

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB** 570 HLS 25RS 585

Bill Text Version: ORIGINAL

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

Date: April 25, 2025 12:36 PM

Author: CARVER

Dept./Agy.: Attorney General

COMMERCIAL REGULATIONS

Analyst: Daniel Druilhet

Subject: Minors' Use of Applications

OR SEE FISC NOTE SG RV

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Provides relative to minors use of applications

<u>Proposed law</u> provides relative to applications stores and developers in regards to minors; provides for what a covered application store provider shall do at the time an individual creates an account, including age verification, receiving notices of a significant change from or providing information to a developer, revocation of parental consent, and protecting personal age verification data; provides that a developer shall use the lowest age indicated by age verification data provided in implementing any developer-created safety-related features or defaults; provides that for purposes of setting the age category of an application and providing content description disclosure to a covered application store provider, a developer complies with the <u>proposed law</u> if the developer uses widely adopted industry standards for age categories and content description disclosures and if the developer applies those standards consistently and in good faith; provides the Attorney General (AG) with the authority to bring a civil action to enforce any violations of the <u>proposed law</u>; provides that a social media platform that violates the <u>proposed law</u> shall be subject to a civil fine of up to \$10,000 per violation; provides for when the AG may give notice to violators and initiate a civil action against a person who fails to cure a violation; provides for civil penalties of no more than \$5,000 for those who violate administrative or court orders.

| EXPENDITURES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
|----------------|-----------|-----------|-----------|-----------|-----------|---------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| REVENUES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | SEE BELOW | |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. While the <u>proposed law</u> may result in an indeterminable increase in workload in the Office of the Attorney General (AG), the department reports that any fiscal impact will be absorbed within its operating budget.

REVENUE EXPLANATION

<u>Proposed law</u> may result in an indeterminable increase in Self-Generated Revenue in the Office of the Attorney General, to the extent that the AG collects civil fines imposed on a person who violates an administrative or court order issued under the <u>proposed law</u>, or a covered application store or developer that violates or fails to cure a violation of the <u>proposed law</u>. The exact impact to Self-Generated Revenue is indeterminable, as it is unknown the number of instances in which the AG will successfully secure civil fines related to litigation under the <u>proposed law</u>.

| <u>Senate</u> | <u>Dual Referral Rules</u> | House | Tatios Marias |
|---------------|--|---|---------------------------------------|
| 13.5.1 >= | \$100,000 Annual Fiscal Cost {S & H} | \bigcirc 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} | |
| 13.5.2 >= | \$500,000 Annual Tax or Fee Change {S & H} | 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | Patrice Thomas Deputy Fiscal Officer |