

## Privacy & Cybersecurity

### Manage Newsletters

## **California Disney Fine Pushes Companies to Fully Honor Opt-Outs**

Feb. 13, 2026, 3:57 PM EST

---

### **Summary by Bloomberg AI**

AI Generated



- California is increasing pressure on companies to handle consumers' requests to stop selling personal data, as seen in its record fine against Walt Disney Co.
- The fine against Disney is over claims it failed to honor users' requests to opt out of the sale or sharing of their personal information, despite offering them several opt-out methods.
- California's enforcement against Disney showcases the regulator's ability and intent to pursue more technical investigations, with the goal of making it easier for consumers to have all their personal information deleted across multiple devices, services, and systems.

California is increasing pressure on companies' handling of consumers requests to stop selling personal data as its record fine against Walt Disney Co. signals closer scrutiny of how privacy opt-outs are honored.

California's \$2.75 million fine against Disney this week and action against streaming platform Sling TV last fall highlight California Attorney General Rob Bonta's push for companies to make it easier for consumers to have all their personal information deleted—even if it's scattered across multiple devices, services, and systems. The crackdown comes as streaming platforms and other companies across health care, automobile, or financial services industries also increasingly offer an interconnected web of services and grapple with keeping track of users' data.

"This should, and likely will, cause organizations to maybe reevaluate their pathway for opt-out of sale, even if there's no immediate technical solve to do exactly a one-stop click, to make sure that there are no unnecessary speed bumps or challenges to the consumer," said Tara N. Cho, chair of Womble Bond Dickinson LLP's privacy and cybersecurity team.

The allegations against Disney mirror challenges faced by "organizations of all sizes, growth, and maturity," she added. "This is setting a standard, a higher standard for really scrutinizing this path."

## Opting Out

Disney's settlement is over claims it violated the California Consumer Privacy Act when it failed to honor users' requests to opt out of the sale or sharing of their personal information, despite offering them several opt-out methods.

For example, Bonta's office said that when a user objected to sharing their data via an opt-out toggle in Disney's websites, the company only applied the request to the specific streaming service the user was watching or the device the consumer was using, as opposed to applying the request across other devices or services connected to the consumer's account. If a user opted out using Disney's webform, the regulator said the company stopped sharing that personal data through its own advertising platform, but continued to sell the data to advertising tech companies.

"What I think is so big about this is that there's an expectation, an increasing expectation that this opt out really has to work," said Daniel Goldberg, chair of the data privacy, strategy, and security group at Frankfurt Kurnit Klein & Selz PC.

California's fine against Sling TV, the first of the two enforcement actions stemming from the state's probe into streaming platforms, had scrutinized similar shortcomings in opt-out mechanisms, requesting the option be available to consumers no matter what device they use, whether it's a connected TV, tablet, or gaming device.

"If a business can associate a consumer's devices with the consumer for advertising purposes, it can and must associate those devices with the consumer for purposes of honoring the consumer's opt-out rights," the complaint against Disney said.

## Getting Technical

Giving consumers a user-friendly mechanism to object to companies' sale of their data is a priority for regulators beyond California. Connecticut and Colorado are also investigating companies' compliance with browser settings that allow users to opt out of the sharing of their personal information.

"I'm struggling a little bit to understand these corporations and what they're doing because either A) they're not paying attention to what's going on, or B) they don't think that they're going to get caught, or C) they just don't care, from a compliance perspective," said Melissa K. Ventrone, leader of Clark Hill's cybersecurity, data protection, and privacy practice.

California's enforcement against Disney also showcased the regulator's ability and intent to pursue more technical investigations. Bonta's office said it tested the company's mix of "webforms, toggles, and responses to opt out preference signals" as part of its probe.

"For many years, companies have treated compliance as getting the disclosures right and making the opt out work well enough. And that approach really no longer holds up," Goldberg said. "The AG is looking under the hood and it has to work across services, devices, and systems. And this is only going to increase with the CCPA risk assessment and cybersecurity requirements on the horizon."

To contact the reporter on this story: [Cassandra Coyer](mailto:ccooyer@bloombergindustry.com) in Washington at [ccooyer@bloombergindustry.com](mailto:ccooyer@bloombergindustry.com)

To contact the editors responsible for this story: [Michelle M. Stein](mailto:mstein1@bloombergindustry.com) at [mstein1@bloombergindustry.com](mailto:mstein1@bloombergindustry.com); [Jeff Harrington](mailto:jharrington@bloombergindustry.com) at [jharrington@bloombergindustry.com](mailto:jharrington@bloombergindustry.com)

© 2026 Bloomberg Industry Group, Inc. All Rights Reserved