

Hudson Cook Enforcement Alert: California Provides Guidance to Data Brokers Ahead of Law Changes

December 23, 2025 | Webb McArthur and Tracy Wang

HIGHLIGHTS:

- Data brokers must list all trade names, DBAs, and websites in their annual registration.
- Each legal entity operating as a data broker must register independently. A parent or affiliate entity's registration does not extend to cover other entities.
- Data brokers will be required to register for DROP in January and comply with deletion requests.

SUMMARY:

On December 17, 2025, the California Privacy Protection Agency ("CalPrivacy") issued Enforcement Advisory No. 2025-01, providing guidance on revised data broker registration requirements related to trade names, websites, and parent or subsidiary relationships. Under the California Delete Act, any business that operated as a data broker during the previous year must register with CalPrivacy by January 31 of the following year. The registration requires disclosure of specific information and payment of an annual fee funding the new Delete Request and Opt-Out Platform ("DROP"), a platform that will enable consumers to request data brokers to delete their personal information per the Delete Act and California Consumer Privacy Act. DROP will launch on January 1, 2026.

CalPrivacy issues this guidance after having determined that it may be difficult for consumers to identify data brokers on DROP by data brokers' trade names and websites that do not appear on their registration. The Enforcement Advisory emphasized that data brokers must list all trade names or DBAs, including those used in any website, in the annual registration. Data brokers are also required to provide any website addresses where they provide services, and all website links must be accurate and functioning. The registration must also include a link to the page on the data broker's website detailing how consumers can exercise their privacy rights, without the use of dark pattern. In addition, each distinct legal entity operating as a data broker must register independently, which means the registration of a parent company or an affiliate does not

automatically pass to the data broker.

Failure to register will result in an administrative fine of \$200 for each day, in addition to the registration fees, and the expenses incurred by CalPrivacy in pursuing the enforcement action.

The Advisory comes as CalPrivacy continues to emphasize the importance of the Delete Act and DROP. All businesses that collect personal information should review the law to confirm whether or not they are submit to its requirements, the definition of the term "data broker" being very broad. Finally, all businesses subject to the CCPA are reminded of the law's compliance demands amid the increased enforcement activity of CalPrivacy.

RESOURCES:

You can review all of the CalPrivacy announcements on the <u>News & Announcements</u> <u>Page</u>.

- Announcement
- Enforcement Advisory No. 2025-01

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