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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3588

02/20/2020 Authored by Edelson and Xiong, J., The bill was read for the first time and referred to the Committee on Commerce

1.1 A bill for an act
1.2 relating to commerce; establishing a social media platform registration fee;
1.3 establishing a social media impact fund; requiring reports; appropriating money;
1.4 proposing coding for new law as Minnesota Statutes, chapter 325O.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. 3250.01 DEFINITIONS.

1.7 (a) For the purposes of this chapter, the following terms have the meanings given.

1.8 (b) "Account holder" means a person who accesses a social media account through a
1.9 social media platform.

1.10 (c) "Commissioner" means the commissioner of commerce.

1.11 (d) "Minnesota account holder" means an account holder on a social media platform
1.12 that has either established the account from an Internet protocol address located in Minnesota
1.13 or indicated current residence in Minnesota.

1.14 (e) "Personally identifying information" means information that allows a person to be
1.15 identified or located, including:

1.16 (1) the person's first and last name, first initial and last name, first name and last initial,
1.17 or nickname;

1.18 (2) the person's birth date or Social Security number;

1.19 (3) the person's current or former home, school, or work address;

1.20 (4) the person's telephone number or e-mail address; or

1.21 (5) the person's geolocation data.

2.1 (f) "Social media platform" means an electronic medium, including a browser-based or
 2.2 application-based interactive computer service, telephone network, or data network, that
 2.3 allows users to create, share, and view user-created content. Social media platform does not
 2.4 include online periodicals, newspapers, or platforms specifically and exclusively used as a
 2.5 business or employment services platform.

2.6 (g) "User-created content" means data created by an account holder that is displayed on
 2.7 the account holder's social media page or stored by the social media platform in the account
 2.8 holder's account, including but not limited to personally identifying information, education
 2.9 experience or institution, volunteer or employment experience, written posts, photographs,
 2.10 video recordings, or audio recordings.

2.11 **Sec. 2. [3250.02] SOCIAL MEDIA IMPACT FUND.**

2.12 Subdivision 1. **Social media impact fund.** A social media impact fund is established
 2.13 as a separate account in the special revenue fund in the state treasury. Earnings, such as
 2.14 interest, dividends, and any other earnings arising from assets of the account, are credited
 2.15 to the fund.

2.16 Subd. 2. **Allowable expenditures.** Money in the fund may be appropriated by law and
 2.17 expended for costs attributable to:

2.18 (1) reasonable expenses incurred by the commissioner of commerce to administer section
 2.19 3250.03;

2.20 (2) reasonable expenses incurred by the commissioners of commerce and human services
 2.21 to complete the reports under section 3250.04;

2.22 (3) reasonable expenses incurred by the commissioner of human services to conduct a
 2.23 public outreach campaign to raise awareness and increase education regarding adverse
 2.24 effects on children who use social media; and

2.25 (4) develop and distribute educational resources and training materials about the risks
 2.26 and adverse effects on children who use social media by the Department of Human Services.

2.27 **Sec. 3. [3250.03] SOCIAL MEDIA PLATFORM REGISTRATION FEE.**

2.28 Subdivision 1. **Determination of social media platform registration fee.** (a) An annual
 2.29 registration fee is imposed on any social media platform having 100,000 or more Minnesota
 2.30 account holders during a calendar year.

3.1 (b) The annual registration fee for each social media platform meeting the requirement
3.2 under paragraph (a) is \$.....

3.3 (c) Each social media platform required to pay the registration fee under this section
3.4 must submit the fee to the commissioner by June 1 each year.

3.5 (d) The registration fee collected under this subdivision shall be deposited in the social
3.6 media impact fund account established under section 325O.02.

3.7 Subd. 2. **Reporting.** By March 1 each year, a social media platform meeting the
3.8 requirement under subdivision 1, paragraph (a), must report to the commissioner, in a format
3.9 specified by the commissioner, that the social media platform has met or maintained
3.10 qualification during the preceding calendar year requiring registration in Minnesota.
3.11 Reporting under this subdivision does not include personally identifying information of
3.12 account holders of a social media platform or access to user-created content.

3.13 Sec. 4. **[325O.04] REPORTS TO LEGISLATURE.**

3.14 (a) By February 1 each year, the commissioner of commerce must submit a report to
3.15 the chairs and ranking minority members of the house of representatives and senate
3.16 committees with jurisdiction over commerce. The report must include information on the
3.17 number of social media platforms meeting the requirements under section 325O.03, the
3.18 names of the social media platforms, and an accounting of expenses and the fund balance
3.19 of the account created in section 325O.02.

3.20 (b) By February 1 each year, the commissioner of human services must submit a report
3.21 to the chairs and ranking minority members of the house of representatives and senate
3.22 committees with jurisdiction over human services on the activities and results of the public
3.23 outreach campaign conducted pursuant to section 325O.02, subdivision 2, clause (3). The
3.24 report must include a summary of existing research on the adverse effects on children who
3.25 use social media and describe future uses for grant funding to address children's mental
3.26 health needs related to social media use.

3.27 Sec. 5. **APPROPRIATION.**

3.28 \$..... in fiscal year 2021 is appropriated from the general fund to the commissioner of
3.29 human services to conduct public outreach beginning January 1, 2021, to increase education
3.30 and awareness regarding adverse effects on children who use social media, pursuant to
3.31 Minnesota Statutes, section 325O.02, subdivision 2, clause (3). This is a onetime
3.32 appropriation.

4.1 Sec. 6. **EFFECTIVE DATE; APPLICATION.**

4.2 Sections 1 to 5 are effective July 1, 2020. Initial public outreach and reporting under
4.3 sections 325O.02 and 325O.03 must occur in 2021. The initial reports under section 325O.04
4.4 must be submitted in 2022.