GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

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PROPOSED COMMITTEE SUBSTITUTE H301-PCS10329-SA-11 **Short Title:** Social Media Protections for Minors Under 16. (Public) Sponsors: Referred to: March 6, 2025 A BILL TO BE ENTITLED AN ACT TO PROVIDE SOCIAL MEDIA PROTECTIONS FOR MINORS UNDER SIXTEEN YEARS OF AGE. The General Assembly of North Carolina enacts: **SECTION 1.** The General Statutes are amended by adding a new Chapter to read: "Chapter <u>114B.</u> "Social Media Protections for Minors. "§ 114B-1. Title; definitions. Title. – This Chapter shall be known and may be cited as the "Social Media Protection (a) for Minors Act." Definitions. – The following definitions apply in this Chapter: (b) Account holder. – A person who opens an account or creates a profile or is (1) identified by the social media platform by a unique identifier while using or accessing a social media platform when the social media platform knows or has reason to believe the person is a resident of this State. Anonymous age verification. – A commercially reasonable method used by a **(2)** government agency or a business for the purpose of age verification, that is conducted by a nongovernmental, independent third party organized under the laws of a state of the United States that meets all of the following criteria: Has its principal place of business in a state of the United States. a. <u>b.</u> Is not owned or controlled by a company formed in a foreign country, a government of a foreign country, or any other entity formed in a foreign country. (3) Daily active users. – The number of unique users in the United States who used the online forum, website, or application at least eighty percent (80%) of the days during the previous 12 months or, if the online forum, website, or application did not exist during the previous 12 months, the number of unique users in the United States who used the online forum, website, or application at least eighty percent (80%) of the days during the previous month. (4) Department. – The North Carolina Department of Justice. Minor. – A person who is under 16 years of age. (5) Resident. – A person who lives in this State for more than six months of the (6)



that satisfies all of the following criteria:

Social media platform or platform. – An online forum, website, or application

- <u>a.</u> <u>Allows users to upload content or view the content or activity of other users.</u>
- b. Ten percent (10%) or more of the daily active users who are younger than 16 years of age spend on average two hours per day or longer on the online forum, website, or application on the days when using the online forum, website, or application during the previous 12 months or, if the online forum, website, or application did not exist during the previous 12 months, during the previous month.
- <u>c.</u> Employs algorithms that analyze user data or information on users to select content for users.
- <u>d.</u> <u>Has any of the following addictive features:</u>
 - 1. Infinite scrolling, which means either (i) continuously loading content or content that loads as the user scrolls down the page without the need to open a separate page or (ii) seamless content or the use of pages with no visible or apparent end or page breaks.
 - 2. Push notifications or alerts sent by the online forum, website, or application to inform a user about specific activities or events related to the user's account.
 - 3. <u>Displays personal interactive metrics that indicate the number of times other users have clicked a button to indicate their reaction to content or have shared or reposted the content.</u>
 - 4. Auto-play video or video that begins to play without the user first clicking on the video or on a play button for that video.
 - 5. <u>Live-streaming or a function that allows a user or advertiser to broadcast live video content in real time.</u>

The term does not include (i) an online service, website, or application where the exclusive function is email or direct messaging consisting of text, photographs, pictures, images, or videos shared only between the sender and the recipients, without displaying or posting publicly or to other users not specifically identified as the recipients by the sender, (ii) a community forum where the primary purpose of the forum is for customer self-service support related to products, sellers, services, events, or places, or any combination thereof, (iii) an interactive video game service equipped with parental controls that must be deactivated for a minor to use, (iv) online shopping, or (v) e-commerce.

(8) Standard age verification. – Any commercially reasonable method of age verification approved by the social media platform.

"§ 114B-2. Social media protections for minors.

- (a) Minors Under 14 Years of Age. A social media platform shall prohibit a minor who is younger than 14 years of age from entering into a contract with the platform to become an account holder and shall do all of the following:
 - (1) Terminate any account held by a minor under 14 years of age upon 30 days' notice to the account holder. Termination must be effective upon the expiration of the 30 days if the account holder fails to effectively dispute the termination.
 - (2) Permanently delete all personal information held by the social media platform relating to the terminated account, unless there are legal requirements to maintain the information.
- (b) Minors 14 or 15 Years of Age. A social media platform shall prohibit a minor who is 14 or 15 years of age from entering into a contract with the platform to become an account

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holder unless the minor's parent or guardian provides consent for the minor to become an account holder and shall do all of the following:

- (1) Terminate any account held by an account holder who is 14 or 15 years of age if the account holder's parent or guardian has not provided consent for the minor to create or maintain the account. The social media platform shall provide 30 days for an account holder to dispute the termination.
- (2) Allow the parent or guardian of an account holder who is 14 or 15 years of age to request that the minor's account be terminated. Termination must be effective within 10 business days after the request.
- (3) Permanently delete all personal information held by the social media platform relating to the terminated account unless there are legal requirements to maintain the information.
- (c) <u>Violations. If the Department has reason to believe that a social media platform is in violation of this section, the Department, as the enforcing entity, may bring an action against the platform for an unfair or deceptive act or practice.</u>

Any knowing or reckless violation of this section is deemed an unfair and deceptive trade practice actionable under Chapter 75 of the General Statutes actionable solely by the Department against a social media platform.

In addition to other remedies allowed by law, the Department may collect a civil penalty of up to fifty thousand dollars (\$50,000) per violation and reasonable attorneys' fees and court costs. When the social media platform's failure to comply with this section is a consistent pattern of knowing or reckless conduct, punitive damages may be assessed against the platform.

A social media platform that knowingly or recklessly violates this section is liable to the minor account holder, including court costs and reasonable attorneys' fees. Claimants may be awarded up to ten thousand dollars (\$10,000) in damages. Any action brought under this paragraph may only be brought on behalf of a minor account holder. A civil action for a claim under this paragraph must be brought within one year from the date the complainant knew, or reasonably should have known, of the alleged violation.

If a social media platform allows an account holder to use the social media platform, the parties have entered into a contract.

This section does not preclude any other available remedy at law or in equity.

For purposes of bringing an action under this section, a social media platform that allows a minor to create an account on the platform is considered to be both engaged in substantial and not isolated activities within this State and operating, conducting, engaging in, or carrying on a business and doing business in this State, and is therefore subject to the jurisdiction of the courts of this State.

(d) Enforcement. – If, by its own inquiry or as a result of complaints, the Department has reason to believe that an entity or person has engaged in, or is engaging in, an act or practice that violates this section, the Department may administer oaths and affirmations, subpoena witnesses or matter, and collect evidence. Within five days, excluding weekends and legal holidays, after the service of a subpoena or at any time before the return date specified therein, whichever is longer, the party served may file in the superior court in the county in which it resides or in which it transacts business and serve upon the enforcing authority a petition for an order modifying or setting aside the subpoena. The petitioner may raise any objection or privilege which would be available upon service of such subpoena in a civil action. The subpoena shall inform the party served of its rights under this subsection.

If the matter that the Department seeks to obtain by subpoena is located outside the State, the entity or person subpoenaed may make it available to the Department or its representative to examine the matter at the place where it is located. The Department may designate representatives, including officials of the state in which the matter is located, to inspect the matter on its behalf, and may respond to similar requests from officials of other states.

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<u>Upon failure of an entity or person without lawful excuse to obey a subpoena and upon reasonable notice to all persons affected, the Department may apply to the superior court for an order compelling compliance.</u>

The Department may request that an entity or person that refuses to comply with a subpoena on the ground that testimony or matter may incriminate the entity or person be ordered by the court to provide the testimony or matter. Except in a prosecution for perjury, an entity or individual that complies with a court order to provide testimony or matter after asserting a valid privilege against self-incrimination shall not have the testimony or matter so provided, or evidence derived therefrom, received against the entity or person in any criminal investigation or proceeding.

Any entity or person upon whom a subpoena is served pursuant to this subsection shall comply with the terms thereof unless otherwise provided by order of the court.

Any entity or person that fails to appear with the intent to avoid, evade, or prevent compliance in whole or in part with any investigation under this Chapter or who removes from any place, conceals, withholds, mutilates, alters, or destroys, or by any other means falsifies any documentary material in the possession, custody, or control of any entity or person subject to any such subpoena, or knowingly conceals any relevant information with the intent to avoid, evade, or prevent compliance shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) per week in violation, reasonable attorneys' fees, and costs.

- (e) Rules. The Department may adopt rules to implement this Chapter.
- (f) <u>Civil Penalties. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>

"§ 114B-3. Age verification for social media platforms.

- (a) A social media platform must use either anonymous age verification or standard age verification to verify that an account holder is 16 years of age or older and, except as provided in G.S. 114B-2(b), prevent creation of an account by a person younger than 16 years of age. The social media platform must offer anonymous age verification and standard age verification, and a person attempting to create an account may select which method will be used to verify the person's age.
- (b) A social media platform must ensure that the requirements of subsection (c) of this section are met.
- (c) A third party conducting anonymous age verification pursuant to this section must comply with all of the following:
 - (1) Shall not retain personal identifying information used to verify age once the age of an account holder or a person seeking an account has been verified.
 - (2) Shall not use personal identifying information used to verify age for any other purpose.
 - (3) Must keep anonymous any personal identifying information used to verify age. The information may not be shared or otherwise communicated to any person.
 - Must protect personal identifying information used to verify age from unauthorized or illegal access, destruction, use, modification, or disclosure through reasonable security procedures and practices appropriate to the nature of the personal information.
- (d) Any violation of subsection (a) or (b) of this section is deemed an unfair and deceptive trade practice actionable under Chapter 75 of the General Statutes solely by the Department on behalf of a resident minor against a social media platform.
- If the Department has reason to believe that a social media platform is in violation, the Department may bring an action against the social media platform for an unfair or deceptive act or practice under Chapter 75 of the General Statutes. In addition to other remedies allowed by

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- 1 <u>law, the Department may collect a civil penalty of up to fifty thousand dollars (\$50,000) per violation and reasonable attorneys' fees and court costs.</u>
 - When the social media platform's failure to comply with subsection (a) or (b) of this section is a consistent pattern of knowing or reckless conduct, punitive damages may be assessed against the social media platform.

"§ 114B-4. Miscellaneous provisions.

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- (a) It is the intent of the General Assembly that this Chapter be liberally construed for the protection of minors.
- (b) If any provision of this Chapter or its application to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of this Chapter which can be given effect without the invalid provision or application and, to this end, the provisions of this Chapter are severable."
 - **SECTION 2.** This act becomes effective October 1, 2025.