



Internet Association



“UPDATED”

April 24, 2019

TO Members, Senate Judiciary Committee

**SUBJECT: SB 299 (JACKSON) PERSONAL INFORMATION: MINORS: INTERNET WEBSITE:
CONNECTED DEVICES
OPPOSE – AS AMENDED MARCH 28, 2019
SCHEDULED FOR HEARING – APRIL 30, 2019**

The undersigned coalition of business groups **OPPOSE SB 299** (Jackson), which imposes onerous, duplicative, and premature data security and notification requirements on manufacturers of connected devices and internet-based services. **SB 299** would be difficult or impossible for many devices.

Detailed Disclosures Required On Packaging of Connected Devices

One part of **SB 299** requires a manufacturer of a connected device “directed towards minors” to display a “privacy dashboard” on the device’s **packaging** that “details all of the following regarding whether, what, and how personal information of a minor is” collected or transmitted from the connected device, retained on the connected device or by the manufacturer, used by the manufacturer, and protected.

SB 299 also requires all of the following to be included on the **packaging** of these products:

- an explanation of the product’s cybersecurity standards, including how a customer can obtain a security patch;
- how a device gives a parent or minor control over the minor’s information;
- the extent to which the device minimizes the collection, retention, and use of data from a minor;
- how to access the privacy policy;
- “the minimum length of time during which the connected device will receive security patches and software updates”; and
- whether the connected device can be used without connecting to the internet.

These “privacy dashboard” requirements for connected device packaging are overly broad, unworkable, and unnecessary. First, the scope of products included in this bill is massive. There is almost no limitation on devices “directed to a minor.” A minor is anyone under 18 and teenagers use just about every connected device on the market: cell phones, tablets, watches, and even cars. Second, printing all of this information on a package is not good public policy. Much of the required information is subject to change over time and packaging on products could become out of date quickly.

Third, printing all of these details on packaging would be significant burden and cost to businesses, which would ultimately be passed on to consumers, pricing more people out of these products. Further, it’s not clear whether this bill requires manufacturers to print a detailed pamphlet to be included inside a package or whether the bill requires this substantial printing of information to be somehow included on or affixed to the exterior of the product so the purchaser can ostensibly read it before making the purchase. Regardless,

printing all of these details would generate significant waste, which runs counter to many of the other bills in the Legislature recently seeking to limit consumer waste.

Finally, this bill is unnecessary as the recently passed California Consumer Privacy Act (CCPA) gives consumers information about what data a business collects, how it is being used, and it also gives consumers the ability to access or delete that data or to opt out of any sale of that data. In the case of minors under 16 years old, the CCPA requires consumers to opt in to the sale of data. Further, **SB 299's** mandate that the packaging explain whether information of a minor is protected is unnecessary given that recently enacted law requires all information on connected devices to be secured. (Senate Bill No. 327 (2017-2018).)

Removing Ability to “Direct Content” to Minors

The other part of **SB 299** prohibits an operator of a website or app “directed to minors” or with “actual knowledge” of a minor’s use from using personal information of a minor to “direct content” to a minor or to a group of individuals with similarities to the minor, such as race, ethnicity, gender, religion, disability, medical condition, gender identity or expression, sex, sexual orientation, or socioeconomic background.

This prohibition on the use of personal information to “direct content” will likely prevent minors – again, anyone under age 18 – from being able to find content they may wish to see and to research topics of interest to them. Further, “direct content” is not defined. This could include search results and would likely also include any search algorithms that take into account personal information of the searcher (e.g. age, gender) to determine the content that is most relevant to the user. Additionally, there can be a benefit to using certain categories to provide relevant content, including resources for learning more, information about groups organized to work on specific issues, resources for help, information on legal rights, and support networks, for example, for a minor working through gender identity issues. Finally, this bill creates a risk of enforcement actions for providers who only provide contextually appropriate content and recommendations, because it could appear to users or regulators that personal information of minors is being used when it is not.

For these and other reasons, we **OPPOSE SB 299**.

Sincerely,



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Policy Advocate
California Chamber of Commerce

California Manufacturers & Technology Association
California Retailers Association
CompTIA
CTIA
Internet Association
NetChoice
Software & Information Industry Association
TechNet
Toy Association

cc: Legislative Affairs, Office of the Governor
Christian Kurpiewski, Office of Senator Jackson and Senate Judiciary Committee
Morgan Branch, Senate Republican Caucus

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