

California Court of Appeal Lifts Stay of CCPA Enforcement Deadlines

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In a significant ruling on February 9, 2024, the California Court of Appeal reversed a trial court judgment that had stayed enforcement of California Consumer Privacy Act (CCPA) regulations. This decision will make certain CCPA regulations, which had previously been stayed by court order, become immediately effective once again.

Quick Hits

- *Immediate enforcement of privacy regulations.* Due to a recent ruling by the California Court of Appeal, the entirety of the March 29, 2023, finalized California Consumer Privacy Act regulations are once again enforceable, negating any extended grace period for compliance.
- *Effect for future rulemaking.* The decision will affect the enforcement compliance ramp-up period for future rules promulgated by the California Privacy Protection Agency, such as those pertaining to automated decisionmaking and artificial intelligence. Businesses will not be able to rely upon a one-year grace period to ensure compliance with those new regulations once they are finalized.

Background and Implications

The heart of the dispute was the enforcement date of the regulations promulgated pursuant to the CCPA and whether enforcement of such regulations was required to have a one-year period between finalization and enforcement. The CPPA petitioned for extraordinary writ relief against a trial court's determination that had delayed the enforcement of certain existing CCPA regulations until one year after such regulations became final on March 29, 2023. The Court of Appeal's [decision](#) clarified that the [trial court had erred](#) in extending the enforcement timeline, concluding that nothing in the plain text of the CCPA and its regulations or legislative history mandated a one-year delay in enforcement for regulations finalized after July 2022.

Businesses may want to consider immediate compliance with the final regulations adopted on March 29, 2023. The court's ruling eliminates any grace period that businesses might have anticipated for adapting their practices to meet the new regulatory requirements. While the court's decision focused on the current set of regulations, the court's ruling clarifies that future regulations—such as the [currently proposed automated decisionmaking and artificial intelligence regulations](#)—will become

effective by the date set forth in the final regulation, rather than one year from becoming final.

Next Steps

The California Court of Appeal decision represents a pivotal moment for privacy regulation enforcement in California, as it triggers a highly expedited timeline for compliance with newly created CCPA regulations going forward. For in-house counsel, this ruling will likely necessitate an immediate and strategic response to ensure compliance with California's privacy laws, taking into account proactive legal and operational planning to navigate the evolving privacy landscape effectively.

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