

State Agency Proposed Regulations Will Complicate Basic Internet Functions

The proposed regulations by the California Privacy Protection Agency for companies with websites that use automated decision-making technology (ADMT) will result in a complex, time-consuming process. The process will result in multiple pop-up questions, confusing choices, and the possibility that a consumer never reaches the website they were hoping to reach. The example below illustrates the difficulties that a user will experience in a simple search on a retail website. A desire to find kitchen utensils on a website could trigger multiple pop-ups and choices for each ADM assisted website that is visited.

1 Customer goes to www.kitchensupply.com to look for kitchen utensils.



2 **Pop-up 1:** User required to choose preference for cookie consent

We value your privacy

We use cookies to enhance your browsing experience, serve personalized ads or content, and analyze our traffic. By clicking "Accept All", you consent to our use of cookies. Read our Cookie policy.

3 **Pop-up 2:** User required to decide whether to allow promotional communications

Partner opt-out user notice

If you would like to opt out of us allowing our partners to collect and process information about your visits to our websites and mobile apps and similar information to show you ads, please visit our Do Not Sell or Share Opt Out page. Note that these opt-outs will not impact whether you receive promotional emails or texts sent without the use of automated decision making technology. In order to opt out of those communications, you will need to manage your preferences by visiting this site.

4 **Pop-up 3:** User required to decide whether to receive information on ADMT

Request for information on Automated Decision Making Technology (ADMT) use

You also have the right to request more information about our use of these automated decision making technologies in order to determine what ads to show you (which is known as "profiling for behavioral advertising" under applicable law). You can exercise this right by filling out this form or sending us an email. To learn about how our partners use this technology in order to determine what ad to show you, please visit [link to page that then links out to partners ADMT descriptions.] We are prohibited from retaliating against you for exercising any right provided to you under the California Consumer Privacy Act.

5 **Pop-up 4:** User required to decide whether to opt-out of the use of ADMT for delivering advertising based on purchasing history and activities on websites

Pre-use user notice and opt-out offer

Under applicable law, we are required to tell you that we use, and allow our partners to use, technologies to do things like inform the ads you see on third-party sites and serve you offers based on your purchases and your activities on our websites and mobile apps. This technology, which is sometimes referred to as "automated decision making technology," works by observing things like how you interact with our site and what you purchase or put in your shopping cart (these are known as "key parameters" or "inputs" under applicable law) and using that to help decide what ad to select for you when you're visiting a third-party site or which of our products to highlight in a marketing email we send to you (this is known as an "output" under applicable law). As an example, if you look at more sweaters than pants on our sites, this technology might label you as interested in sweaters. Then, when we want to send an email promotion to people who love sweaters, this technology might put you on the list to receive such promotions. Similarly, this technology might tell us not to bother you with push notices for a sale on pants. As another example, this technology may help a third-party advertising partner determine that an ad for our sweaters is the most relevant ad to show you when you're reading an article on a different website.

You have the right to opt out of the use of these automated decision making technologies for these purposes. If you would like to opt out of our use of your information to inform the marketing we send you, click here or call us at XXX-XXX-XXXX.

6 User is able to proceed to the retailer website.

