

Senator Michael K. McKell proposes the following substitute bill:

SOCIAL MEDIA REGULATION AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael K. McKell

House Sponsor: Jordan D. Teuscher

LONG TITLE

General Description:

This bill enacts provisions related to the regulation of social media companies and social media platforms.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ enacts the Utah Social Media Regulation Act;
- ▶ requires a social media company to verify the age of Utah residents;
- ▶ requires a social media company to obtain the consent of a parent or guardian before a Utah resident under the age of 18 may maintain or open an account;
- ▶ prohibits a social media company from permitting a person to open an account if that person does not meet age requirements under state or federal law;
- ▶ requires that for accounts held by a Utah resident who is under the age of 18, certain social media companies:
 - shall prohibit direct messaging with certain accounts;
 - may not show a minor's account in search results;
 - may not display advertising;
 - may not collect, share, or use personal information from the account, with



- 26 certain exceptions;
- 27 • may not target or suggest ads, accounts, or content; and
 - 28 • shall limit hours of access, subject to parental or guardian direction;
 - 29 ▶ requires a social media company to provide a parent or guardian access to the
 - 30 content and interactions of an account held by a Utah resident under the age of 18;
 - 31 ▶ directs the Division of Consumer Protection to receive and investigate complaints
 - 32 of violations of the requirements established under the act and impose
 - 33 administrative fines for violations;
 - 34 ▶ authorizes the division to seek enforcement through an injunction, civil penalties,
 - 35 and other relief through the judicial process;
 - 36 ▶ requires fines and civil penalties to be deposited into the Consumer Protection
 - 37 Education and Training Fund;
 - 38 ▶ requires an annual report from the division;
 - 39 ▶ authorizes a private right of action to collect attorney fees and damages from a
 - 40 social media company for harm incurred in relation to a violation of the
 - 41 requirements established by the act; and
 - 42 ▶ provides a severability clause.

43 **Money Appropriated in this Bill:**

44 None

45 **Other Special Clauses:**

46 This bill provides a special effective date.

47 **Utah Code Sections Affected:**

48 AMENDS:

49 **13-2-1 (Superseded 12/31/23)**, as last amended by Laws of Utah 2022, Chapter 201

50 **13-2-1 (Effective 12/31/23)**, as last amended by Laws of Utah 2022, Chapters 201, 462

51 ENACTS:

52 **13-63-101**, Utah Code Annotated 1953

53 **13-63-102**, Utah Code Annotated 1953

54 **13-63-103**, Utah Code Annotated 1953

55 **13-63-104**, Utah Code Annotated 1953

56 **13-63-105**, Utah Code Annotated 1953

- 57 [13-63-201](#), Utah Code Annotated 1953
- 58 [13-63-202](#), Utah Code Annotated 1953
- 59 [13-63-203](#), Utah Code Annotated 1953
- 60 [13-63-301](#), Utah Code Annotated 1953
- 61 [13-63-401](#), Utah Code Annotated 1953



62
63 *Be it enacted by the Legislature of the state of Utah:*

64 Section 1. Section **13-2-1 (Superseded 12/31/23)** is amended to read:

65 **TITLE 13. COMMERCE AND TRADE**

66 **13-2-1 (Superseded 12/31/23). Consumer protection division established --**

67 **Functions.**

68 (1) There is established within the Department of Commerce the Division of Consumer
69 Protection.

70 (2) The division shall administer and enforce the following:

- 71 (a) Chapter 5, Unfair Practices Act;
- 72 (b) Chapter 10a, Music Licensing Practices Act;
- 73 (c) Chapter 11, Utah Consumer Sales Practices Act;
- 74 (d) Chapter 15, Business Opportunity Disclosure Act;
- 75 (e) Chapter 20, New Motor Vehicle Warranties Act;
- 76 (f) Chapter 21, Credit Services Organizations Act;
- 77 (g) Chapter 22, Charitable Solicitations Act;
- 78 (h) Chapter 23, Health Spa Services Protection Act;
- 79 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 80 (j) Chapter 26, Telephone Fraud Prevention Act;
- 81 (k) Chapter 28, Prize Notices Regulation Act;
- 82 (l) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter
83 Transaction Information Act;
- 84 (m) Chapter 34, Utah Postsecondary Proprietary School Act;
- 85 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;
- 86 (o) Chapter 41, Price Controls During Emergencies Act;
- 87 (p) Chapter 42, Uniform Debt-Management Services Act;

- 88 (q) Chapter 49, Immigration Consultants Registration Act;
- 89 (r) Chapter 51, Transportation Network Company Registration Act;
- 90 (s) Chapter 52, Residential Solar Energy Disclosure Act;
- 91 (t) Chapter 53, Residential, Vocational and Life Skills Program Act;
- 92 (u) Chapter 54, Ticket Website Sales Act;
- 93 (v) Chapter 56, Ticket Transferability Act; [~~and~~]
- 94 (w) Chapter 57, Maintenance Funding Practices Act~~[-];~~ and
- 95 (x) Chapter 63, Utah Social Media Regulation Act.

96 Section 2. Section 13-2-1 (Effective 12/31/23) is amended to read:

97 **13-2-1 (Effective 12/31/23). Consumer protection division established --**

98 **Functions.**

- 99 (1) There is established within the Department of Commerce the Division of Consumer
- 100 Protection.
- 101 (2) The division shall administer and enforce the following:
- 102 (a) Chapter 5, Unfair Practices Act;
- 103 (b) Chapter 10a, Music Licensing Practices Act;
- 104 (c) Chapter 11, Utah Consumer Sales Practices Act;
- 105 (d) Chapter 15, Business Opportunity Disclosure Act;
- 106 (e) Chapter 20, New Motor Vehicle Warranties Act;
- 107 (f) Chapter 21, Credit Services Organizations Act;
- 108 (g) Chapter 22, Charitable Solicitations Act;
- 109 (h) Chapter 23, Health Spa Services Protection Act;
- 110 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 111 (j) Chapter 26, Telephone Fraud Prevention Act;
- 112 (k) Chapter 28, Prize Notices Regulation Act;
- 113 (l) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter
- 114 Transaction Information Act;
- 115 (m) Chapter 34, Utah Postsecondary Proprietary School Act;
- 116 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;
- 117 (o) Chapter 41, Price Controls During Emergencies Act;
- 118 (p) Chapter 42, Uniform Debt-Management Services Act;

- 119 (q) Chapter 49, Immigration Consultants Registration Act;
- 120 (r) Chapter 51, Transportation Network Company Registration Act;
- 121 (s) Chapter 52, Residential Solar Energy Disclosure Act;
- 122 (t) Chapter 53, Residential, Vocational and Life Skills Program Act;
- 123 (u) Chapter 54, Ticket Website Sales Act;
- 124 (v) Chapter 56, Ticket Transferability Act;
- 125 (w) Chapter 57, Maintenance Funding Practices Act; [~~and~~]
- 126 (x) Chapter 61, Utah Consumer Privacy Act[-]; and
- 127 (y) Chapter 63, Utah Social Media Regulation Act.

128 Section 3. Section **13-63-101** is enacted to read:

129 **CHAPTER 63. UTAH SOCIAL MEDIA REGULATION ACT**

130 **Part 1. General Requirements**

131 **13-63-101. Definitions.**

132 As used in this chapter:

133 (1) "Account holder" means a person who has, or opens, an account or profile to use a
134 social media company's platform.

135 (2) "Addiction" means use of a social media platform that:

136 (a) indicates the user's substantial preoccupation or obsession with, or the user's
137 substantial difficulty to cease or reduce use of, the social media platform; and

138 (b) causes physical, mental, emotional, developmental, or material harms to the user.

139 (3) "Director" means the director of the Division of Consumer Protection created in
140 Section [13-2-1](#).

141 (4) "Division" means the Division of Consumer Protection created in Section [13-2-1](#).

142 (5) "Educational entity" means a public school, an LEA, the Utah Schools for the Deaf
143 and Blind, a private school, a denominational school, a parochial school, a community college,
144 a state college, a state university, or a nonprofit private postsecondary educational institution.

145 (6) (a) "Interactive computer service" means any information service, information
146 system, or information access software provider that:

147 (i) provides or enables computer access by multiple users to a computer server; and

148 (ii) provides access to the Internet.

149 (b) "Interactive computer service" includes:

- 150 (i) a web service;
- 151 (ii) a web system;
- 152 (iii) a website;
- 153 (iv) a web application; or
- 154 (v) a web portal.
- 155 (7) "Minor" means an individual who is under the age of 18 and has not been
- 156 emancipated as that term is defined in Section [80-7-102](#).
- 157 (8) "Post" means content that an account holder makes available on a social medial
- 158 platform for other account holders or users to view.
- 159 (9) "Social media company" means any person or entity that provides a social media
- 160 platform that:
 - 161 (a) has at least 10,000,000 account holders; and
 - 162 (b) is an interactive computer service.
- 163 (10) (a) "Social media platform" means an online forum that a social media company
- 164 makes available for an account holder to:
 - 165 (i) create a profile;
 - 166 (ii) upload posts;
 - 167 (iii) view the posts of other account holders; and
 - 168 (iv) interact with other account holders or users.
- 169 (b) "Social media platform" does not include an online service, website, or application:
 - 170 (i) where the predominant or exclusive function is:
 - 171 (A) electronic mail;
 - 172 (B) direct messaging consisting of messages, photos, or videos that are sent between
 - 173 devices by electronic means, where messages are:
 - 174 (I) shared between the sender and the recipient;
 - 175 (II) only visible to the sender and the recipient; and
 - 176 (III) are not posted publicly;
 - 177 (C) a streaming service that:
 - 178 (I) provides only licensed media in a continuous flow from the service, website, or
 - 179 application to the end user; and
 - 180 (II) does not obtain a license to the media from a user or account holder by agreement

181 to its terms of service;

182 (D) news, sports, entertainment, or other content that is preselected by the provider and
183 not user generated, if any chat, comment, or interactive functionality that is also provided is
184 incidental to, directly related to, or dependent upon provision of the content;

185 (E) online shopping or e-commerce, if the interaction with other users or account
186 holders is generally limited to:

187 (I) the ability to post and comment on reviews;

188 (II) the ability to display lists or collections of goods for sale or wish lists; and

189 (III) other functions that are focused on online shopping or e-commerce rather than
190 interaction between users or account holders;

191 (F) business to business software that is not accessible to the general public;

192 (G) cloud storage;

193 (H) shared document collaboration;

194 (I) providing access to or interacting with data visualization platforms, libraries, or
195 hubs;

196 (J) to permit comments on a digital news website, if the news content is posted only by
197 the provider of the digital news website;

198 (K) for the purpose of providing or obtaining technical support for the social media
199 company's platform, products, or services; or

200 (L) academic or scholarly research;

201 (ii) where:

202 (A) the majority of the content that is posted or created is posted or created by the
203 provider of the online service, website, or application; and

204 (B) the ability to chat, comment, or interact with other users is directly related to the
205 provider's content;

206 (iii) that is a classified ad service that only permits the sale of goods and prohibits the
207 solicitation of personal services; or

208 (iv) that is used by and under the direction of an educational entity, including:

209 (A) a learning management system;

210 (B) a student engagement program; and

211 (C) a subject or skill-specific program.

212 (11) "User" means a person who has access to view all, or some of, the posts on a
213 social media platform, but is not an account holder.

214 (12) (a) "Utah account holder" means a person who is a Utah resident and an account
215 holder.

216 (b) "Utah account holder" includes a Utah minor account holder.

217 (13) "Utah minor account holder" means a Utah account holder who is a minor.

218 (14) "Utah resident" means an individual who currently resides in Utah.

219 Section 4. Section **13-63-102** is enacted to read:

220 **13-63-102. Age requirements for use of social media platform -- Parental consent**
221 **-- Rulemaking authority of division.**

222 (1) Beginning March 1, 2024, a social media company may not permit a Utah resident
223 who is a minor to be an account holder on the social media company's social media platform
224 unless the Utah resident has the express consent of a parent or guardian.

225 (2) Notwithstanding any provision of this chapter, a social media company may not
226 permit a Utah resident who is a minor to hold or open an account on a social media platform if
227 the minor is ineligible to hold or open an account under any other provision of state or federal
228 law.

229 (3) (a) Beginning March 1, 2024, a social media company shall verify the age of an
230 existing or new account holder and, if the existing or new account holder is a minor, confirm
231 that a minor has consent as required under Subsection (1):

232 (i) for a new account, at the time a Utah resident opens the account; or

233 (ii) for a Utah account holder who has not provided age verification as required under
234 this section, within 14 calendar days of the Utah account holder's attempt to access the account
235 after the above date.

236 (b) If a Utah account holder fails to meet the verification requirements of this section
237 within the required time period, the social media company shall deny access to the account:

238 (i) upon the expiration of the time period; and

239 (ii) until all verification requirements are met.

240 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
241 division shall make rules to:

242 (a) establish processes or means by which a social media company may meet the age

243 verification requirements of this chapter;

244 (b) establish acceptable forms or methods of identification;

245 (c) establish requirements for providing confirmation of the receipt of any information
246 provided by a person seeking to verify age under this chapter;

247 (d) establish processes or means to confirm that a parent or guardian has provided
248 consent for the minor to open or use an account as required under this section;

249 (e) establish requirements for retaining, protecting, and securely disposing of any
250 information obtained by a social media company or its agent as a result of compliance with the
251 requirements of this chapter;

252 (f) require that information obtained by a social media company or its agent in order to
253 comply with the requirements of this chapter are only retained for the purpose of compliance
254 and may not be used for any other purpose;

255 (g) if the division permits an agent to process verification requirements required by this
256 section, require that the agent have its principal place of business in the United States of
257 America;

258 (h) require other applicable state agencies to comply with any rules promulgated under
259 the authority of this section; and

260 (i) ensure that the rules are consistent with state and federal law, including Title 13,
261 Chapter 61, Utah Consumer Privacy Act.

262 Section 5. Section **13-63-103** is enacted to read:

263 **13-63-103. Prohibition on data collection for certain accounts -- Prohibition on**
264 **advertising -- Use of information -- Search results -- Directed content.**

265 Beginning March 1, 2024, a social media company, for a social media platform account
266 held by a Utah minor account holder:

267 (1) shall prohibit direct messaging between the account and any other user that is not
268 linked to the account through friending;

269 (2) may not show the account in search results for any user that is not linked to the
270 account through friending;

271 (3) shall prohibit the display of any advertising in the account;

272 (4) shall not collect or use any personal information from the posts, content, messages,
273 text, or usage activities of the account other than information that is necessary to comply with,

274 and to verify compliance with, state or federal law, which information includes a parent or
275 guardian's name, a birth date, and any other information required to be submitted under this
276 section; and

277 (5) shall prohibit the use of targeted or suggested groups, services, products, posts,
278 accounts, or users in the account.

279 Section 6. Section **13-63-104** is enacted to read:

280 **13-63-104. Parental access to social media account.**

281 Beginning March 1, 2024, a social media company shall provide a parent or guardian
282 who has given parental consent for a Utah minor account holder under Section [13-63-102](#) with
283 a password or other means for the parent or guardian to access the account, which shall allow
284 the parent or guardian to view:

285 (1) all posts the Utah minor account holder makes under the social media platform
286 account; and

287 (2) all responses and messages sent to or by the Utah minor account holder in the social
288 media platform account.

289 Section 7. Section **13-63-105** is enacted to read:

290 **13-63-105. Limited hours of access for minors -- Parental access and options.**

291 (1) Beginning March 1, 2024, a social media company shall prohibit a Utah minor
292 account holder from having access to the Utah minor account holder's account during the hours
293 of 10:30 p.m. to 6:30 a.m., subject to the other provisions of this section.

294 (2) Time of day under this section shall be calculated based on the Internet protocol
295 address being used by the Utah minor account holder at the time of attempting access.

296 (3) A social media company shall provide options for a parent or guardian with access
297 to the account under Section [13-63-104](#) to:

298 (a) change or eliminate the time-of-day restriction described in Subsection (1); and

299 (b) set a limit on the number of hours per day that a Utah minor account holder may
300 use the account.

301 (4) A social media company shall not permit a Utah minor account holder to change or
302 bypass restrictions on access under this section.

303 (5) Notwithstanding any provision of this section, a social media company shall permit
304 a parent or guardian with access to an account under Section [13-63-104](#) to access the account

305 without time restrictions.

306 Section 8. Section **13-63-201** is enacted to read:

307 **Part Part 2. Enforcement by Division**

308 **13-63-201. Investigative powers of the division.**

309 (1) The division shall receive consumer complaints alleging a violation of Part 1,
310 General Requirements.

311 (2) A person may file a consumer complaint that alleges a violation under Part 1,
312 General Requirements, with the division.

313 (3) The division shall investigate a consumer complaint to determine whether a
314 violation of Part 1, General Requirements, occurred.

315 Section 9. Section **13-63-202** is enacted to read:

316 **13-63-202. Enforcement powers of the division.**

317 (1) Except for a private right of action under Section [13-63-301](#), the division has the
318 exclusive authority to administer and enforce the requirements of Part 1, General
319 Requirements.

320 (2) The attorney general, upon request, shall give legal advice to, and act as counsel
321 for, the division in the exercise of the division's responsibilities under this part.

322 (3) (a) Subject to the ability to cure an alleged violation under Subsection (4):

323 (i) the division director may impose an administrative fine of up to \$2,500 for each
324 violation of Part 1, General Requirements; and

325 (ii) the division may bring an action in a court of competent jurisdiction to enforce a
326 provision of Part 1, General Requirements.

327 (b) In a court action by the division to enforce a provision of Part 1, General
328 Requirements, the court may:

329 (i) declare that the act or practice violates a provision of Part 1, General Requirements;

330 (ii) issue an injunction for a violation of Part 1, General Requirements;

331 (iii) order disgorgement of any money received in violation of Part 1, General
332 Requirements;

333 (iv) order payment of disgorged money to an injured purchaser or consumer;

334 (v) impose a civil penalty of up to \$2,500 for each violation of Part 1, General
335 Requirements;

336 (vi) award actual damages to an injured purchaser or consumer; and
337 (vii) award any other relief that the court deems reasonable and necessary.
338 (4) (a) At least 30 days before the day on which the division initiates an enforcement
339 action against a person that is subject to the requirements of Part 1, General Requirements, the
340 division shall provide the person with:
341 (i) written notice that identifies each alleged violation; and
342 (ii) an explanation of the basis for each allegation.
343 (b) Except as provided under Subsection (4)(c), the division may not initiate an action
344 if the person:
345 (i) cures the noticed violation within 30 days after the day on which the person receives
346 the notice described in Subsection (4)(a); and
347 (ii) provides the division with a written statement that:
348 (A) the person has cured the violation; and
349 (B) no further violation will occur.
350 (c) The division may initiate a civil action against a person that:
351 (i) fails to cure a violation after receiving the notice described in Subsection (4)(a); or
352 (ii) after curing a noticed violation and providing a written statement in accordance
353 with Subsection (4)(b), commits another violation of the same provision.
354 (5) If a court of competent jurisdiction grants judgment or injunctive relief to the
355 division, the court shall award the division:
356 (a) reasonable attorney fees;
357 (b) court costs; and
358 (c) investigative fees.
359 (6) (a) A person who violates an administrative or court order issued for a violation of
360 Part 1, General Requirements, is subject to a civil penalty of no more than \$5,000 for each
361 violation.
362 (b) A civil penalty authorized under this section may be imposed in any civil action
363 brought by the division, or by the attorney general on behalf of the division.
364 (7) All money received for the payment of a fine or civil penalty imposed under this
365 section shall be deposited into the Consumer Protection Education and Training Fund
366 established in Section [13-2-8](#).

367 Section 10. Section **13-63-203** is enacted to read:

368 **13-63-203. Division report.**

369 (1) The division shall compile an annual report:

370 (a) evaluating the liability and enforcement provisions of this chapter, including:

371 (i) the effectiveness of the division's efforts to enforce this chapter; and

372 (ii) any recommendations for changes to this chapter;

373 (b) summarizing the consumer interactions that are protected and not protected by this

374 chapter, including a list of alleged violations the division has received; and

375 (c) an accounting of:

376 (i) all administrative fines and civil penalties assessed during the year;

377 (ii) all administrative fines and civil penalties collected during the year; and

378 (iii) the use of funds from the Consumer Protection Education and Training Fund.

379 (2) The division may update or correct the report as new information becomes

380 available.

381 (3) The division shall submit the report to the Business and Labor Interim Committee

382 on or before the August meeting of each interim period.

383 Section 11. Section **13-63-301** is enacted to read:

384 **Part 3. Private Right of Action**

385 **13-63-301. Private right of action.**

386 (1) Beginning March 1, 2024, a person may bring an action against a person that does

387 not comply with the requirements of Part 1, General Requirements.

388 (2) A suit filed under the authority of this section shall be filed in the district court for

389 the district in which a person bringing the action resides.

390 (3) If a court finds that a person has violated a provision of this chapter, the person who

391 brings an action under this section is entitled to:

392 (a) an award of reasonable attorney fees and court costs; and

393 (b) an amount equal to the greater of:

394 (i) \$2,500 per each incident of violation; or

395 (ii) actual damages for financial, physical, and emotional harm incurred by the person

396 bringing the action, if the court determines that the harm is a direct consequence of the

397 violation or violations.

398 Section 12. Section **13-63-401** is enacted to read:

399 **Part 4. Severability**

400 **13-63-401. Severability.**

401 If any provision of this chapter or the application of any provision to any person or
402 circumstance is held invalid by a final decision of a court of competent jurisdiction, the
403 remainder of this chapter shall be given effect without the invalid provision or application. The
404 provisions of this chapter are severable.

405 Section 13. **Effective date.**

406 This bill takes effect on May 3, 2023 with the exception of [13-2-1](#) (Effective 12/31/23)
407 which takes effect on December 31, 2023.