

March 20, 2025

**BRANN & ISAACSON CLIENT ALERT:  
California Privacy Agency Hits Honda With \$632,500 Fine**

On March 7, 2025, the California Privacy Protection Agency (CPPA) issued a decision levying a \$632,500 administrative fine against Honda. It is notable as the first directed at a retail business and for the comparatively small scale of the violations. We highlight five takeaways.

**1. Sweat the small stuff.** Honda was fined \$632,500 based on findings that Honda required more information than necessary to verify privacy requests by 119 California consumers and denied 20 of those requests for failure to meet Honda's excessive verification requirements.

**2. Verification must be "reasonable."** Honda used the same verification procedure, a request for eight data points including a VIN (vehicle identification number), for all types of consumer requests, including requests to opt-out of the sale or sharing of data or requests to limit the use of sensitive personal data. The CPPA concluded this violated California law because, among other things, (a) opt-out requests and requests to limit do not require verification; and (b) Honda's request for eight data points was unreasonable because Honda could have reasonably used as few as two to verify consumers.

**3. Third-party cookie tools are not fool-proof.** Honda used a leading provider, OneTrust, for cookie management. Regardless, the CPPA concluded that the Honda banner did not provide the required symmetry of consumer options California law requires: a clear Yes/No for accepting and rejecting unnecessary cookies.

**4. Beware authorized agent requests.** The CPPA allows authorized agents to make privacy requests for individuals. In the case of Honda, the CPPA concluded, "Honda unlawfully requires Consumers to directly confirm with Honda that they had given permission to the Authorized Agent to submit a *Request to Opt-Out of Sale/Sharing*

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*and Request to Limit*” (emphasis added). The CPPA’s view is that a business can only ask a consumer directly to confirm that they gave permission if the underlying request is to delete, correct, or know. Permission for opt-out requests and requests to limit may only be obtained from the authorized agent itself. This approach requires businesses to adopt two sets of procedures for authorized agent requests, one for opt-out requests and requests to limit, a second for requests to delete, correct, or know.

**5. Review vendor agreements/data protection addendums.** Honda could not produce copies of vendor contracts that contained provisions required by the California privacy statute.

If you have questions about this order and its consequences or any other privacy issue, please reach out to a member of our privacy team.

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