?

10 **MR. SABO:** Yes. First we have Justin K. Justin, I'm going to
11 unmute you at this time and you'll have three minutes to make your
12 comment. This is for agenda item six, Public Comment on Items Not
13 on the Agenda.

14 **MX. JUSTIN KLOCZKO:** Hi, good afternoon. So Wall Street AI is
15 coming. Banks are spending the most on AI across industries.
16 Consumer watchdog recently issued a report which goes through
17 patents filed by major investment banks, and basically every bank
18 is going to have its own version of ChatGPT giving financial
19 advice. It's definitely concerning. But we're glad the privacy
20 agency has draft language regarding generative AI and training
21 data. We noticed there are parts, there are options for board
22 discussion, not totally clear on what that means for the finality
23 of the language, but we hope these rules are passed. So
24 Californians can know more about these language models and protect
25 themselves accordingly. Thank you.

26 **MS. URBAN:** Thank you very much.

27 **MR. SABO:** Next we have Andrea C. Andrea, I'm going to unmute
28 you at this time. Okay. You have three minutes to make your

1 comment. Begin whenever you're ready.

2 **MX. ANDREA CAO:** Thank you. Good afternoon, Chair and members
3 of the board. My name is Andrea Cao, and I'm the Director of Public
4 Policy at the California Asian Pacific Chamber of Commerce.
5 Representing the interest of the over 746,000 Asian American and
6 Pacific Islander owned small businesses throughout California.
7 We're here today to reiterate our concerns with the CPPA's 2024
8 approach to regulations. Last month, we joined a coalition of small
9 businesses and sent a letter to the CPPA, raising our concerns
10 about the CPPA's proposed artificial intelligence regulations
11 related to automated decision making technology. In our view, a
12 CPPA unilateral regulatory approach without collaboration with the
13 legislature, will lead to multiple and conflicting laws in 2024,
14 which could severely harm small businesses in California. In
15 addition, it is crucial to expand engagement beyond formal meetings
16 and comments and open up channels to collaborate with other key
17 stakeholders. As the CPPA reviews, the economic impact of its 2024
18 regulations, we request that the CPPA keep in mind part of Governor
19 Gavin Newsom's Small Business Proclamation and I quote, "California
20 Small businesses account for over 99 percent of total businesses in
21 the state and employ more than 7 million people, nearly half of the
22 state's private sector workforce, our small businesses are global
23 leaders and innovation and economic competitiveness, and embody the
24 entrepreneurial spirit that drives the economy of the Golden
25 State". End of quote. Also, as the CPPA develops its 2024
26 regulatory approach. Please keep in mind California's \$37.86
27 billion budget deficit. Small businesses help to contribute to
28 California state revenues, and we need more of them to stay and

1 thrive in California and not shut down or move to another state due
2 to overregulation. In some we appreciate the opportunity to be
3 heard, and we hope that the CPPA 2024 regulatory approach is
4 balanced and allows our small businesses to continue to prosper in
5 California. Thank you for your time.

6 **MS. URBAN:** Thank you very much, Mr. Sabo.

7 **MR. SABO:** Yes. Next we have Julian C. Julian, I have unmuted
8 you. Please go ahead whenever you're ready. You have three minutes.

9 **MX. JULIAN CAÑETE:** Thank you. You can hear me okay this time?

10 **MS. URBAN:** Yes. Yes. Thank you so much for coming back.

11 **MX. CAÑETE:** No, no. Thank you for the opportunity. Julian
12 Cañete with the California Hispanic Chambers of Commerce and good
13 afternoon. The California Hispanic Chambers of Commerce is made up
14 of over 125 Latino and diverse chambers, representing the over
15 815,000 Hispanic owned businesses across the state. Now, I have a
16 couple of items that I would like to highlight as we enter 2024.
17 Let me start with the race to regulate artificial intelligence, we
18 expect that Governor Newsom, CPPA and the legislature is going to
19 move on regulating AI. We expect the legislature will introduce 20
20 or more pieces of legislation on AI alone. So one of our primary
21 questions for CPPA is what is CPPA doing to coordinate with the
22 legislature? Has CPPA reached out to the legislature? If so, what
23 has been the conversation like? If not, when will CPPA reach out?
24 Let me paint a picture of what it looks like for more small
25 business is standing. CPPA adopts regulation on opt out this April
26 and expects compliance by October 2024. The legislature passes a
27 bill on opt out conflicting with the CPPA in 2024, effective 2025.
28 What happens then? We have a regulatory mess that is likely to

1 eliminate small businesses from California's economy because they
2 do not have the resources to comply with multiple and potentially
3 conflicting regulations. The bottom line, CPPA cannot regulate AI
4 in a vacuum as it is likely to harm California's economy,
5 particularly small businesses. Our suggestions on AI regulations
6 are simple, collaborate with other branches of government and not
7 operate in a silo except that CPPA cannot address AI in one swing.
8 So a phase in approach may be appropriate approach, weight,
9 evaluate and see if the regulation is working for consumers and
10 businesses before adding more regulations. Constant amendment to
11 regulations is unrealistic and can be catastrophic for our members.
12 Again, thank you and we look forward to being part of the
13 development of CPPA regulations in 2024. Thank you for the
14 opportunity.

15 **MS. URBAN:** Thank you, Mr. Sabo.

16 **MR. SABO:** Next we have PBwen, I'm going to unmute you at this
17 time and you'll have three minutes to make your comment. Go ahead
18 and begin whenever you're ready.

19 **MX. PBWEN:** Hi. Thank you for this opportunity representing my
20 company here. And I know one thing that is a concern for us. It's
21 going to be in terms of the privacy audit. So which is where my
22 question is going to come from. I would love to know what the
23 agency is planning in terms of privacy audit. When is that going to
24 kick in place and what are the regulations in terms of budget and
25 stuff like that. Thank you.

26 **MS. URBAN:** Thank you very much, Mr. Sabo.

27 **MR. SABO:** This is the last call for agenda item six, Public
28 Comment on Items Not on the Agenda. If you'd like to speak at this

1 time, please go ahead and raise your hand using Zoom's raised hand
2 feature or by pressing star nine. If you're joining by phone.
3 Michael Magee, I'm going to unmute you and you'll have three
4 minutes to make your comment. I've unmuted you. Please go ahead
5 whenever you're ready.

6 **MX. MICHAEL MAGEE:** Thanks. Very briefly, just wanted to thank
7 the board for taking these ahead of lunch. I know it's a small
8 thing, but it makes a big difference for the public's access and
9 being able to fit this into the day. So appreciate you guys taking
10 this time.

11 **MS. URBAN:** Oh, thank you Mr. Magee. We appreciate it.

12 **MR. SABO:** There any other public comments at this time? This
13 is for agenda item six, Public Comments on Items Not on the Agenda.
14 Madam Chair, I'm not seeing any additional hands.

15 **MS. URBAN:** Wonderful. Thank you very much to everyone who
16 commented. We'll go ahead and move to agenda item number seven.
17 This is the item I mentioned at the top of the meeting that is
18 available for a discussion of future agenda items. At this time,
19 first, the board and then the public will have the opportunity to
20 suggest agenda items for a future agenda. As a reminder, we can
21 only discuss whether to place the items on a future agenda under
22 the Bagley-Keene Open Meeting Act similar to the previous agenda
23 item, we cannot discuss any of the substance of these items because
24 they have to be separately agendized and noticed, but we can do
25 some planning for future meetings. So let me first go through the
26 running list of items I have gathered from our recent, previous
27 discussions and our regularized agenda along which will include
28 some updates to that for 2024 from staff. And then we can find out

1 if the board has additional items and whether the public does as
2 well. So today we've covered our regularized meeting item for
3 January, which is the governor's budget and our budget within an
4 act. We know to expect regulation updates and requests for board
5 feedback and votes on the regulatory package and packages that
6 we've been discussing. As we discussed in our December meeting and
7 previous, our regularized agenda for our March meeting also
8 includes our annual item on public affairs which is the annual
9 public awareness reports and priorities. And I know staff have
10 heard, we've been very interested in this topic as we always are as
11 a board. And there are a few things that we would love to hear
12 about in that meeting. So I'm sure you will work on that and we'll
13 look forward to it. I'll say a little bit more about the
14 regularized calendar in a minute. Other items on my list are a
15 report from the rulemaking process subcommittee, which is Ms. de la
16 Torre and I, we'll be considering what we've learned from the
17 rulemaking work we've done so far. The board handbook which we
18 talked about in September that will come back when with staff's
19 recommendations on both board feedback from the September meeting
20 and any individual feedback that they have received. The chief
21 privacy auditor position will come before us when we can, when Cal
22 HR allows. And we have final stages of the strategic planning
23 process. But we of course had a really good discussion about that
24 today. Mr. Mactaggart has requested consideration of rulemaking
25 that would implement the right to delete, to include partial
26 deletion. And that is on the list I believe for when we're talking
27 about regulations again. Oh, on the handbook discussion, I just
28 wanted to be clear that for, because that's our governance

1 handbook. I will make sure that's on the agenda for a meeting when
2 we are all here. You've all been very diligent in attending
3 meetings, so it hasn't been an issue, but I just wanted to be sure
4 to be clear about that. We will all as we learned earlier today at
5 some point here about the grant program sort of plans for that,
6 updates and processes. So thank you to Ms. de la Torre for asking
7 about that. Now let me say a little bit about the regularized items
8 for 2024. Staff have recommended some minor movement and some
9 items, so I just want to give everyone a heads up. So we have a
10 picture of the year. So the regularized calendar for January is the
11 January 10 budget and the BCP and the direction for spring budget
12 changes and priorities, which we talked about today. For next year
13 staff is recommending that we add the executive director's review
14 to January instead of, we've put it over to January, but instead of
15 having it at the last meeting of the year, that would give us a
16 whole year worth of time to talk about it. And given everything
17 else, I thought that was the better place for it. Regularized
18 calendar for March, we have the annual public awareness report and
19 priorities, that's no change there. We know we are going to hear
20 about details on the executed and planned media expenditures, the
21 six plus \$8 million. And of course, Mr. Lombard had a comment about
22 some of the expenditures earlier, and so we'll look forward to
23 hearing about all of that. Staff would also is planning to move the
24 annual enforcement report and priorities item up to March from July
25 to allow for board input earlier in the year. I'm pretty excited
26 about this given we have obviously, again, a lot of interest on the
27 board about enforcement. So we'll look forward to hearing about
28 that. And I think that responds to a request for a bit more

1 discussion about enforcement priorities that have come up. The
2 regularized calendar for May is our first, our biannual
3 regulations, proposals and priorities. Most of you'll recall our
4 conversation last May. It's coming around again and we'll include
5 items that we've brought up and staff have brought up over the
6 year. The change here is to move the updates in initial board
7 positions on pending legislation up to May from July. As you know,
8 given the California legislative cycle, there's not really a
9 perfect timing for this. They're very active sort of from April all
10 the way through July. Ms. Mahoney recommends though that we start
11 in May that will allow us to take some positions earlier in the
12 cycle. The good news is it simplifies our July calendar a little
13 bit, but everybody of course should be aware that we may still need
14 to talk about leg. stuff in July because it can come back up again
15 or new things can come up. It's a very dynamic cycle. But that
16 would, so in that case, the regularized calendar for July includes
17 the item that we had last year and we'll continue to include, which
18 is the budget plan to the board for the upcoming BCP process. So
19 that's the second of our planned budget discussions each year. This
20 is the same as last year. And then the change here is since we have
21 shifted the legislative conversation, we'll shift the annual hiring
22 update, including diversity and inclusion metrics up from
23 September. Now, the regularized calendar for September and the
24 passive include the hiring update and the ED's delegation renewal.
25 We handled the ED's delegation renewal in a more sort of long-term
26 fashion, of course, and I want to remind the board, we can always
27 revisit the delegation at any time. You just need to mention it
28 during a request for future agenda items. But since we don't need

1 to do that this year and we can move the hiring update that means
2 we do not necessarily have to have a regularized meeting in
3 September. I would ask that you please do continue to hold the date
4 in case we need it for regulation, for example. But we may be able
5 not to have a meeting in September. And then for November, we have
6 our second legislation, discussion, which we had in December of
7 this year, and the second regulations discussion. Okay. So I
8 apologize, that took a little bit of time. I just wanted to walk
9 through it because a couple of things moved around so that we have
10 a picture of the year before I request additional items, et cetera
11 from other board members.

12 **MS. DE LA TORRE:** I don't have an item, but I do have a small
13 personal announcement. Can I make it when we come back or should
14 they make it now?

15 **MS. URBAN:** Mr. Laird, I think... can she make a personal
16 announcement?

17 **MR. LAIRD:** It's fine.

18 **MS. URBAN:** Yes, of course. Please go ahead.

19 **MS. DE LA TORRE:** Thank you. My announcement is that I plan on
20 stepping down from the board this year. The Senate has started a
21 process to select a new board member, and it's just due to
22 personalized circumstances and the need for attention elsewhere.
23 Thank you.

24 **MS. URBAN:** Thank you Ms. de la Torre. Do you have a sense,
25 will we have the benefit of your expertise for another meeting or
26 two? It's okay if you don't know. I--

27 **MS. DE LA TORRE:** The goal will be to avoid an overlap where
28 there's no board member representing the senate, but other than

1 that, I cannot give you further detail. We'll see how long it takes
2 for a new appointee to be selected.

3 **MS. URBAN:** Okay. Thank you, Ms. de la Torre. And I hope that
4 we have this opportunity in a future board meeting, but we really
5 value your expertise, your contributions, your dedication, and
6 we'll be very sorry to see you go. Although very grateful for your
7 service.

8 **MS. DE LA TORRE:** Thank you.

9 **MS. URBAN:** Any other future agendas? Yes, Mr. Le?

10 **MR. LE:** Yeah. I wanted to echo what you said about working
11 with Ms. de la Torre is, it's been a pleasure and I'm definitely
12 going to miss your expertise. And I guess the, and sorry to shift,
13 I guess, did we mention the grant program in the list?

14 **MS. URBAN:** Yes.

15 **MR. LE:** Okay. Okay. I just wanted to--

16 **MS. URBAN:** It was a kind of a long list, so, but it is in
17 there. Yes, Mr. Mactaggart.

18 **MR. MACTAGGART:** Sure. Thanks. Well, I just wanted to say to
19 Ms. de la Torre how important she was to the entire process of the
20 initiative. I think I said it before, but she was one of the
21 privacy experts who first kind of gave me the time of day and was
22 willing to help out along the way. Always gracious, true expert in
23 her field, especially with really important for us was something
24 who's expert in GDPR. Because that was our North Star to such an
25 extent. And I just want to say thank you. I only got to serve with
26 you for a short amount of time here, but I know how much work you
27 did as all of you original board members did. Way more work than we
28 are doing now originally. And I just want to say thank you for your

1 commitment to privacy. The state has been lucky to have you, and
2 it's been a real honor working with you professionally.

3 **MS. URBAN:** Thank you, Mr. Mactaggart. I would like to point
4 out that our initial regulatory package, which sounds minor because
5 I said initial, but which is massive. Ms. de la Torre and I were
6 the regulations subcommittee. And it is more than fair to say that
7 her organization of how we thought about separating out the topics
8 for that package and pursuing it was key to our ability to do such
9 an ambitious and important thing with just ourselves and very
10 little expert staff to begin with. So just on a personal note, it
11 was a joy to work with you on that and to benefit from the
12 expertise. Alright. Are there any agenda items from the public?

13 **MR. SABO:** This is for agenda item seven, future agenda items.
14 If you'd like to make a comment on this agenda item, please go
15 ahead and raise your hand using Zoom's raised hand feature. Again,
16 this is for agenda item seven, future agenda items. Last call for
17 future agenda items from the public. Go ahead and raise your hand
18 if you'd like to speak at this time. Madam Chair, I'm not seeing
19 any hands.

20 **MS. URBAN:** Thank you, Mr. Sabo. Thanks to all the members of
21 the public for their time so far today. We will now go into
22 actually in order closed session pursuant to government code
23 section 1126E1, and then 2A. The board will meet in closed session
24 to confirm, receive advice from legal counsel regarding two
25 matters, California Chamber of Commerce versus California Privacy
26 Protection Agency, et al and California Privacy Protection Agency
27 et al, versus the Superior Court of the state of California for the
28 County of Sacramento, California Chamber of Commerce. And secondly

1 pursuant to government code section 11126A1 to discuss the
2 executive director's annual review. We will not return before
3 01:15. Well actually we will not return before 1:00 PM as I said
4 earlier, we could return any time after that, and we will keep the
5 public meeting open, but we will be returning just to adjourn the
6 meeting. So thank you to everyone who doesn't stick around for your
7 participation in our process and in our meeting today. And thanks
8 to the board members and we will retire to close session. Thank
9 you. Welcome back everyone from the closed session, our final
10 agenda, we'll move to our final agenda, item number nine, which is
11 adjournment. I'd like to thank everyone, the board members, staff,
12 especially those of you who've trekked here from other places and
13 members of the public for all of your contributions to the meeting
14 today and to the board's work overall. May I have a motion to
15 adjourn the meeting?

16 **MR. LE:** Aye. So move.

17 **MS. URBAN:** Thank you, Mr. Le, may I have a second?

18 **MS. DE LA TORRE:** Aye.

19 **MS. URBAN:** Thank you Ms. de la Torre. I have a motion and a
20 second to adjourn the meeting. Mr. Sabo, would you please conduct
21 the roll call vote.

22 **MR. SABO:** Yes, Ms. de la Torre?

23 **MS. DE LA TORRE:** Aye.

24 **MR. SABO:** De la Torre, aye. Board member Mr. Le?

25 **MR. LE:** Aye.

26 **MR. SABO:** Aye. Board member Mactaggart?

27 **MR. MACTAGGART:** Aye.

28 **MR. SABO:** Mactaggart aye. Board member Worthe? Board member--

1 Chair Urban?

2 **MS. URBAN:** Aye.

3 **MR. SABO:** Urban aye. Madam Chair, four ayes in favor.

4 **MS. URBAN:** Thank you very much. The motion has been approved
5 by a vote of four to nothing. This meeting of the California
6 Privacy Protection Agency Board is hereby stands adjourned. Thanks
7 everyone.

8 (end of recording)

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