# EXHIBIT 10

Case 2:2	4-cv-00031	-DAK-DAO	Docu	ment 44	-10 Filed	05/31/24	PageID.3	₽7a7ch <b>CPage</b> ng <b>2 to</b> f 7ogin	
	TAH STATE GISLATURE	Legislators	Bills	Code	Committees	Audits	Budget	Research and Legal	
Home 2024	General Session	5.B. 194							
S.B. 194 Socia	al Media Regu	lation Amen	dments						
	Bill Text			Sta	itus		Heari	ngs/Debate	
Enrolled						<b>S.B.</b> 194	Bill Sponso	or: Floor Sponsor:	
1	SOCIAL	MEDIA REGULA	TION AM	ENDMENTS	5				
2024 GENERAL SESSION STATE OF UTAH						Sen. McKell, Michael Rep. Teuscher, Jordan			
House Sponsor: Jordan D. Teuscher							Substitute Sponsor: Rep. Teuscher, Jordan D.		
2							Drafting Att	corney: Scott Elder	
3 LONG TITLE							Fiscal Analy	<b>st:</b> Noah Matthew Hansen	
4 General Descrip 5 This bill enacts		to age assurance an	d protocting	a minore in the	o Utab Minor				
6 Protection in Socia		to age assurance an	iu protecting				Bill Text		
7 Highlighted Pro	visions:						Introduced		
	This bill: • defines terms;						Amended 🔁		
	<ul> <li>requires social media companies to verify a new account holder's age using an approved</li> </ul>						Amended Pages Only		
l1 system;							Enrolled 🔁 (Currently Displayed)		
	ı social media servic maximum default p	e to: rivacy settings on a	Utah minor	account hold	er's account;			(	
14 • provide		nd verifiable parent							
	minor account holder's account; and						Other Versions		
	<ul> <li>provide confidentiality protections for minors' data;</li> <li>establishes the Division of Consumer Protection's enforcement powers relating to the</li> </ul>					S.B. 194			
18 Act;	Act;						S.B. 194 1st Substitute		
	-	bors when social me rifiable parental con	-	nies implemen	it approved				
	a severability clause		berrey and				Related Doc	ruments	
	Ioney Appropriated in this Bill:					Fiscal Note 🗟			
23 None 24 <b>Other Special C</b> l	auses:						House Flor	or Amendment 1(passed)	
25 This bill provid	This bill provides a special effective date.								
26 This bill provid 27 <b>Utah Code Sect</b> i	es a coordination cli	ause.					SB0194S0	1 comparison	
27 Ottain Code Section 28 AMENDS:	Anected.								
		ast amended by Law	s of Utah 20	023, Chapters	31, 36,		Information	ı	
30 377, 458, 477, 31 ENACTS:	377, 458, 477, 498, 509, and 536 FNACTS:						Last Action: 13 Mar 2024, Governor		
32 <b>13-71-101</b> , (	Effective 10/01/24)	Utah Code Annotate	ed 1953				Signed	New land 10	
		Utah Code Annotate					Last Loca office for f	i <b>tion:</b> Lieutenant Governor's iling	
		Utah Code Annotate Utah Code Annotate							
36 <b>13-71-203</b> , (	Effective 10/01/24)	Utah Code Annotate	ed 1953				o		
	13-71-204, (Effective 10/01/24) Utah Code Annotated 1953						Similar Bills Technology		
	<b>13-71-301</b> , (Effective 10/01/24) Utah Code Annotated 1953 <b>13-71-302</b> , (Effective 10/01/24) Utah Code Annotated 1953								
40 <b>13-71-401</b> , (	<b>13-71-401</b> , (Effective 10/01/24) Utah Code Annotated 1953						Business		
41 Utab Code Section	ns Affected by Coord	lination Clause:					Consumer	Protection	
AMENDS:	is Anocieu by COUR	anddon Clause.					Courts		

AMENDS: https://le.utah.gov/~2024/bills/static/SB0194.html

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Courts

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Be it enacted by the Legislature of the state of Utah:

13-2-1 (Effective 05/02/24). Consumer protection division established --

Section 1, Section 13-2-1 is amended to read:

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Administrative Rulemaking

Government Operations (State Issues)

Attorney General

New Rulemaking Authority

Social Media

- 47 Functions. 48 (1) There is established within the Department of Commerce the Division of Consumer 49 Protection. (2) The division shall administer and enforce the following: 50 51 (a) Chapter 10a, Music Licensing Practices Act; 52 (b) Chapter 11, Utah Consumer Sales Practices Act; 53 (c) Chapter 15, Business Opportunity Disclosure Act; 54 (d) Chapter 20, New Motor Vehicle Warranties Act; 55 (e) Chapter 21, Credit Services Organizations Act; 56 (f) Chapter 22, Charitable Solicitations Act; 57 (g) Chapter 23, Health Spa Services Protection Act; 58 (h) Chapter 25a, Telephone and Facsimile Solicitation Act; 59 (i) Chapter 26, Telephone Fraud Prevention Act; 60 (j) Chapter 28, Prize Notices Regulation Act; 61 (k) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter 62 Transaction Information Act; 63 (I) Chapter 34, Utah Postsecondary School and State Authorization Act; 64 (m) Chapter 41, Price Controls During Emergencies Act; 65 (n) Chapter 42, Uniform Debt-Management Services Act; (o) Chapter 49, Immigration Consultants Registration Act; 66 (p) Chapter 51, Transportation Network Company Registration Act; 67 68 (q) Chapter 52, Residential Solar Energy Disclosure Act; 69 (r) Chapter 53, Residential, Vocational and Life Skills Program Act; 70 (s) Chapter 54, Ticket Website Sales Act; 71 (t) Chapter 56, Ticket Transferability Act; 72 (u) Chapter 57, Maintenance Funding Practices Act; 73 (v) Chapter 61, Utah Consumer Privacy Act; 74 (w) Chapter 63, Utah Social Media Regulation Act; 75 (x) Chapter 64, Vehicle Value Protection Agreement Act; 76 (v) Chapter 65, Utah Commercial Email Act; 77 (z) Chapter 67, Online Dating Safety Act; and 78 (aa) Chapter 68, Lawyer Referral Consultants Registration Act - ; and 79 (bb) Chapter 71, Utah Minor Protection in Social Media Act. Chapter 71. UTAH MINOR PROTECTION IN SOCIAL MEDIA ACT 81 Part 1. General Provisions 82 80 Section 2, Section 13-71-101 is enacted to read: 83 13-71-101 (Effective 10/01/24). Definitions. 84 (1) "Account holder" means a person who has, creates, or opens an account or profile to use 85 a social media service. (2) "Age assurance system" means measures reasonably calculated to enable a social media 86 company to identify whether a current or prospective Utah account holder is a minor 87
- 88 with an accuracy rate of at least 95%.
- 89 (3) "Connected account" means an account on the social media service that is directly
- 90 connected to:

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- 91 (a) the minor account holder's account; or 92
  - (b) an account that is directly connected to an account directly connected to the minor account holder's account.
- 94 (4) "Content" means any information, visual depictions, tools, features, links, software, or
- 95 other materials that appear on or are available or enabled through a social media service.
- 96 (5) "Directly connected" means an account on the social media service that is connected to 97 another account by:
- 98 (a) sending a request to connect to another account holder and having the request to 99 connect accepted by the other account holder; or
- (b) receiving a request to connect from another account holder and accepting the request 100 101 to connect.
- 102 (6) "Director" means the director of the division.
- 103 (7) "Division" means the Division of Consumer Protection created in Section 13-2-1.
- 104 (8) "Minor" means an individual under 18 years old that:
- 105 (a) has not been emancipated as that term is defined in Section 80-7-102; or

### 2024-05-30 10:24:10 Casenal indeexing Odd 31-DAK-DAO Document 44-10 Filed 05/31/24 PageID.379 Page 4 of 7 106 107 (9) "Parent" includes a legal guardian. (10) (a) "Personal information" means information that is linked or can be reasonably 108 109 linked to an identified individual or an identifiable individual. 110 (b) "Personal information" includes a person's: 111 (i) first and last name; 112 (ii) date of birth; 113 (iii) home or physical address, including street name and city; 114 (iv) screen or user name that reveals an individual's email address, first name, or last 115 name: 116 (v) telephone number; 117 (vi) Social Security number; (vii) photograph, video, or audio file containing a person's image or voice; 118 119 (viii) geolocation information sufficient to identify street name and city; and 120 (ix) any other identifier that a person may use to contact a specific individual. 121 (11) "Push notification" means an automatic electronic message displayed on an account 122 holder's device, when the user interface for the social media service is not actively open 123 or visible on the device, that prompts the account holder to repeatedly check and engage 124 with the social media service. 125 (12) "Resident" means the same as that term is defined in Section 53-3-102. (13) "Social media company" means an entity that owns or operates a social media service. 126 127 (14) (a) "Social media service" means a public website or application that: 128 (i) displays content that is primarily generated by account holders and not by the 129 social media company; 130 (ii) permits an individual to register as an account holder and create a profile that is

(15) "User" means an individual who accesses or uses a social media service.
(16) (a) "Utah account holder" means a person who is a Utah resident and an account

made visible to the general public or a set of other users defined by the account

(iii) connects account holders to allow users to interact socially with each other

(iv) makes available to each account holder a list or lists of other account holders

with whom the account holder shares a connection within the system; and (y) allows account holders to post content viewable by other users.

144 <u>holder.</u>

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holder;

(i) email;

(ii) cloud storage; or

within the website or application;

(b) "Social media service" does not include:

- 145 (b) "Utah account holder" includes a Utah minor account holder.
- 146 (17) "Utah minor account holder" means a Utah account holder who is a minor.

(iii) document viewing, sharing, or collaboration services.

- 147 (18) "Verifiable parental consent" means authorization from a parent for a social media
- 148 service to collect, use, and disclose personal information of a Utah minor account
- 149 holder, that complies with the following verifiability requirements:
- 150 (a) the social media service shall provide advance notice to the parent describing
- 151 information practices related to the minor account holder's personal information; and
- 152 (b) the social media service shall receive confirmation that the parent received the notice
- 153 described in Subsection (17)(a).
- 154 Section 3, Section 13-71-102 is enacted to read:

### 155 **13-71-102 (Effective 10/01/24). Legislative findings.**

- The Legislature finds that:
- (1) the state has a compelling interest in safeguarding the well-being and privacy of minors
   in the state;
- 159 (2) the proliferation of social media services has led to the widespread collection and
- 160 utilization of personal information, exposing minors to potential privacy and identity
- 161 related harms;
- 162 (3) the addictive design features of certain social media services contribute to excessive use
- 163 of a social media service by minors, impacting sleep patterns, academic performance,
- 164 and overall health;
- 165 (4) social media services are designed without sufficient tools to allow adequate parental
- 166 oversight, exposing minors to risks that could be mitigated with proper parental
- 167 involvement and control;
- 168 (5) the state has enacted safeguards around products and activities that pose risks to minors,
- 169 including regulations on motor vehicles, medications, and products and services targeted170 to children;
- 171 (6) prolonged and unregulated social media use has been linked to adverse effects on the
- 172 mental health of minors, including increased rates of anxiety, depression, and social
- 173 isolation;
- 174 (7) existing measures employed by social media companies to protect minors have proven
- 175 insufficient; and

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177	may have less awareness of the risks, consequences, and safeguards related to a social		
178	media company's processing of minors' personal data.		
180	Part 2. General Requirements		
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179 181	Section 4, Section 13-71-201 is enacted to read: 13-71-201 (Effective 10/01/24). Age assurance required.		
182	(1) A social media company shall implement an age assurance system to determine whether		
183	a current or prospective Utah account holder on the social media company's social media		
184	service is a minor.		
185	(2) <u>A Utah account holder that the social media company identifies as a minor through the</u>		
186	use of an age assurance system is subject to the requirements in Sections 13-71-202 and		
187 188	<u>13-71-203</u> . ( <u>3</u> ) A social media company shall:		
189	(a) implement a review process allowing account holders to appeal the account holder's		
190	age designation by submitting documentary evidence to establish the account holder's		
191	age range; and		
192	(b) review evidence submitted by the account holder and make a determination within		
193	<u>30 days of submission of the evidence.</u>		
194	(4) A social media company shall segregate any personal information gathered specifically within the age assurance system and shall not use the personal information for any other		
195 196	purposes except for the purposes listed in Subsections 13-71-204(4)(a) through (q).		
100	parposes exception and parposes inclumin subsections is 71 201(1/(a), through (9))		
197	Section 5, Section 13-71-202 is enacted to read:		
198	13-71-202 (Effective 10/01/24). Requirements for Utah minor account holders.		
	A social media company shall, for Utah minor account holders on the social media		
200	<u>service:</u> (1) set default privacy settings to prioritize maximum privacy including settings that:		
201 202	( <u>1</u> ) set default privacy settings to prioritize maximum privacy, including settings that: ( <u>a</u> ) restrict the visibility of a Utah minor account holder's account to only connected		
203	accounts;		
204	(b) limit the Utah minor account holder's ability to share content to only connected		
205	accounts;		
206	(c) restrict any data collection and sale of data from a Utah minor account holder's		
207 208	account that is not required for core functioning of the social media service; (d) disable search engine indexing of Utah minor account holder profiles;		
200	(e) restrict a Utah minor account holder's direct messaging capabilities to only allow		
210	direct messaging to connected accounts; and		
211	(f) allow a Utah minor account holder to download a file with all information associated		
212	with the Utah minor account holder's account;		
213	(2) implement and maintain reasonable security measures, including data encryption, to		
214 215	protect the confidentiality, security, and integrity of personal information collected from a Utah minor account holder;		
215	(3) provide an easily accessible and understandable notice that:		
217	(a) describes any information the social media company collects from a Utah minor		
218	account holder; and		
219	(b) explains how the information may be used or disclosed;		
220	<ul> <li>(4) upon request of a Utah minor account holder:</li> <li>(a) delete the personal information of the Utah minor account holder, unless the</li> </ul>		
221 222	information is required to be retained under Section 13-61-203, or a different		
223	provision of state or federal law; and		
224	(b) remove any information or material the Utah minor account holder made publicly		
225	available through the social media service; and		
226	(5) disable the following features that prolong user engagement:		
227 228	<ul> <li>(a) autoplay functions that continuously play content without user interaction;</li> <li>(b) scroll or pagination that loads additional content as long as the user continues</li> </ul>		
220	scrolling; and		
230	( <u>c)</u> push notifications prompting repeated user engagement.		
231	Section 6, Section 13-71-203 is enacted to read:		
232	13-71-203 (Effective 10/01/24). Supervisory tools.		
233 234	( <u>1</u> ) <u>A social media company shall offer supervisory tools for a Utah minor account holder</u> that the Utah minor account holder may decide to activate.		
234	(2) The supervisory tools described in Subsection (1) shall include capabilities for an		
236	individual selected by the Utah minor account holder to:		
237	(a) set time limits for the Utah minor account holder's daily social media service usage		
238	across devices;		
239 240	(b) schedule mandatory breaks for the Utah minor account holder during selected days and times across devices:		
240 241	and times across devices; (c) view:		
242	(i) data detailing the Utah minor account holder's total and average daily time spent		

### 2024-05-30 10:24:10 243 244 (ii) a list of connected accounts; 245 (iii) a list of accounts blocked by the Utah minor account holder; 246 (iv) the Utah minor account holder's: 247 (A) privacy settings; 248 (B) content sensitivity settings; and 249 (C) direct messaging settings and permissions; and 250 (d) receive notifications when the Utah minor account holder changes an account setting 251 described in this Subsection (2). 252 Section 7, Section 13-71-204 is enacted to read: 253 13-71-204 (Effective 10/01/24). Parental consent -- Data privacy for Utah minor 254 accounts. (1) A social media company may not allow a Utah minor account holder to change the 255 256 default data privacy setting described in Subsection 13-71-202(1) without first obtaining 257 verifiable parental consent. 258 (2) A social media company's terms of service related to a Utah minor account holder shall 259 be presumed to include an assurance of confidentiality for the Utah minor account 260 holder's personal information. (3) The presumption of confidentiality in Subsection (2) may be overcome if the social 261 media company obtains verifiable parental consent. 262 (4) The presumption of confidentiality in Subsection (2) does not apply to a social media 263 264 company's internal use or external sharing of a Utah minor account holder's personal 265 information if the use or sharing is necessary to: 266 (a) maintain or analyze functioning of the social media service; 267 (b) enable network communications; 268 (c) personalize the user's experience based on the user's age and location; 269 (d) display a username chosen by the Utah minor account holder; 270 (e) obtain age assurance information as required under Section 13-71-201; or 271 (f) comply with the requirements of this chapter or other federal or state laws. 273 Part 3. Division Enforcement Powers 272 Section 8, Section 13-71-301 is enacted to read: 274 13-71-301 (Effective 10/01/24). Enforcement powers. 275 (1) The division shall administer and enforce the provisions of Part 2, General 276 Requirements, in accordance with Chapter 2, Division of Consumer Protection. 277 (2) The attorney general, upon request, shall give legal advice to, and act as counsel for, the 278 division in the exercise of the division's responsibilities under this part. 279 (3) (a) In addition to the division's enforcement powers under Chapter 2, Division of 280 Consumer Protection: 281 (i) the division director may impose an administrative fine of up to \$2,500 for each 282 violation of this chapter; and 283 (ii) the division may bring an action in court to enforce a provision of this chapter. 284 (b) In a court action by the division to enforce a provision of this chapter, the court may: 285 (i) declare that the act or practice violates a provision of this chapter; 286 (ii) enjoin actions that violate this chapter; 287 (iii) order disgorgement of any money received in violation of this chapter; 288 (iv) order payment of disgorged money to an injured purchaser or consumer; 289 (v) impose a civil penalty of up to \$2,500 for each violation of this chapter; 290 (vi) award actual damages to an injured purchaser or consumer; and 291 (vii) award any other relief that the court deems reasonable and necessary. 292 (c) If a court grants judgment or injunctive relief to the division, the court shall award 293 the division: 294 (i) reasonable attorney fees; 295

- (ii) court costs; and 296
  - (iii) investigative fees.
- 297 (4) (a) A person who violates an administrative or court order issued for a violation of

### 298 this chapter is subject to a civil penalty of no more than \$5,000 for each violation. 299 (b) A civil penalty authorized under this section may be imposed in any civil action

- 300 brought by the division, or by the attorney general on behalf of the division.
- (5) All money received for the payment of a fine or civil penalty imposed under this section 301
- 302 shall be deposited into the Consumer Protection Education and Training Fund
- 303 established in Section 13-2-8.
- 304 Section 9, Section 13-71-302 is enacted to read:
- 13-71-302 (Effective 10/01/24). Age assurance and verifiable parental consent 305 306 safe harbor.
- 307
- (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the 308 division shall make rules:

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- (i) assure whether an account holder is a minor in accordance with Section 13-71-201;
   and
- 312 (ii) obtain verifiable parental consent in accordance with Section 13-71-203; and
- 313 (b) to establish criteria a social media company may use to determine whether the social
- 314 media company's age assurance system is 95% accurate.
- 315 (2) A social media company is not subject to an enforcement action for a violation of
- 316 Section 13-71-201 if the social media company implements and maintains an age
- 317 assurance system that complies with rules made by the division as described in
- 318 <u>Subsection (1)(a)(i).</u>
- 319 (3) A social media company is considered to have obtained verifiable parental consent if
- 320 the social media company obtains parental consent through a mechanism that complies
- 321 with the rules made by the division as described in Subsection (1)(a)(ii).
- 322 Section 10, Section **13-71-401** is enacted to read:
- 323 **13-71-401 (Effective 10/01/24). Severability.**
- 324 (<u>1</u>) If any provision of this chapter or the application of any provision to any person or
- 325 circumstance is held invalid by a final decision of a court of competent jurisdiction, the
- 326 remainder of this chapter shall be given effect without the invalid provision or
- 327 <u>application.</u>
- 328 (2) The provisions of this chapter are severable.
- 329 (3) Nothing in this chapter shall displace any other available remedies or rights authorized
- 330 under the laws of this state or the United States.
- 331 Section 11. Effective date.

This bill takes effect on October 1, 2024.

# 333 Section 12. Coordinating S.B. 194 with H.B. 464.

If S.B. 194, Social Media Regulation Amendments, and H.B. 464, Social Media

- 335 Amendments, both pass and become law, the Legislature intends that, on October 1,
- 336 <u>2024:</u>
- 337 (1) Subsection 78B-3-1101(1) enacted in H.B. 464 be amended to read:
- 338 "(1) "Account holder" means the same as that term is defined in Section 13-71-101.";
- 339 (2) Subsection 78B-3-1101(4) enacted in H.B. 464 be amended to read:
- 340 "(4) "Content" means the same as that term is defined in Section 13-71-101.";
- 341 (3) Subsection 78B-3-1101(8) enacted in H.B. 464 be amended to read:
- 342 "(8) "Minor" means the same as that term is defined in Section 13-71-101."; and
- 343 (4) Subsections 78B-3-1101(12) through (16) enacted in H.B. 464 be amended to
- 344 <u>read:</u>
- 345 <u>"(12) "Social media company" means the same as that term is defined in Section</u>
- 346 <u>13-71-101</u>.
- 347 (<u>13)</u>"Social media service" means the same as that term is defined in Section
- 348 <u>13-71-101</u>.
- 349 (14) "User" means the same as that term is defined in Section 13-71-101.
- (15) "Utah account holder" means the same as that term is defined in Section
   13-71-101.
- 352 (<u>16</u>) "Utah minor account holder" means the same as that term is defined in Section.
- 353 <u>13-71-101 .".</u>

