SENATE BILL 780

I3, P2, C8 4lr2285 CF HB 772

By: Senator Muse

Introduced and read first time: February 1, 2024

Assigned to: Finance

AN ACT concerning

A BILL ENTITLED

1	THE TECHNOLOGIAN STATE OF THE S
2 3	Internet-Connected Devices and Internet Service Providers - Default Filtering of Obscene Content
4	(Maryland Online Child Protection Act)
5	FOR the purpose of prohibiting a person from selling an Internet–connected device that is
6	intended for minors unless the device is sold with a certain filter, certain privacy
7	settings, and other features; making a violation of the prohibition an unfair, abusive,
8	or deceptive trade practice that is subject to the enforcement and penalties under the
9	Maryland Consumer Protection Act; requiring that preference be given to certain
10	grant applications that include the use of broadband providers that implement the
11 12	use of certain filters; requiring that preference be granted in the State procurement
13	process to Internet service providers that implement the use of certain filters; and generally relating to Internet content filtering in the State.
10	generally relating to internet content intering in the State.
14	BY repealing and reenacting, with amendments,
15	Article – Commercial Law
16	Section 13–301(14)(xl)
17	Annotated Code of Maryland
18	(2013 Replacement Volume and 2023 Supplement)
19	BY repealing and reenacting, without amendments,
20	Article – Commercial Law
21	Section 13–301(14)(xli)
22	Annotated Code of Maryland
23	(2013 Replacement Volume and 2023 Supplement)
24	BY adding to
25	Article – Commercial Law
26	Section 13–301(14)(xlii); and 14–4601 through 14–4604 to be under the new subtitle
27	"Subtitle 46. Default Filters for Internet-Connected Devices for Children"
28	Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1	(2013 Replacement Volume and 2023 Supplement)
2 3 4 5 6	BY repealing and reenacting, with amendments, Article – Housing and Community Development Section 6.5–106 and 6.5–107 Annotated Code of Maryland (2019 Replacement Volume and 2023 Supplement)
7 8 9 10 11	BY adding to Article – State Finance and Procurement Section 14–419 Annotated Code of Maryland (2021 Replacement Volume and 2023 Supplement)
12 13	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
14	Article - Commercial Law
15	13–301.
16	Unfair, abusive, or deceptive trade practices include any:
17	(14) Violation of a provision of:
18	(xl) Title 14, Subtitle 13 of the Public Safety Article; [or]
19	(xli) Title 14, Subtitle 45 of this article; or
20	(XLII) TITLE 14, SUBTITLE 46 OF THIS ARTICLE; OR
21 22	SUBTITLE 46. DEFAULT FILTERS FOR INTERNET-CONNECTED DEVICES FOR CHILDREN.
23	14-4601.
24 25	(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
26 27 28	(B) (1) "DEVICE INTENDED FOR MINORS" MEANS A DEVICE THAT IS MARKETED TOWARD OR PRIMARILY SOLD FOR THE USE OF INDIVIDUALS UNDER THE AGE OF 18 YEARS.
29	(2) "DEVICE INTENDED FOR MINORS" INCLUDES:

AN INTERNET-CONNECTED GAMING DEVICE; AND

(I)

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1 2	(II) A DEVICE THAT SPECIFICALLY ADVERTISES CHILD SAFETY FEATURES.
3	(C) "FILTER" MEANS SOFTWARE INSTALLED ON A DEVICE THAT IS CAPABLE
4	OF PREVENTING THE DEVICE FROM ACCESSING OR DISPLAYING MATERIAL THAT IS
5	HARMFUL TO MINORS THROUGH THE INTERNET OR ANY APPLICATIONS OWNED AND
6	CONTROLLED BY THE MANUFACTURER AND INSTALLED ON THE DEVICE.
7	(D) "HARMFUL TO MINORS" MEANS THAT QUALITY OF ANY DESCRIPTION OR
8	REPRESENTATION OF NUDITY, SEXUAL CONDUCT, SEXUAL EXCITEMENT, OR
9	SADOMASOCHISTIC ABUSE WHEN IT:
10 11	(1) TAKEN AS A WHOLE, APPEALS TO THE PRURIENT INTEREST IN SEX OF MINORS;
	,
12	(2) IS PATENTLY OFFENSIVE TO PREVAILING STANDARDS IN THE
13	ADULT COMMUNITY AS A WHOLE WITH RESPECT TO WHAT IS SUITABLE MATERIAL
14	FOR MINORS; AND
15	(3) TAKEN AS A WHOLE, LACKS SERIOUS ARTISTIC, EDUCATIONAL,
16	LITERARY, POLITICAL, OR SCIENTIFIC VALUE FOR MINORS.
17	(E) "INTERNET-CONNECTED DEVICE" MEANS A PHYSICAL OBJECT THAT:
18	(1) IS CAPABLE OF CONNECTING TO AND IS IN REGULAR CONNECTION
19	WITH THE INTERNET; AND
20	(2) HAS COMPUTER PROCESSING CAPABILITIES THAT CAN COLLECT,
21	
22	(F) (1) "PERSONAL DATA" MEANS DATA THAT IS ASSOCIATED WITH A
23	SPECIFIC INDIVIDUAL.
24	(2) "PERSONAL DATA" INCLUDES:
25	(I) RECORDS OF DATA USAGE OR ONLINE ACTIVITY;
26	(II) BROWSING HISTORY; AND
27 28	(III) OTHER RECORDS THAT TRACK THE ACTIVITY OF A SPECIFIC INDIVIDUAL.

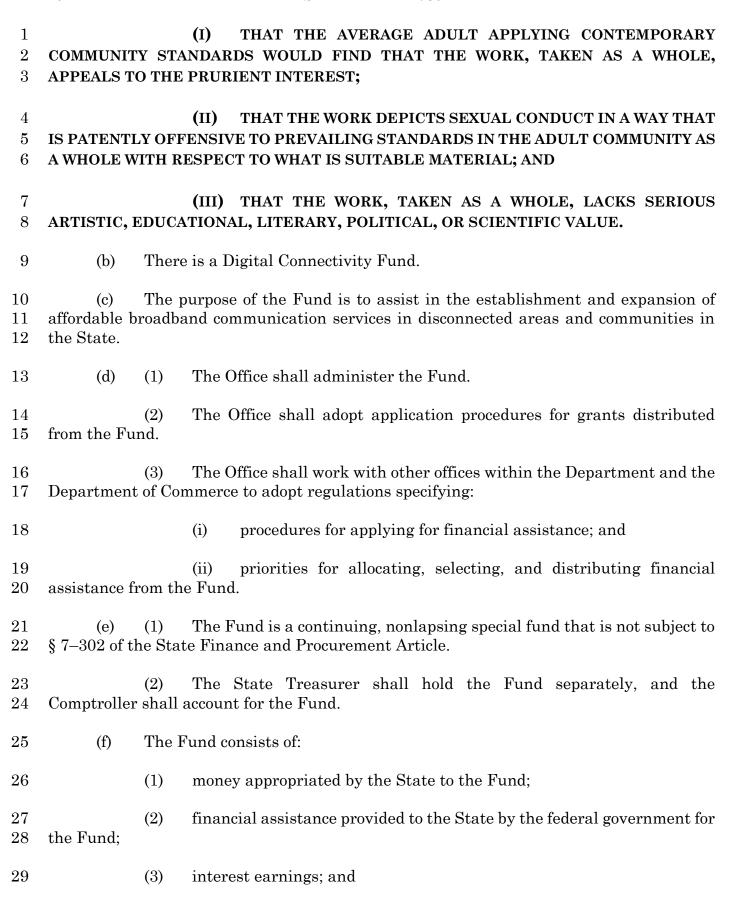
- (G) "QUALIFYING AGE VERIFICATION PROCEDURE" 1 **MEANS** 2 VERIFICATION THAT IS ACCOMPLISHED THROUGH THE USE OF A REPUTABLE 3 INDEPENDENT THIRD PARTY THAT IS IN THE BUSINESS OF VERIFYING AN 4 INDIVIDUAL'S PERSONALLY IDENTIFIABLE INFORMATION. 14-4602. 5 6 EXCEPT AS PROVIDED IN § 14–4603 OF THIS SUBTITLE, A PERSON MAY NOT 7 SELL AN INTERNET-CONNECTED DEVICE INTENDED FOR MINORS IN THE STATE. 14-4603. 8 A PERSON MAY SELL AN INTERNET-CONNECTED DEVICE INTENDED FOR 9 (A) 10 MINORS IF: 11 **(1)** THE INTERNET-CONNECTED DEVICE IS SOLD WITH: 12 **(I)** AN ACTIVATED FILTER THAT BLOCKS CONTENT THAT IS 13 HARMFUL TO MINORS; AND 14 ACTIVATED, CONFIGURABLE PRIVACY SETTINGS THAT ARE (II)15 THE MOST PROTECTIVE AVAILABLE AGAINST THE COLLECTION OF A USER'S 16 INFORMATION; AND 17 **(2)** THE INTERNET-CONNECTED DEVICE DOES NOT: 18 (I)DISPLAY ADVERTISEMENTS TARGETED AT MINORS BASED 19 ON CONCLUSIONS DRAWN FROM PERSONAL DATA; OR COLLECT, USE, OR SHARE THE USER'S PERSONAL DATA 20(II) BEYOND WHAT IS NECESSARY TO PROVIDE THE CORE FUNCTIONS OF THE DEVICE. 2122(B) A FILTER REQUIRED UNDER SUBSECTION (A) OF THIS SECTION: **(1)** 23 MAY BE DISABLED ONLY BY AN INDIVIDUAL:
- 25 (II) WHOSE AGE IS VERIFIED THROUGH A QUALIFYING AGE 26 VERIFICATION PROCEDURE; AND

WHO IS AT LEAST 18 YEARS OLD; AND

(I)

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SHALL BE PROVIDED ACCOMPANIED BY CLEAR INSTRUCTIONS 1 **(2)** 2 REGARDING HOW AN INDIVIDUAL UNDER ITEM (1) OF THIS SUBSECTION MAY 3 DISABLE THE FILTER. THE 4 (C) CONFIGURABLE PRIVACY REQUIRED **SETTINGS UNDER** 5 SUBSECTION (A)(1)(II) OF THIS SECTION MAY BE CONFIGURED ONLY BY AN 6 **INDIVIDUAL:** 7 **(1)** WHO IS AT LEAST 18 YEARS OLD; AND 8 **(2)** WHOSE AGE IS VERIFIED THROUGH A QUALIFYING AGE 9 VERIFICATION PROCEDURE. 10 14-4604. 11 A VIOLATION OF THIS SUBTITLE IS: 12 **(1)** AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE UNDER 13 TITLE 13 OF THIS ARTICLE; AND 14 SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE. 15 16 Article - Housing and Community Development 17 6.5-106.In this section[,] THE FOLLOWING WORDS HAVE THE MEANINGS 18 **(1)** 19 INDICATED. 20 **(2)** "FILTER" MEANS SOFTWARE THAT: 21**(I)** IS CAPABLE OF PREVENTING ACCESS TO OR THE DISPLAY OF 22OBSCENE MATERIAL ON ANY COMPUTER OR DEVICE CONNECTED TO THE INTERNET; 23**AND** 24(II)MAY BE DISABLED BY THE END USER. "Fund" means the Digital Connectivity Fund. 25**(3)** "OBSCENE" MEANS: 26 **(4)**



1 any other money from any other source accepted for the benefit of the (4) 2 Fund. 3 (g) The Fund may be used only to distribute competitive grants: 4 for construction, maintenance of broadband (1) planning, and communication services, equipment, and activities; and 5 6 to provide financial assistance to local governments to expand (2)7 high-speed Internet access in disconnected communities in the State. 8 (h) IN DISTRIBUTING GRANTS UNDER THIS SECTION, THE OFFICE SHALL GIVE PREFERENCE TO APPLICATIONS FOR GRANTS THAT INCLUDE THE USE OF 9 BROADBAND PROVIDERS THAT IMPLEMENT THE USE OF FILTERS BY DEFAULT. 10 11 **(I)** The State Treasurer shall invest the money of the Fund in the same (1)12 manner as other State money may be invested. 13 (2)Any interest earnings of the Fund shall be credited to the Fund. 14 [(i)] **(J)** Expenditures from the Fund may be made only in accordance with the State budget. 15 6.5-107.16 17 **(1)** IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS (a) 18 INDICATED. "FILTER" MEANS SOFTWARE THAT: 19 **(2)** IS CAPABLE OF PREVENTING ACCESS TO OR THE DISPLAY OF 20 OBSCENE MATERIAL ON ANY COMPUTER OR DEVICE CONNECTED TO THE INTERNET; 2122**AND** 23 (II)MAY BE DISABLED BY THE END USER. "FUND" MEANS THE RURAL BROADBAND ASSISTANCE FUND. 24**(3)** "OBSCENE" MEANS: **(4)** 2526 **(I)** THAT THE AVERAGE ADULT APPLYING CONTEMPORARY COMMUNITY STANDARDS WOULD FIND THAT THE WORK, TAKEN AS A WHOLE, 27APPEALS TO THE PRURIENT INTEREST; 28

1 2 3	(II) THAT THE WORK DEPICTS SEXUAL CONDUCT IN A WAY THAT IS PATENTLY OFFENSIVE TO PREVAILING STANDARDS IN THE ADULT COMMUNITY AS A WHOLE WITH RESPECT TO WHAT IS SUITABLE MATERIAL; AND
4 5	(III) THAT THE WORK, TAKEN AS A WHOLE, LACKS SERIOUS ARTISTIC, EDUCATIONAL, LITERARY, POLITICAL, OR SCIENTIFIC VALUE.
6	(B) There is a Rural Broadband Assistance Fund in the Department.
7 8	[(b)] (C) The purpose of the Fund is to assist in the establishment of broadband communication services in rural and underserved areas of the State.
9	[(c)] (D) The Office shall administer the Fund.
10 11	[(d)] (E) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
12 13	(2) The Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
14	[(e)] (F) The Fund consists of:
15	(1) money appropriated in the State budget to the Fund;
16 17 18 19	(2) money appropriated in the State budget to the Maryland Economic Development Assistance Fund under Title 5, Subtitle 3 of the Economic Development Article for the purpose of assisting in the establishment of broadband communication services in rural and underserved areas of the State;
20	(3) federal money allocated or granted to the Fund;
21	(4) interest earnings; and
22	(5) any other money from any source accepted for the benefit of the Fund.
23 24 25	[(f)] (G) The Fund may be used only for planning, construction, and maintenance of broadband communication services and equipment in rural and underserved areas and related activities.
26 27 28	(H) IN DISTRIBUTING GRANTS UNDER THIS SECTION, THE OFFICE SHALL GIVE PREFERENCE TO APPLICATIONS FOR GRANTS THAT INCLUDE THE USE OF BROADBAND PROVIDERS THAT IMPLEMENT THE USE OF FILTERS BY DEFAULT.
29 30	[(g)] (I) (1) The Treasurer shall invest the money in the Fund in the same manner as other State money may be invested.

1	(2) Any interest earnings of the Fund shall be credited to the Fund.
2 3 4	[(h)] (J) The Office shall make payments from the Fund within 30 days after notice of a decision of the Maryland Rural Broadband Coordination Board under § 13–504(3) of the Economic Development Article.
5	Article - State Finance and Procurement
6	14–419.
7 8	(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
9	(2) "FILTER" MEANS SOFTWARE THAT:
10 11 12	(I) IS CAPABLE OF PREVENTING ACCESS TO OR THE DISPLAY OF OBSCENE MATERIAL ON ANY COMPUTER OR DEVICE CONNECTED TO THE INTERNET; AND
13	(II) MAY BE DISABLED BY THE END USER.
14 15	(3) "Internet service provider" means a person that provides services for accessing, using, or participating in the Internet.
16	(4) "OBSCENE" MEANS:
17 18 19	(I) THAT THE AVERAGE ADULT APPLYING CONTEMPORARY COMMUNITY STANDARDS WOULD FIND THAT THE WORK, TAKEN AS A WHOLE, APPEALS TO THE PRURIENT INTEREST;
20 21 22	(II) THAT THE WORK DEPICTS SEXUAL CONDUCT IN A WAY THAT IS PATENTLY OFFENSIVE TO PREVAILING STANDARDS IN THE ADULT COMMUNITY AS A WHOLE WITH RESPECT TO WHAT IS SUITABLE MATERIAL; AND
23 24	(III) THAT THE WORK, TAKEN AS A WHOLE, LACKS SERIOUS ARTISTIC, EDUCATIONAL, LITERARY, POLITICAL, OR SCIENTIFIC VALUE.
25	(5) "PREFERENCE" MEANS:
26	(I) A PERCENTAGE PRICE PREFERENCE; OR
27 28	(II) ANY OTHER PROVISION THAT FAVORS INTERNET SERVICE PROVIDERS THAT IMPLEMENT THE USE OF FILTERS BY DEFAULT.

- 1 (B) BEGINNING OCTOBER 1, 2026, ALL STATE AGENCIES SHALL GIVE PREFERENCE TO INTERNET SERVICE PROVIDERS THAT IMPLEMENT THE USE OF FILTERS BY DEFAULT.
- 4 (C) THE BOARD SHALL ADOPT REGULATIONS THAT REQUIRE STATE
 5 SCHOOLS AND FACILITIES TO ESTABLISH A PERCENTAGE PRICE PREFERENCE FOR
 6 INTERNET SERVICE PROVIDERS THAT IMPLEMENT THE USE OF FILTERS BY
 7 DEFAULT.
- 8 (D) THIS SECTION DOES NOT APPLY TO A CONTRACT OR PROCUREMENT 9 AGREEMENT IN EFFECT ON OCTOBER 1, 2024.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.