GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2023

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HOUSE BILL 644

Short Title:	Social Media Algorithmic Control in IT Act. (Public)			
Sponsors:	Sponsors:Representatives McNeely, K. Hall, Humphrey, and Pickett (Primary Sponsors).For a complete list of sponsors, refer to the North Carolina General Assembly web site.			
Referred to:	Judiciary 1, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House			
April 18, 2023				
A BILL TO BE ENTITLED				
AN ACT TO COMBAT SOCIAL MEDIA ADDICTION BY REQUIRING THAT ONLINE				
PLATFORMS WITH MORE THAN ONE MILLION USERS IN NORTH CAROLINA				
RESPECT THE PRIVACY OF ALL USERS' DATA AND NOT USE A MINOR'S DATA				

4 RESPECT THE PRIVACY OF ALL USERS' DATA AND NOT USE A MINOR'S DATA 5 FOR ADVERTISING OR ALGORITHMIC RECOMMENDATIONS AND TO MAKE 6 WILLFUL VIOLATIONS OF DATA USER PRIVACY AN UNFAIR PRACTICE UNDER 7 G.S. 75-1.1.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. Effective October 1, 2024, Chapter 75 of the General Statutes is 10 amended by adding a new Article to read:

- "Article 2B. 11 12 "Social Media Algorithmic Control in Information Technology Act.
- 13 "§ 75-70. Title; definitions.
- 14 This Article shall be known and may be cited as the "Social Media Algorithmic (a) 15 Control in Information Technology Act." 16
 - (b) Definitions. – The following definitions apply in this Article:
 - Algorithmic recommendation system. A fully or partially automated system (1)used to suggest, promote, or rank information.
 - (2) Minor. – An individual who is age 18 or younger.
 - Operator. As defined in section 1302 of the Children's Online Privacy (3) Protection Act of 1998, 15 U.S.C. § 6501.
 - Social media algorithm. The software used by social media platforms to (4) prioritize content and direct the prioritized content to the user.
- 24 Social media platform or platform. - An electronic medium, including a (5) 25 browser-based or application-based interactive computer service, telephone network, or data network, that allows users to create, share, and view 26 27 user-generated content. The term does not include internet search providers or 28 electronic mail.
- 29 User data. - Any data collected directly or indirectly from or concerning a (6) 30 user.

31 "§ 75-71. User data privacy; targeting minors prohibited; registry.

- Privacy Requirements. The General Assembly finds that unhealthy social media use 32 (a)
- 33 has been linked to depression, anxiety, eating disorders, and suicidal ideation, especially among
- 34 young people. Exploitation of user data can result in users being targeted in ways that increase



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1	unhealthy social	media use. It is the policy of this State that use	r data shall be respected by		
2	platforms. Special protections are warranted for users who are minors. Therefore, the operator of				
3	* *	latform shall comply with all of the following requi	-		
4	(1)	The platform's privacy policy must be accessib			
5		with the disclosure of how user data will be use	•		
6		succinct and easy to understand statement that c	• •		
7		of the use in less than 250 words.			
8	(2)	User data may be used in algorithmic recomme	ndations only when the user		
9		has been notified and consents to the use of the c			
10	(3)	Requests for data access that will be us			
11		recommendations shall require full disclosure of			
12		third-party use. This notification shall be sep			
13		platform's terms of service notification.			
14	<u>(4)</u>	The platform must be fully functional for a use	r without the user having to		
15		give consent for their user data to be us			
16		recommendations.	e		
17	(5)	The platform must use an age verification sys	stem that requires a user to		
18		self-attest to their age.			
19	Beginning C	October 1, 2024, and then annually thereafter, a	social media platform shall		
20	provide the Co	nsumer Protection Division of the North Caro	lina Department of Justice		
21	(Division) with a	a digital copy of the platform's privacy policy and c	certification that the platform		
22	has complied w	vith the requirements of this subsection. Platfor	ms shall provide notice of		
23	substantive priva	cy policy changes to the registry. The Division sha	ll maintain a registry of these		
24	policies and cert	ifications on its internet website.			
25	(b) Targe	eting Minors Prohibited. – The operator of a social	media platform must control		
26	algorithmic reco	mmendation systems so that no minor's user data is	s used:		
27	<u>(1)</u>	To inform content recommendations to the min	nor. This requirement is not		
28		intended to prevent algorithmic recommendation	ons from being shown as a		
29		direct result of explicit actions, such as showing	g posts from accounts a user		
30		follows in a chronological feed, but it is inter-			
31		including follows, from being used in an algori	thm to generate algorithmic		
32		recommendations.			
33	(2)	To inform what advertisements or promotions			
34		requirement is not intended to prevent the she	owing of advertisements or		
35		promotions that are shown to the user based up	oon explicit actions, such as		
36		being based on the results of a search initiated by			
37	The operator	of a social media platform may be held liable for v	iolating this subsection if the		
38	operator of the se	ocial media platform knew or had reason to know the	nat the user was a minor. The		
39	-	cial media platform that has made an estimation of	• <u>+</u>		
40	user's self-attest	ation is not liable if the user was a minor who fa	lsely attested to not being a		
41	<u>minor.</u>				
42		ptions. – A social media algorithm that is in			
43		harmful content to an account holder that is a	minor is exempt from the		
44	requirements of				
45		tigation; enforcement; private right of action.			
46		tions Effective January 1, 2025, a platform's v	iolation of this Article is an		
47		ve act or practice under G.S. 75-1.1.			
48		tigations. – The Attorney General shall monitor	social media platforms for		
49	compliance with		a i i i i i		
50	-	plaints. – A user may make a complaint to the Atto			
51	social media pla	tform has failed to comply with the requirements of	ot this Article. The Attorney		

General Assembly Of North Carolina Session 2023 1 General may bring a civil action in any case in which the Attorney General has reason to believe 2 that the interest of the residents of this State has been or is threatened due to noncompliance with 3 this Article. 4 (d) Private Right of Action. – No private right of action may be brought by an individual 5 for a violation of this Article unless the individual is harmed as a result of the violation. 6 "§ 75-73. North Carolina Data Privacy Task Force. 7 There is created the North Carolina Data Privacy Task Force (Task Force) within the (a) 8 Department of Justice for budgetary purposes only. 9 The Task Force shall be composed of 21 members. The ex officio members listed in (b) 10 subdivisions (1) through (6) of this subsection may designate representatives from their particular 11 departments, divisions, or offices to represent them on the Task Force. In making appointments or designating representatives, appointing authorities and ex officio members shall use best 12 efforts to select members or representatives with sufficient knowledge and experience to 13 14 effectively contribute to the issues examined by the Task Force and, to the extent possible, to 15 reflect the geographical, political, gender, and racial diversity of this State. The members shall 16 be as follows: 17 The Attorney General. (1)(2) The State Chief Information Officer. 18 19 The Secretary of the Department of Health and Human Services. (3) 20 (4)The Director of the State Bureau of Investigation. 21 (5) The Director of the Maternal and Child Health Section of the Department of 22 Health and Human Services. 23 The Director of the Division of Mental Health, Developmental Disabilities, (6)24 and Substance Abuse Services. 25 A representative from NC Child, appointed by the Governor upon (7)26 recommendation of the President of the organization. 27 A representative from a private group, other than NC Child, that advocates for (8)28 children, appointed by the Governor upon recommendation of private child 29 advocacy organizations. 30 (9) A pediatrician, licensed to practice medicine in North Carolina, appointed by 31 the President Pro Tempore of the Senate. 32 A psychiatrist, licensed to practice medicine in North Carolina, appointed by (10)33 the Speaker of the House of Representatives. 34 (11)Two public members, one of whom is an educator, appointed by the Speaker 35 of the House of Representatives. 36 Two public members, one of whom is a social worker, appointed by the (12)37 President Pro Tempore of the Senate. 38 Two members of the Senate, appointed by the President Pro Tempore of the (13)39 Senate, and two members of the House of Representatives, appointed by the 40 Speaker of the House of Representatives. A representative from the North Carolina Young People's Alliance, appointed 41 <u>(14)</u> 42 by the Governor upon recommendation of the head of the organization. 43 <u>(15)</u> Two youth representatives under the age of 21 appointed by the Secretary of the Department of Health and Human Services after conducting an 44 45 application-based selection process. 46 All members of the Task Force are voting members. Vacancies in the appointed (c) membership shall be filled by the appointing officer who made the initial appointment. Terms 47 48 shall be two years. The members shall elect a chair who shall preside for the duration of the chair's term as member. In the event a vacancy occurs in the chair before the expiration of the 49 50 chair's term, the members shall elect an acting chair to serve for the remainder of the unexpired 51 term.

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(d) Beginning March 15, 2024, and then annually thereafter,	the Task Force shall report
to the General Assembly on its work, with a special focus on mental he	ealth issues related to social
media, along with findings, recommendations, and any legislative pro-	pposals."
SECTION 2. Effective July 1, 2023, there is appropriated	d from the General Fund to
the Department of Justice the sum of one hundred thousand dollars (\$1	100,000) for the 2023-2024
fiscal year to develop the registry created in G.S. 75-71, as enacted by	y this act.
SECTION 3. Except as otherwise provided, this act is	effective when it becomes
law.	
	(d) Beginning March 15, 2024, and then annually thereafter, to the General Assembly on its work, with a special focus on mental he media, along with findings, recommendations, and any legislative pro SECTION 2. Effective July 1, 2023, there is appropriate the Department of Justice the sum of one hundred thousand dollars (\$ fiscal year to develop the registry created in G.S. 75-71, as enacted by SECTION 3. Except as otherwise provided, this act is