

CCPA Update: California Legislature Votes to Extend Employee and B2B Exemptions; Awaits Governor's Signature

Alysa Z. Hutnik

September 2, 2020

On August 30th, the California legislature passed a bill to continue the employee and business-to-business (B2B) exemptions contained in the CCPA for another year. Currently, the CCPA provides two limited exemptions for employee and B2B information, whereby this information is excluded from most CCPA requirements. Both of these exemptions become ineffective January 1, 2021. [Assembly Bill 1281](#) ("AB 1281") would continue these exemptions until January 1, 2022.

AB 1281 was crafted as a backstop in case the California Consumer Privacy Act ("CPRA") does not pass during the state's November 3rd general election. AB 1281 only takes effect if the legislation is enacted *and* voters do not approve of CPRA. If CPRA receives enough votes (which most anticipate is likely), the ballot initiative would extend the exemptions until January 1, 2023. To learn more about CPRA and to view a comparison between CPRA and CCPA, visit our past blog post [here](#) and our podcast [here](#).

Governor Newsom has until September 30th to sign AB 1281 into law. If neither AB 1281, nor CPRA becomes law, the CCPA employee and B2B exemptions will expire on January 1, 2021. Please contact any of the attorneys in Kelley Drye's Privacy Group if you would like assistance with California privacy compliance.