# First Regular Session Seventy-third General Assembly STATE OF COLORADO

# **INTRODUCED**

LLS NO. 21-0184.01 Jennifer Berman x3286

**SENATE BILL 21-132** 

## SENATE SPONSORSHIP

Donovan,

### **HOUSE SPONSORSHIP**

(None),

#### **Senate Committees** State, Veterans, & Military Affairs

#### **House Committees**

	A BILL FOR AN ACT
101	CONCERNING THE REGULATION OF DIGITAL COMMUNICATIONS, AND,
102	IN CONNECTION THEREWITH, CREATING THE DIGITAL
103	COMMUNICATIONS DIVISION AND THE DIGITAL
104	COMMUNICATIONS COMMISSION.

### **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill creates the digital communications division (division) and the digital communications commission (commission) within the department of regulatory agencies. On an annual basis and for a reasonable fee determined by the commission, the division shall register digital communications platforms, which are certain communications-oriented online businesses, such as social media platforms or media-sharing platforms, that conduct business in Colorado or own or operate services that are offered to Colorado residents. A digital communications platform that fails to register with the division commits a class 2 misdemeanor, punishable by a fine of up to \$5,000 for each day that the violation continues.

The division shall investigate and the commission may hold hearings on claims filed with the division alleging that a digital communications platform has allowed a person to engage in one or more unfair or discriminatory digital communications practices on the platform, which practices:

- Include practices that promote hate speech; undermine election integrity; disseminate intentional disinformation, conspiracy theories, or fake news; or authorize, encourage, or carry out violations of users' privacy; and
- May include business, political, or social practices that are conducted in a manner that a person aggrieved by the practices can demonstrate are unfair or discriminatory to the aggrieved person. Such practices, if done in an unfair or discriminatory manner, might include:
  - Practices that target users for purposes of collecting and disseminating users' personal data, including users' sensitive data;
  - Profiling users based on their personal data collected;
  - Selling or authorizing others to use users' personal data to provide location-based advertising or targeted advertising; or
  - Using facial recognition software and other tracking technology.

If a person who files a complaint with the division exhausts all administrative remedies and proceedings, the person may file a civil action in district court alleging an unfair or discriminatory digital communications practice.

- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 SECTION 1. In Colorado Revised Statutes, 24-1-122, add (2)(m)
- 3 as follows:
- 4 24-1-122. Department of regulatory agencies creation.

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1	(2) The department of regulatory agencies shall consist of the following
2	divisions:
3	(m) THE DIGITAL COMMUNICATIONS DIVISION, THE HEAD OF WHICH
4	IS THE DIRECTOR OF THE DIGITAL COMMUNICATIONS DIVISION. THE
5	DIGITAL COMMUNICATIONS DIVISION, THE DIRECTOR, AND THE DIGITAL
6	COMMUNICATIONS COMMISSION, CREATED BY PART 10 OF ARTICLE 34 OF
7	THIS TITLE 24, SHALL EXERCISE THEIR POWERS AND PERFORM THEIR
8	DUTIES AND FUNCTIONS AS IF TRANSFERRED BY A TYPE ${f 1}$ TRANSFER.
9	SECTION 2. In Colorado Revised Statutes, 24-34-104, add
10	(32)(a)(VI) as follows:
11	24-34-104. General assembly review of regulatory agencies
12	and functions for repeal, continuation, or reestablishment - legislative
13	<b>declaration - repeal.</b> (32) (a) The following agencies, functions, or both,
14	are scheduled for repeal on September 1, 2031:
15	(VI) THE DIGITAL COMMUNICATIONS DIVISION AND THE DIGITAL
16	${\tt COMMUNICATIONSCOMMISSIONCREATEDINPART10OFTHISARTICLE34.}$
17	<b>SECTION 3.</b> In Colorado Revised Statutes, <b>add</b> part 10 to article
18	34 of title 24 as follows:
19	PART 10
20	DIGITAL COMMUNICATIONS
21	<b>24-34-1001. Short title.</b> The short title of this part 10 is the
22	"COLORADO DIGITAL COMMUNICATIONS ACT".
23	<b>24-34-1002. Definitions.</b> As used in this part 10, unless the
24	CONTEXT OTHERWISE REQUIRES:
25	(1) "COMMISSION" MEANS THE DIGITAL COMMUNICATIONS
26	COMMISSION CREATED IN SECTION 24-34-1004.
27	(2) "CONTROLLER" MEAN A PERSON THAT, WHETHER ALONE OR

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1	JOINTLY WITH OTHERS, DETERMINES THE PURPOSES FOR AND MEANS OF
2	PROCESSING PERSONAL DATA.
3	(3) "DE-IDENTIFIED DATA" MEANS DATA THAT DO NOT IDENTIFY
4	AN INDIVIDUAL AND WITH RESPECT TO WHICH THERE IS NO REASONABLE
5	BASIS TO BELIEVE THAT THE INFORMATION CAN BE USED TO IDENTIFY AN
6	INDIVIDUAL.
7	(4) "DEPARTMENT" MEANS THE DEPARTMENT OF REGULATORY
8	AGENCIES CREATED IN SECTION 24-34-101.
9	(5) (a) "DIGITAL COMMUNICATIONS PLATFORM" OR "PLATFORM"
10	MEANS A COMMUNICATIONS-ORIENTED ONLINE BUSINESS THAT:
11	(I) FACILITATES COMMUNICATIONS BETWEEN USERS AND ALLOWS
12	USERS TO CREATE AND SHARE CONTENT WITH OTHER USERS ONLINE
13	ACROSS THE PLATFORM;
14	(II) ALLOWS BUSINESSES TO ADVERTISE TO COLORADO RESIDENTS
15	USING THE PLATFORM THROUGH THE USE OF GEOLOCATION TECHNOLOGY
16	ACCESSED FROM USERS' ELECTRONIC DEVICES; AND
17	(III) CONDUCTS BUSINESS IN COLORADO OR OWNS OR OPERATES
18	SERVICES THAT ARE OFFERED TO COLORADO RESIDENTS AND SATISFIES
19	ONE OR BOTH OF THE FOLLOWING THRESHOLDS:
20	(A) IS A CONTROLLER OR PROCESSOR OF THE PERSONAL DATA OF
21	ONE HUNDRED THOUSAND CONSUMERS OR MORE; OR
22	(B) DERIVES REVENUE OR RECEIVES A DISCOUNT ON THE PRICE OF
23	GOODS OR SERVICES FROM THE SALE OF PERSONAL DATA AND IS A
24	CONTROLLER OR PROCESSOR OF THE PERSONAL DATA OF TWENTY-FIVE
25	THOUSAND CONSUMERS OR MORE.
26	(b) "DIGITAL COMMUNICATIONS PLATFORM" INCLUDES SOCIAL
27	MEDIA PLATFORMS LIKE FACEBOOK, TWITTER, AND INSTAGRAM AND

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1	MEDIA-SHARING PLATFORMS LIKE YOU I UBE AND I WITCH.
2	(c) "DIGITAL COMMUNICATIONS PLATFORM" DOES NOT INCLUDE
3	MARKETPLACE FACILITATORS, AS DEFINED IN SECTION 39-26-102 (5.9), OR
4	OTHER SERVICE-ORIENTED PLATFORMS LIKE TRANSPORTATION NETWORK
5	COMPANIES, AS DEFINED IN SECTION 40-10.1-602 (3), OR SHORT-TERM
6	RENTAL PLATFORMS LIKE AIRBNB.
7	(6) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION APPOINTED
8	PURSUANT TO SECTION 24-34-1003 (1).
9	(7) "DIVISION" MEANS THE DIGITAL COMMUNICATIONS DIVISION
10	CREATED IN SECTION 24-34-1003.
11	(8) "ELECTRONIC DEVICE" MEANS A DEVICE THAT ENABLES ACCESS
12	TO OR USE OF ELECTRONIC COMMUNICATIONS OR THE INTERNET.
13	(9) "GEOLOCATION TECHNOLOGY" MEANS TECHNOLOGY SUCH AS
14	THE GLOBAL POSITIONING SYSTEM OR "GPS" OR AN INTERNET PROTOCOL
15	ADDRESS OR "IP ADDRESS" USED TO IDENTIFY AND TRACK THE
16	WHEREABOUTS OF AN ELECTRONIC DEVICE AND TO TRACK THE
17	MOVEMENTS AND LOCATION OF THE USER FOR PURPOSES OF PROVIDING
18	LOCATION-BASED SERVICES TO THE USER OR ALLOWING BUSINESSES TO
19	CONDUCT LOCATION-BASED ADVERTISING OR MARKETING DIRECTED AT
20	USERS IN A CERTAIN LOCATION.
21	(10) "LOCATION-BASED ADVERTISING" MEANS A FORM OF
22	ADVERTISING IN WHICH A BUSINESS USES LOCATION-BASED SERVICES TO
23	PROVIDE LOCATION-SPECIFIC ADVERTISEMENTS TO A USER ON THE USER'S
24	ELECTRONIC DEVICE.
25	(11) "LOCATION-BASED SERVICES" MEANS SOFTWARE SERVICES
26	THAT USE AN ELECTRONIC DEVICE'S GEOLOCATION TECHNOLOGY TO
27	TRACK THE USER'S LOCATION AND PROVIDE THE USER TARGETED

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1	INFORMATION OR SERVICES BASED ON THE USER'S LOCATION.
2	(12) "PERSONAL DATA":
3	(a) MEANS INFORMATION THAT IS LINKED OR REASONABLY
4	LINKABLE TO AN IDENTIFIED OR IDENTIFIABLE INDIVIDUAL; AND
5	(b) Does not include de-identified data or publicly
6	AVAILABLE INFORMATION.
7	(13) "PROCESSOR" MEANS A PERSON THAT PROCESSES PERSONAI
8	DATA ON BEHALF OF A CONTROLLER.
9	(14) "Profiling" means any form of automated processing
10	OF PERSONAL DATA TO EVALUATE, ANALYZE, OR PREDICT PERSONAL
11	ASPECTS CONCERNING AN IDENTIFIED OR IDENTIFIABLE INDIVIDUAL'S
12	ECONOMIC SITUATION, HEALTH, PERSONAL PREFERENCES, INTERESTS
13	RELIABILITY, BEHAVIOR, LOCATION, OR MOVEMENTS.
14	(15) "PUBLICLY AVAILABLE INFORMATION" MEANS INFORMATION
15	THAT IS LAWFULLY MADE AVAILABLE FROM FEDERAL, STATE, OR LOCAL
16	GOVERNMENT RECORDS OR GENERALLY ACCESSIBLE OR WIDELY
17	DISTRIBUTED MEDIA.
18	(16) "Sensitive data" means:
19	(a) PERSONAL DATA REVEALING RACIAL OR ETHNIC ORIGIN
20	RELIGIOUS BELIEFS, A MENTAL OR PHYSICAL HEALTH CONDITION OF
21	DIAGNOSIS, SEX LIFE OR SEXUAL ORIENTATION, OR CITIZENSHIP OF
22	CITIZENSHIP STATUS; OR
23	(b) GENETIC OR BIOMETRIC DATA THAT MAY BE PROCESSED FOR
24	THE PURPOSE OF UNIQUELY IDENTIFYING AN INDIVIDUAL.
25	(17) "TARGETED ADVERTISING":
26	(a) MEANS DISPLAYING TO A CONSUMER AN ADVERTISEMENT THAT
2.7	IS SELECTED BASED ON PERSONAL DATA OBTAINED OR INFERRED OVER

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1	TIME FROM THE CONSUMER'S ACTIVITIES ACROSS NONAFFILATED
2	WEBSITES, APPLICATIONS, OR ONLINE SERVICES TO PREDICT CONSUMER
3	PREFERENCES OR INTERESTS; AND
4	(b) Does not include advertising to a consumer in response
5	TO THE CONSUMER'S REQUEST FOR INFORMATION OR FEEDBACK.
6	(18) "USER" MEANS AN ELECTRONIC DEVICE END USER.
7	24-34-1003. Digital communications division - director -
8	powers and duties. (1) There is hereby created within the
9	DEPARTMENT THE DIGITAL COMMUNICATIONS DIVISION, THE HEAD OF
10	WHICH IS THE DIRECTOR OF THE DIVISION. THE EXECUTIVE DIRECTOR OF
11	THE DEPARTMENT SHALL APPOINT THE DIRECTOR PURSUANT TO SECTION
12	13 OF ARTICLE XII OF THE STATE CONSTITUTION.
13	(2) THE DIRECTOR SHALL APPOINT INVESTIGATORS AND OTHER
14	PERSONNEL AS MAY BE NECESSARY TO CARRY OUT THE FUNCTIONS AND
15	DUTIES OF THE DIVISION. THE DIRECTOR AND STAFF OF THE DIVISION
16	SHALL RECEIVE, INVESTIGATE, AND MAKE DETERMINATIONS ON CHARGES
17	ALLEGING UNFAIR AND DISCRIMINATORY DIGITAL COMMUNICATIONS
18	PRACTICES IN VIOLATION OF THIS PART 10.
19	24-34-1004. Digital communications commission - membership
20	- terms of office - compensation. (1) (a) There is hereby created
21	WITHIN THE DIVISION THE DIGITAL COMMUNICATIONS COMMISSION.
22	(b) The commission consists of the following seven
23	MEMBERS:
24	(I) THE CHIEF INFORMATION OFFICER OF THE OFFICE OF
25	INFORMATION TECHNOLOGY, APPOINTED PURSUANT TO SECTION
26	24-37.5-103, OR THE CHIEF INFORMATION OFFICER'S DESIGNEE;
2.7	(II) THE ATTORNEY GENERAL, ELECTED PURSUANT TO SECTION 1

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1	OF ARTICLE IV OF THE STATE CONSTITUTION, OR THE ATTORNEY
2	GENERAL'S DESIGNEE;
3	(III) FIVE MEMBERS WHOM THE GOVERNOR APPOINTS, WITH THE
4	CONSENT OF THE SENATE IN ACCORDANCE WITH SECTION $6$ OF ARTICLE IV
5	OF THE STATE CONSTITUTION, AS FOLLOWS:
6	(A) Two members representing the business community
7	WHO DO NOT HAVE ANY DIRECT FINANCIAL AFFILIATION WITH A DIGITAL
8	COMMUNICATIONS PLATFORM, WITH AT LEAST ONE MEMBER
9	REPRESENTING A SMALL BUSINESS WITH FEWER THAN FIFTY EMPLOYEES;
10	AND
11	(B) THREE MEMBERS FROM THE PUBLIC AT LARGE WHO DO NOT
12	HAVE ANY DIRECT FINANCIAL AFFILIATION WITH A DIGITAL
13	COMMUNICATIONS PLATFORM.
14	$(c) (I) \ In \ \text{Appointing members of the commission pursuant to} \\$
15	$\hbox{\it SUBSECTION}(1)(b)(\hbox{\it III})\hbox{\it of this section, the governor shall strive to}$
16	PROVIDE SOCIOECONOMIC, POLITICAL, AND GEOGRAPHIC DIVERSITY IN THE
17	COMMISSION'S MEMBERSHIP, ENSURING THAT AT LEAST TWO OF THE
18	APPOINTEES ARE FROM THE WESTERN SLOPE OR THE EASTERN PLAINS.
19	(II) THE APPOINTED MEMBERS OF THE COMMISSION SERVE
20	FOUR-YEAR TERMS, EXCEPT AS PROVIDED IN SUBSECTION (1)(c)(III) OF
21	THIS SECTION. APPOINTED MEMBERS MAY SERVE TWO TERMS ON THE
22	COMMISSION, WHETHER CONSECUTIVE OR NONCONSECUTIVE.
23	(III) OF THE MEMBERS THAT THE GOVERNOR INITIALLY APPOINTS
24	TO THE COMMISSION, ONE MEMBER APPOINTED PURSUANT TO SUBSECTION
25	(1)(b)(III)(A) OF THIS SECTION AND ONE MEMBER APPOINTED PURSUANT
26	TO SUBSECTION (1)(b)(III)(B) OF THIS SECTION SHALL SERVE AN INITIAL
27	TWO-YEAR TERM AND A SUBSEQUENT FOUR-YEAR TERM.

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1	(2) THE GOVERNOR SHALL FILL VACANCIES ON THE COMMISSION
2	BY APPOINTMENT, WITH THE CONSENT OF THE SENATE IN ACCORDANCE
3	WITH SUBSECTION (1)(b)(III) OF THIS SECTION, AND THE TERM OF A
4	MEMBER OF THE COMMISSION APPOINTED TO FILL A VACANCY IS FOR THE
5	UNEXPIRED PORTION OF THE TERM FOR WHICH THE MEMBER IS APPOINTED.
6	(3) THE GOVERNOR MAY REMOVE ANY APPOINTED MEMBER OF THE
7	COMMISSION FROM OFFICE FOR MISCONDUCT, INCOMPETENCE, OR NEGLECT
8	OF DUTY.
9	(4) APPOINTED MEMBERS OF THE COMMISSION SHALL RECEIVE A
10	PER DIEM ALLOWANCE AND SHALL BE REIMBURSED FOR ACTUAL AND
11	NECESSARY EXPENSES THAT THEY INCUR WHILE ON OFFICIAL COMMISSION
12	BUSINESS, AS PROVIDED IN SECTION 12-20-103 (6).
13	(5) AT THEIR FIRST MEETING, THE MEMBERS OF THE COMMISSION
14	SHALL APPOINT A CHAIR AND VICE-CHAIR. THE COMMISSION MAY ADOPT,
15	AMEND, OR RESCIND RULES FOR GOVERNING ITS MEETINGS. FOUR
16	MEMBERS CONSTITUTES A QUORUM FOR PURPOSES OF CONDUCTING THE
17	BUSINESS OF THE COMMISSION.
18	(6) The commission may use division staff to assist the
19	COMMISSION IN ITS WORK.
20	<b>24-34-1005.</b> Powers and duties of commission - rules. $(1)$ THE
21	COMMISSION HAS THE FOLLOWING POWERS AND DUTIES:
22	(a) TO ADOPT, PUBLISH, AMEND, AND RESCIND RULES, IN
23	ACCORDANCE WITH SECTION 24-4-103, THAT ARE REASONABLE AND
24	NECESSARY FOR THE IMPLEMENTATION OF THIS PART 10;
25	(b) To adopt rules to establish reasonable fees for the
26	ANNUAL REGISTRATION OF DIGITAL COMMUNICATIONS PLATFORMS
27	PURSUANT TO SECTION 24-34-1006 (1)(a):

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1	(c) TO INVESTIGATE AND STUDY THE EXISTENCE, CHARACTER,
2	CAUSES, AND EXTENT OF UNFAIR AND DISCRIMINATORY DIGITAL
3	COMMUNICATIONS PRACTICES AND TO FORMULATE PLANS FOR THE
4	ELIMINATION OF THOSE PRACTICES BY EDUCATIONAL OR OTHER MEANS;
5	(d) TO HOLD HEARINGS IN ACCORDANCE WITH SUBSECTION (2) OF
6	THIS SECTION UPON ANY COMPLAINT ISSUED AGAINST A RESPONDENT
7	PURSUANT TO SECTION 24-34-1007 (4); TO SUBPOENA WITNESSES AND
8	COMPEL THEIR ATTENDANCE; TO ADMINISTER OATHS AND TAKE THE
9	TESTIMONY OF ANY PERSON UNDER OATH; AND TO COMPEL A RESPONDENT
10	TO PRODUCE FOR EXAMINATION ANY BOOKS, PAPERS, OR RECORDS,
11	WHETHER IN PAPER OR ELECTRONIC FORM, RELATING TO ANY MATTER
12	THAT IS THE SUBJECT OF THE COMPLAINT AGAINST THE RESPONDENT;
13	(e) TO ISSUE PUBLICATIONS AND REPORTS OF INVESTIGATIONS AND
14	RESEARCH THAT IN THE COMMISSION'S JUDGMENT WILL EDUCATE THE
15	PUBLIC ON, AND PROVIDE RECOMMENDATIONS ON HOW TO MINIMIZE
16	ADVERSE EFFECTS ARISING FROM, THE USE OF DIGITAL COMMUNICATIONS
17	PLATFORMS IN THE FOLLOWING PRACTICES:
18	(I) Unfair and discriminatory digital communications
19	PRACTICES SUCH AS PRACTICES THAT PROMOTE HATE SPEECH; UNDERMINE
20	ELECTION INTEGRITY; DISSEMINATE INTENTIONAL DISINFORMATION,
21	CONSPIRACY THEORIES, OR FAKE NEWS; OR AUTHORIZE, ENCOURAGE, OR
22	CARRY OUT VIOLATIONS OF USERS' PRIVACY;
23	(II) BUSINESS, POLITICAL, AND SOCIAL PRACTICES THAT TARGET
24	USERS FOR PURPOSES OF COLLECTING AND DISSEMINATING USERS'
25	PERSONAL DATA, INCLUDING USERS' SENSITIVE DATA; PROFILING USERS
26	BASED ON THEIR PERSONAL DATA COLLECTED; OR SELLING OR
27	AUTHORIZING OTHERS TO USE USERS' PERSONAL DATA TO PROVIDE

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1	LOCATION-BASED ADVERTISING OR TARGETED ADVERTISING; AND
2	(III) THE USE OF FACIAL RECOGNITION SOFTWARE AND OTHER
3	TRACKING TECHNOLOGY;
4	(f) TO RECOMMEND POLICIES REGARDING MEASURES TO ENSURE
5	FAIR AND NONDISCRIMINATORY DIGITAL PLATFORM PRACTICES TO THE
6	GOVERNOR AND SUBMIT RECOMMENDATIONS TO PERSONS IN THE PRIVATE
7	SECTOR TO EFFECTUATE THE POLICIES;
8	(g) TO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY
9	REGARDING PROPOSED LEGISLATION TO COMBAT THE UNFAIR AND
10	DISCRIMINATORY DIGITAL COMMUNICATIONS PRACTICES LISTED IN
11	SUBSECTION (1)(e)(I) OF THIS SECTION OR MINIMIZE OTHER ADVERSE
12	EFFECTS ARISING FROM THE USE OF DIGITAL COMMUNICATIONS PLATFORMS
13	WITH REGARD TO THE PRACTICES LISTED IN SUBSECTIONS (1)(e)(II) AND
14	(1)(e)(III) OF THIS SECTION;
15	(h) WITHIN THE LIMITS OF ANY APPROPRIATIONS MADE FOR THE
16	COMMISSION'S OPERATIONS, TO COOPERATE WITH AGENCIES AND
17	ORGANIZATIONS, BOTH PUBLIC AND PRIVATE, WHOSE PURPOSES ARE
18	CONSISTENT WITH THE COMMISSION'S PURPOSES SET FORTH IN THIS PART
19	10 to plan and conduct educational programming; and
20	(i) TO ADOPT AN OFFICIAL SEAL.
21	(2) THE COMMISSION MAY HOLD A HEARING OR MAY ASSIGN A
22	MEMBER OF THE COMMISSION OR ADMINISTRATIVE LAW JUDGE, APPOINTED
23	pursuant to part $10$ of article $30$ of this title $24$ , to preside over
24	THE HEARING, SUBJECT TO APPROPRIATIONS FOR ADMINISTRATIVE LAW
25	JUDGES MADE TO THE DEPARTMENT OF PERSONNEL. IF AN ADMINISTRATIVE
26	LAW JUDGE IS NOT AVAILABLE WITHIN THE TIME LIMITS FOR HOLDING THE
27	HEARING PURSUANT TO SECTION 24-34-1007 (4)(b), THE GOVERNOR, UPON

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1	REQUEST OF THE COMMISSION, SHALL APPOINT AN ADMINISTRATIVE LAW
2	JUDGE TO BE PAID OUT OF MONEY APPROPRIATED TO THE DIVISION. IF A
3	WITNESS FAILS OR REFUSES TO OBEY A SUBPOENA ISSUED BY THE
4	COMMISSION, THE COMMISSION MAY PETITION THE DISTRICT COURT WITH
5	JURISDICTION FOR THE ISSUANCE OF A SUBPOENA. A REFUSAL TO OBEY A
6	SUBPOENA ISSUED BY THE DISTRICT COURT IS PUNISHABLE AS CONTEMPT.
7	(3) IN EXERCISING THE POWERS AND PERFORMING THE DUTIES AND
8	FUNCTIONS UNDER THIS PART 10, THE COMMISSION, THE DIVISION, AND
9	THE DIRECTOR SHALL PRESUME THAT THE CONDUCT OF ANY RESPONDENT
10	IS NOT UNFAIR OR DISCRIMINATORY UNTIL PROVEN OTHERWISE.
11	24-34-1006. Registration required - penalty - unfair or
12	discriminatory digital communications practices prohibited.
13	(1) (a) On and after January 1, 2022, a digital communications
14	PLATFORM SHALL ANNUALLY REGISTER WITH THE DIVISION, IN THE FORM
15	AND MANNER DETERMINED BY THE DIVISION AND BY PAYMENT OF A FEE
16	IN AN AMOUNT THAT THE COMMISSION DETERMINES PURSUANT TO
17	SECTION 24-34-1005 (1)(b) WILL COVER THE DIVISION'S AND
18	COMMISSION'S DIRECT AND INDIRECT COSTS IN ENFORCING THIS PART $10$ .
19	(b) A DIGITAL COMMUNICATIONS PLATFORM THAT DOES NOT
20	REGISTER IN ACCORDANCE WITH THIS SUBSECTION (1) COMMITS A CLASS
21	2 MISDEMEANOR PUNISHABLE BY A FINE OF UP TO FIVE THOUSAND
22	DOLLARS FOR EACH DAY THAT THE VIOLATION CONTINUES.
23	(2) (a) It is an unfair or discriminatory digital
24	COMMUNICATIONS PRACTICE FOR A DIGITAL COMMUNICATIONS PLATFORM
25	TO ALLOW ANY OF THE FOLLOWING PRACTICES ON ITS PLATFORM:
26	(I) PRACTICES THAT PROMOTE HATE SPEECH;
27	(II) PRACTICES THAT UNDERMINE ELECTION INTEGRITY;

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1	(III) PRACTICES THAT DISSEMINATE INTENTIONAL
2	DISINFORMATION, CONSPIRACY THEORIES, OR FAKE NEWS; AND
3	(IV) PRACTICES THAT AUTHORIZE, ENCOURAGE, OR CARRY OUT
4	VIOLATIONS OF USERS' PRIVACY.
5	(b) It is an unfair or discriminatory digital
6	COMMUNICATIONS PRACTICE FOR A DIGITAL COMMUNICATIONS PLATFORM
7	TO ALLOW ANY OF THE FOLLOWING PRACTICES ON ITS PLATFORM IF THE
8	PRACTICE IS CONDUCTED IN A MANNER THAT A PERSON AGGRIEVED BY THE
9	PRACTICE CAN DEMONSTRATE THAT THE PRACTICE IS UNFAIR OR
10	DISCRIMINATORY TO THE AGGRIEVED PERSON:
11	(I) TARGETING USERS FOR PURPOSES OF COLLECTING AND
12	DISSEMINATING USERS' PERSONAL DATA, INCLUDING SENSITIVE DATA;
13	(II) PROFILING USERS BASED ON THEIR PERSONAL DATA
14	COLLECTED;
15	(III) SELLING OR AUTHORIZING OTHERS TO USE USERS' PERSONAL
16	DATA TO PROVIDE LOCATION-BASED ADVERTISING OR TARGETED
17	ADVERTISING; AND
18	(IV) USING FACIAL RECOGNITION SOFTWARE OR OTHER TRACKING
19	TECHNOLOGY.
20	24-34-1007. Charge - complaint - hearing - procedure -
21	exhaustion of administrative remedies - judicial review. (1) (a) A
22	PERSON CLAIMING TO BE AGGRIEVED BY AN UNFAIR OR DISCRIMINATORY
23	DIGITAL COMMUNICATIONS PRACTICE MAY, INDEPENDENTLY OR THROUGH
24	AN ATTORNEY, MAKE, SIGN, AND FILE WITH THE DIVISION A VERIFIED
25	WRITTEN CHARGE STATING THE NAME AND ADDRESS OF THE RESPONDENT
26	ALLEGED TO HAVE COMMITTED THE UNFAIR OR DISCRIMINATORY DIGITAL
27	COMMUNICATIONS PRACTICE. SETTING FORTH THE PARTICULARS OF THE

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2	PRACTICE, AND INCLUDING ANY OTHER INFORMATION THAT THE DIVISION
3	REQUIRES.
4	(b) IN CASES WHERE THE COMMISSION, A MEMBER OF THE
5	COMMISSION, OR THE ATTORNEY GENERAL DETERMINES THAT AN ALLEGED
6	UNFAIR OR DISCRIMINATORY DIGITAL COMMUNICATIONS PRACTICE
7	IMPOSES A SIGNIFICANT SOCIETAL OR COMMUNITY IMPACT, THE
8	COMMISSION, A MEMBER OF THE COMMISSION, OR THE ATTORNEY GENERAL
9	MAY MAKE, SIGN, AND FILE A CHARGE ALLEGING AN UNFAIR OR
10	DISCRIMINATORY DIGITAL COMMUNICATIONS PRACTICE. THE CHARGE
11	SHALL BE FILED IN THE SAME MANNER AND SHALL CONTAIN THE SAME
12	INFORMATION REQUIRED FOR A CHARGE FILED BY A PERSON PURSUANT TO
13	SUBSECTION (1)(a) OF THIS SECTION. THE REMEDY AVAILABLE FOR AN
14	UNFAIR OR DISCRIMINATORY DIGITAL COMMUNICATIONS PRACTICE
15	ALLEGED BY THE COMMISSION, A MEMBER OF THE COMMISSION, OR THE
16	ATTORNEY GENERAL PURSUANT TO THIS SUBSECTION (1)(b) IS LIMITED TO
17	EQUITABLE RELIEF TO ELIMINATE THE UNFAIR OR DISCRIMINATORY
18	DIGITAL COMMUNICATIONS PRACTICE.
19	(2) ONCE THE DIVISION RECEIVES A CHARGE FILED PURSUANT TO
20	SUBSECTION (1) OF THIS SECTION:
21	(a) THE DIVISION SHALL NOTIFY THE RESPONDENT OF THE CHARGE
22	FILED AGAINST THE RESPONDENT; AND
23	(b) THE DIRECTOR, WITH THE ASSISTANCE OF DIVISION STAFF,
24	SHALL PROMPTLY INVESTIGATE THE CHARGE. THE DIRECTOR MAY
25	SUBPOENA WITNESSES AND COMPEL THE TESTIMONY OF WITNESSES AND
26	THE PRODUCTION OF BOOKS, PAPERS, AND RECORDS, WHETHER IN PAPER
27	OR ELECTRONIC FORM, IF THE TESTIMONY, BOOKS, PAPERS, OR RECORDS

ALLEGED UNFAIR OR DISCRIMINATORY DIGITAL COMMUNICATIONS

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1	SOUGHT ARE LIMITED TO MATTERS DIRECTLY RELATED TO THE CHARGE. A
2	SUBPOENA ISSUED PURSUANT TO THIS SUBSECTION (2)(b) IS ENFORCEABLE
3	IN THE DISTRICT COURT FOR THE DISTRICT IN WHICH THE ALLEGED UNFAIR
4	OR DISCRIMINATORY DIGITAL COMMUNICATIONS PRACTICE OCCURRED AND
5	SHALL BE ISSUED ONLY IF THE PERSON TO BE SUBPOENAED HAS REFUSED
6	OR FAILED, AFTER A PROPER REQUEST FROM THE DIRECTOR, TO PROVIDE
7	VOLUNTARILY TO THE DIRECTOR THE INFORMATION SOUGHT BY THE
8	SUBPOENA.
9	(3) (a) The director or the director's designee shall
10	DETERMINE, AS PROMPTLY AS POSSIBLE UPON INVESTIGATION OF THE
11	MATTER, IF PROBABLE CAUSE EXISTS FOR A CHARGE ALLEGED.
12	(b) If the director or the director's designee determines
13	THAT PROBABLE CAUSE DOES NOT EXIST, THE DIRECTOR OR THE
14	DIRECTOR'S DESIGNEE SHALL:
15	(I) DISMISS THE CHARGE AND NOTIFY THE PERSON WHO FILED THE
16	CHARGE AND THE RESPONDENT OF THE DISMISSAL. THE NOTICE MUST
17	INCLUDE AN ADVISEMENT STATING THAT:
18	(A) THE CHARGING PARTY MAY APPEAL THE DISMISSAL BY FILING
19	AN APPEAL WITH THE COMMISSION WITHIN TEN DAYS AFTER THE DATE
20	THAT THE NOTIFICATION WAS MAILED;
21	(B) IF THE CHARGING PARTY WISHES TO FILE A CIVIL ACTION IN
22	DISTRICT COURT BASED ON THE ALLEGED UNFAIR OR DISCRIMINATORY
23	DIGITAL COMMUNICATIONS PRACTICE, THE CHARGING PARTY MUST DO SO
24	WITHIN NINETY DAYS AFTER THE NOTICE WAS MAILED IF THE CHARGING
25	PARTY DOES NOT APPEAL THE DECISION OR WITHIN NINETY DAYS AFTER
26	THE COMMISSION NOTIFIES THE PARTIES THAT IT HAS DISMISSED AN
27	APPEAL OF THE MATTER; AND

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1	(C) IF THE CHARGING PARTY DOES NOT FILE AN ACTION WITHIN
2	THE TIME LIMITS SET FORTH IN SUBSECTION $(3)(b)(I)(B)$ of this section,
3	THE ACTION IS BARRED AND A DISTRICT COURT WILL NOT HAVE
4	JURISDICTION TO HEAR THE MATTER; AND
5	(II) NOT DISCLOSE TO THIRD PARTIES THE FACT THAT THE CHARGE
6	WAS FILED OR THE INFORMATION GATHERED DURING THE INVESTIGATION.
7	(c) If the director or the director's designee determines
8	THAT PROBABLE CAUSE EXISTS, THE DIRECTOR OR DIRECTOR'S DESIGNEE
9	SHALL SERVE THE RESPONDENT WITH WRITTEN NOTICE STATING WITH
10	SPECIFICITY THE LEGAL AUTHORITY AND JURISDICTION OF THE
11	COMMISSION AND THE MATTERS OF FACT AND LAW ASSERTED AND SHALL
12	NOTIFY THE COMMISSION OF ITS DETERMINATION.
13	(4) (a) Upon receiving a determination from the director
14	OR THE DIRECTOR'S DESIGNEE THAT PROBABLE CAUSE EXISTS, THE
15	COMMISSION, IF IT DETERMINES THAT THE CIRCUMSTANCES WARRANT,
16	SHALL ISSUE AND CAUSE TO BE SERVED IN ACCORDANCE WITH SECTION
17	24-4-105 (2) A WRITTEN NOTICE AND COMPLAINT REQUIRING THE
18	RESPONDENT TO ANSWER THE CHARGES AT A FORMAL HEARING BEFORE
19	THE COMMISSION, A MEMBER OF THE COMMISSION, OR AN ADMINISTRATIVE
20	LAW JUDGE. THE NOTICE AND COMPLAINT MUST STATE THE TIME, PLACE,
21	AND NATURE OF THE HEARING, THE LEGAL AUTHORITY AND JURISDICTION
22	UNDER WHICH IT IS TO BE HELD, AND THE MATTERS OF FACT AND LAW
23	ASSERTED.
24	(b) THE COMMISSION, A MEMBER OF THE COMMISSION, OR AN
25	ADMINISTRATIVE LAW JUDGE, AS APPLICABLE, SHALL COMMENCE A
26	HEARING WITHIN ONE HUNDRED TWENTY DAYS AFTER SERVICE OF THE
27	WRITTEN NOTICE AND COMPLAINT AND SHALL HOLD THE HEARING IN

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ACCORDANCE WITH SECTION 24-4-105.

2 (5) IF THE ADJUDICATOR AT THE HEARING DETERMINES THAT THE
3 RESPONDENT ENGAGED IN AN UNFAIR OR DISCRIMINATORY DIGITAL
4 COMMUNICATIONS PRACTICE, THE COMMISSION MAY ISSUE AND CAUSE TO
5 BE SERVED ON THE RESPONDENT AN ORDER REQUIRING THE RESPONDENT
6 TO CEASE AND DESIST FROM THE PRACTICE AND TO TAKE ACTION THAT THE
7 COMMISSION ORDERS.

(6) (a) If written notice that a formal hearing will be held is not served within two hundred seventy days after the filing of the charge or if the hearing is not commenced within the one-hundred-twenty-day period required by subsection (4)(b) of this section, the commission's jurisdiction over the complaint ceases and the complainant may seek relief against the respondent by filing a civil action in the district court for the district in which the alleged unfair or discriminatory digital communications practice occurred. The complainant must file a civil action within ninety days after the date upon which the commission's jurisdiction ceased. If the complainant does not file a civil action within the ninety-day period, the action is barred and a district court does not have jurisdiction to hear the matter.

(b) A PARTY MAY REQUEST AN EXTENSION OF ANY OF THE TIME PERIODS SET FORTH IN THIS SUBSECTION (6) AND THE COMMISSION, A MEMBER OF THE COMMISSION, OR AN ADMINISTRATIVE LAW JUDGE HEARING THE MATTER MAY GRANT THE EXTENSION FOR GOOD CAUSE SHOWN, BUT THE PERIOD OF ALL SUCH EXTENSIONS IN A MATTER MUST NOT EXCEED NINETY DAYS GRANTED TO THE COMPLAINANT OR NINETY DAYS

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1 GRANTED TO THE RESPONDENT OR, IF THERE ARE MULTIPLE PARTIES, ONE
2 HUNDRED EIGHTY DAYS TOTAL.

- PARTICIPATING IN GOOD FAITH IN MAKING A COMPLAINT OR REPORT OR IN ANY INVESTIGATIVE OR ADMINISTRATIVE PROCEEDING AUTHORIZED BY THIS PART 10 IS IMMUNE FROM LIABILITY IN ANY CIVIL ACTION BROUGHT AGAINST THE PERSON FOR ACTS OCCURRING WHILE ACTING IN THE PERSON'S CAPACITY AS A MEMBER OF THE COMMISSION OR AS A PARTICIPANT IF THE PERSON WAS ACTING IN GOOD FAITH WITHIN THE SCOPE OF THE PERSON'S RESPECTIVE CAPACITY, MADE A REASONABLE EFFORT TO OBTAIN THE FACTS OF THE MATTER AS TO WHICH THE PERSON ACTED, AND ACTED IN THE REASONABLE BELIEF THAT THE ACTION TAKEN WAS WARRANTED BY THE FACTS.
- (8) (a) A PERSON SHALL NOT FILE A CIVIL ACTION IN DISTRICT COURT IN THIS STATE ALLEGING AN UNFAIR OR DISCRIMINATORY DIGITAL COMMUNICATIONS PRACTICE PURSUANT TO THIS PART 10 WITHOUT HAVING FIRST EXHAUSTED THE PROCEEDINGS AND REMEDIES AVAILABLE UNDER THIS PART 10, UNLESS THE PERSON SHOWS BY CLEAR AND CONVINCING EVIDENCE, IN AN ACTION FILED IN THE APPROPRIATE DISTRICT COURT, THAT THE PERSON HAS HEALTH ISSUES OF SUCH A NATURE THAT FIRST PURSUING ADMINISTRATIVE REMEDIES WOULD NOT PROVIDE TIMELY AND REASONABLE RELIEF AND WOULD CAUSE IRREPARABLE HARM.
- (b) (I) A PERSON WHO HAS FILED CHARGES PURSUANT TO SUBSECTION (1) OF THIS SECTION MAY FILE A WRITTEN REQUEST THAT THE DIVISION ISSUE A WRITTEN NOTICE OF RIGHT TO SUE AT ANY TIME BEFORE SERVICE OF A NOTICE AND COMPLAINT HAS BEEN SERVED PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE DIVISION SHALL PROMPTLY GRANT

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1	THE REQUEST IF THE REQUEST IS MADE AT LEAST ONE HUNDRED EIGHTY
2	DAYS FOLLOWING THE FILING OF THE CHARGE. IF THE PERSON WHO FILED
3	CHARGES MAKES THE REQUEST LESS THAN ONE HUNDRED EIGHTY DAYS
4	AFTER FILING THE CHARGES, THE DIVISION SHALL GRANT THE REQUEST IF
5	THE DIVISION DETERMINES THAT THE INVESTIGATION OF THE CHARGES
6	WILL NOT BE COMPLETED WITHIN ONE HUNDRED EIGHTY DAYS AFTER THE
7	FILING OF THE CHARGES.
8	(II) A NOTICE OF RIGHT TO SUE CONSTITUTES A FINAL AGENCY
9	ACTION AND EXHAUSTION OF ADMINISTRATIVE REMEDIES AND
10	PROCEEDINGS PURSUANT TO THIS PART 10.
11	(9) A COMPLAINANT OR RESPONDENT CLAIMING TO BE AGGRIEVED
12	BY A FINAL AGENCY ACTION SUCH AS A FINAL ORDER OF THE COMMISSION
13	OR A REFUSAL TO ISSUE A FINAL ORDER MAY OBTAIN JUDICIAL REVIEW OF
14	THE COMMISSION'S FINAL AGENCY ACTION PURSUANT TO PROCEEDINGS
15	BROUGHT IN THE COURT OF APPEALS IN ACCORDANCE WITH SECTION
16	24-4-106.
17	24-34-1008. Division and commission subject to termination
18	- repeal of part. This part 10 is repealed, effective September 1.
19	2031. Before the repeal, this part 10 is scheduled for review in
20	ACCORDANCE WITH SECTION 24-34-104.
21	SECTION 4. Act subject to petition - effective date -
22	applicability. (1) This act takes effect January 1, 2022; except that, if a
23	referendum petition is filed pursuant to section 1 (3) of article V of the
24	state constitution against this act or an item, section, or part of this act
25	within the ninety-day period after final adjournment of the general
26	assembly, then the act, item, section, or part will not take effect unless
27	approved by the people at the general election to be held in November

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- 1 2022 and, in such case, will take effect on the date of the official
- 2 declaration of the vote thereon by the governor.
- 3 (2) This act applies to conduct occurring on or after the applicable
- 4 effective date of this act.

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