## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2023

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## HOUSE BILL 534 PROPOSED COMMITTEE SUBSTITUTE H534-PCS10450-SA-11

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**Short Title:** Age Verification to Protect Children Act. (Public) Sponsors: Referred to: March 30, 2023 A BILL TO BE ENTITLED AN ACT TO CREATE LIABILITY FOR PUBLISHERS AND DISTRIBUTORS OF MATERIAL HARMFUL TO MINORS, TO PROVIDE FOR THE INVESTIGATION AND PURSUIT OF ACTIONS BY THE ATTORNEY GENERAL, TO PROVIDE CIVIL PENALTIES FOR FAILURE TO PERFORM AGE VERIFICATION, AND OTHER RELATED MATTERS. The General Assembly of North Carolina enacts: **SECTION 1.** Chapter 66 of the General Statutes is amended by adding a new Article to read: "Article 51. "Commercial Publication and Distribution of Material Harmful to Minors. "§ 66-500. Short title; definitions. This Article shall be known as the Pornography Age Verification Enforcement Act or (a) the PAVE Act. (b) The following definitions shall apply to this Article: Commercial entity. – Corporations, limited liability companies, partnerships, (1) limited partnerships, sole proprietorships, or other legally recognized entities. Distribute. – To issue, sell, give, provide, deliver, transfer, transmute, (2) circulate, or disseminate by any means. Harmful to minors. – As defined in G.S. 14-190.13. (3) <u>(4)</u> <u>Internet.</u> – The international computer network of both federal and non-federal interoperable packet switched data networks. Material. – As defined in G.S. 14-190.13. (5) News-gathering organization. – Any of the following: (6) An employee of a newspaper, news publication, or news source, a. printed or on an online or mobile platform, of current news and public interest, while operating as an employee as provided in this sub-subdivision, who can provide documentation of such employment with the newspaper, news publication, or news source. A radio broadcast station, television broadcast station, cable television <u>b.</u> operator, or wire service, or an employee of a radio broadcast station, television broadcast station, cable television operator, or wire service. **(7)** Publish. – To communicate or make information available to another person or entity on a publicly available internet website. Reasonable age verification methods. – Verifying that a person seeking to **(8)** access the material is 18 years of age or older by requiring the person



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1 attempting to access the material to comply with a commercial age verification 2 system that verifies in any of the following ways: 3

- Government-issued identification.
- Any commercially reasonable method that relies on public or private b. transactional data to verify the age of the person attempting to access the information is at least 18 years of age or older.
- Substantial portion. More than thirty-three and one-third percent (33 1/3%) (9) of total material on a website, which meets the definition of material harmful to minors as defined in this subsection.

## "§ 66-501. Commercial publication and distribution of material harmful to minors; civil penalty.

- (a) Any commercial entity that knowingly and intentionally publishes or distributes material harmful to minors on the internet from a website that contains a substantial portion of such material shall be subject to civil penalties as provided in this section if the entity fails to perform reasonable age verification methods to verify the age of the individuals attempting to access the material.
- The Attorney General may conduct an investigation of the alleged violation and initiate a civil action in the Superior Court of Wake County on behalf of the State to assess civil penalties. Prior to asserting a cause of action, the Attorney General shall provide the commercial entity with a period of time of not less than 30 days to comply with this section.
- Any commercial entity that violates this section may be liable for a civil penalty, to be assessed by the court, of not more than five thousand dollars (\$5,000) for each day of violation. Additionally, the Attorney General may request and the court may impose an additional civil penalty not to exceed ten thousand dollars (\$10,000) for each violation of this section against any commercial entity found by the court to have knowingly failed to perform reasonable age verification methods to verify the age of the individuals attempting to access the material. Any civil penalties ordered by the court shall be collected by the Department of Justice and remitted to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the General Statutes.
- (d) Each violation of this section may be treated as a separate violation or may be combined into one violation at the option of the Attorney General.
- Any commercial entity that violates this section may be ordered to pay to the Attorney General all costs, expenses, and fees related to investigations and proceedings associated with the violation, including attorney fees.
- If the court assesses a civil penalty pursuant to this section, the judgment shall be subject to legal interest as provided in G.S. 24-5.
- This section shall not apply to any bona fide news or public interest broadcast, website, video, report, or event and shall not be construed to affect the rights of any news-gathering organization.
- No internet service provider, or its affiliates or subsidiaries, search engine, or cloud service provider shall be held to have violated the provisions of this section solely for providing access or connection to or from a website or other information or content on the internet or a facility, system, or network not under the control of that provider, including transmission, downloading, intermediate storage, access software, or other related capabilities, to the extent such provider is not responsible for the creation of the content of the communication that constitutes material harmful to minors."
- **SECTION 2.** This act becomes effective January 1, 2024, and applies to websites accessed on or after that date.

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