Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 446 (Hurtado) – As Amended May 14, 2025

Policy Committee: Privacy and Consumer Protection Vote: 15 - 0

Judiciary 12 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill adds deadlines to an existing statute that requires an individual or a business to report a breach of certain data systems to affected California residents and to the Attorney General.

Specifically, this bill requires a qualifying individual or business that experiences a breach of the security of a system that includes personal information to disclose the breach within 30 days to California residents whose personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The individual or business may delay this disclosure to accommodate the legitimate needs of law enforcement or as necessary to determine the scope of the breach and restore the reasonable integrity of the data system.

If the breach affected more than 500 California residents, the individual or business must also provide a copy of the breach disclosure to the Attorney General within 15 calendar days of notifying affected consumers of the breach.

FISCAL EFFECT:

No state costs. The Department of Justice (DOJ) anticipates no significant fiscal impact.

COMMENTS:

Existing law requires an individual or business that operates or licenses a computerized data system that includes certain personal information to notify affected California residents and the DOJ of system breaches. These notifications must be made if consumers' personal information was, or may have been, acquired by an unauthorized person during the system breach, or if an unauthorized person obtained an encryption key or security credential. The law requires each data breach notification contain information about what information was involved and what the individual or business is doing to address the data breach, among other information. If a data breach affected more than 500 California residents, the individual or business must provide a copy of the notification to DOJ. DOJ publishes a list of data security breaches on its website and collects complaints from consumers about data breaches.

However, existing law specifies no timeline upon which an individual or business must make these notifications. This bill adds deadlines, with specified exceptions. According to the author:

The absence of a required notification timeline not only delays protective actions but also reduces accountability for organizations handling sensitive data. Without a legal deadline in place, businesses and institutions may

deprioritize prompt disclosures, either unintentionally or to limit reputational damage.

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