

**Subject** Consumer data privacy: Age-Appropriate Design Code Act

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**Date** April 15, 2024

## Overview

This bill creates a Minnesota Age-Appropriate Design Code Act, which places certain obligations and restrictions on businesses that offer online services, products, or features likely to be accessed by children. These obligations and restrictions are generally intended to protect children’s privacy, well-being, and autonomy. This bill is modeled after a law enacted by California in 2022. *See* 2021 Cal. A.B. 2273.

## Summary

Section	Description
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| 1 | <b>Attorney general data coded elsewhere.</b><br>Creates a cross-reference in the Government Data Practices Act for the data protection impact assessments collected by the attorney general under section 6, subdivision 3, of the bill.   |
| 2 | <b>Citation; construction.</b><br>Provides the title of the new chapter of statute created by the bill. Provides general guidelines for construing the bill’s provisions, including that the privacy, safety, and well-being should be prioritized over a business’s commercial interests when those are in conflict. |
| 3 | <b>Definitions.</b><br>Provides definitions for key terms used in the bill, including: “age-appropriate” and “best interest of children,” and “reasonably likely to be accessed by children.”   |
| 4 | <b>Information fiduciary.</b><br>Provides that, notwithstanding any limitations in the scope of the bill generally, <i>any</i> business in Minnesota that processes children’s data must do so in a matter consistent with the best interests of children.  |

Section	Description
5	<p data-bbox="318 264 553 289"><b>Scope; exclusions.</b></p> <p data-bbox="318 310 1414 422">Establishes that a business is only subject to the bill if it collects and uses consumers' personal data, does business in Minnesota, and meets the specified thresholds regarding the size/scope of its operations.</p> <p data-bbox="318 457 1414 569">Also, excludes from the bill entities and information already protected by the federal HIPAA regulations regarding health information, information collected as part of clinical trials and research, and journalism businesses.</p>
6	<p data-bbox="318 611 594 636"><b>Business obligations.</b></p> <p data-bbox="367 657 1414 919"><b>Subd. 1. Requirements for businesses.</b> Places requirements on a business that will provide an online service, product, or feature likely to be accessed by children. This includes various requirements regarding the design and settings of the product, providing certain privacy notices and policies, and completing a data protection impact assessment that may be reviewed by the attorney general. The specific information that must be included in a required data protection impact assessment is addressed in paragraph (b).</p> <p data-bbox="367 961 1414 1150"><b>Subd. 2. Prohibition on businesses.</b> Prohibits a business that will provide an online service, product, or feature likely to be accessed by children from taking certain actions. This includes limiting the amount of data that the business collects on children, limiting the allowable uses of that data, and prohibiting secret monitoring of children.</p> <p data-bbox="367 1192 1414 1255"><b>Subd. 3. Data practices.</b> Classifies as private/nonpublic a data protection impact assessment collected or maintained by the attorney general.</p>
7	<p data-bbox="318 1297 727 1323"><b>Attorney general enforcement.</b></p> <p data-bbox="318 1344 1414 1570">Allows the attorney general to bring a civil action to enforce the provisions of this bill, including seeking civil penalties in the specified amounts. Appropriates money recovered by the attorney general in an enforcement action to the attorney general's office. Provides that certain businesses must be given an opportunity to cure any alleged violations before the attorney general may begin an enforcement action. States that a private right of action is not authorized.</p>
8	<p data-bbox="318 1612 472 1638"><b>Limitations.</b></p> <p data-bbox="318 1659 1414 1806">Clarifies that the bill is not to be interpreted or construed to violate section 230 of the Communications Decency Act of 1996 (which limits the liability of online publishers for user-posted content), to require age verifications on websites, nor to infringe on certain existing rights or freedoms.</p>

Section	Description
9	<p data-bbox="316 262 511 300"><b>Effective date.</b></p> <p data-bbox="316 310 1430 384">Provides that the act is effective July 1, 2025, and is not applicable to services, products, or features that are no longer offered to the public after that date.</p> <p data-bbox="316 394 1430 459">Provides that data protection impact assessments on existing services, products, or features (i.e. “legacy products”) must be completed by July 1, 2025.</p>



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