

#### March 20, 2023

Senate Commerce and Labor Committee Attn: Brandy Foust, Research Analyst 425 5th Ave. N Suite 736 Cordell Hull Building Nashville, TN 37243

# Re: SB 138 - "AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18, relative to devices capable of accessing the internet." (Oppose)

Dear Chair Bailey and Members of the Senate Commerce and Labor Committee:

On behalf of the Computer & Communications Industry Association (CCIA), I write to respectfully oppose SB 138.

CCIA is an international, not-for-profit trade association representing a broad cross-section of communications and technology firms.<sup>1</sup> Proposed regulations on the interstate provision of digital services therefore can have a significant impact on CCIA members. Recent sessions have seen an increasing volume of state legislation related to the regulation of what digital services host and how they host it. While recognizing that policymakers are appropriately interested in the digital services that make a growing contribution to the U.S. economy, these bills require study, as they may raise constitutional concerns,<sup>2</sup> conflict with federal law, and risk impeding digital services in their efforts to appropriately manage content.

CCIA strongly believes children deserve an enhanced level of security and privacy online. Currently, there are a number of efforts among our members to incorporate protective design features into their websites and platforms.<sup>3</sup> CCIA's members have been leading the effort in raising the standard for children's safety and privacy across our industry by creating new features, settings, parental tools, and protections that are age-appropriate and tailored to the differing developmental needs of young people.

However, requiring a state-specific default filter would present significant technical difficulties for businesses. Typically, internet service providers (ISPs) govern which websites users can access. For example, known pirating sites are blocked by ISPs, not the manufacturer who produces the devices. It is also important to consider how the bill's provisions would apply to devices that do not have precise location-tracking technology or only connect via WiFi. Similarly, the bill raises questions surrounding how to account for devices purchased out of the state. The myriad of options available to consumers to purchase devices outside of Tennessee then raises significant compliance questions about how the bill's requirements would apply.

We appreciate the opportunity to further expand on our concerns with the proposed legislation.

<sup>2</sup> Eric Goldman, The Constitutionality of Mandating Editorial Transparency, 73 Hastings L. J. 1203 (2022),

<sup>&</sup>lt;sup>1</sup> For 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available at <a href="https://www.ccianet.org/members">https://www.ccianet.org/members</a>.

https://repository.uchastings.edu/cgi/viewcontent.cgi?article=3985&context=hastings\_law\_journal

<sup>&</sup>lt;sup>3</sup> Jordan Rodell, *Why Implementing Education is a Logical Starting Point for Children's Safety Online*, Disruptive Competition Project (Feb. 7, 2023), <u>https://www.project-disco.org/privacy/020723-why-implementing-education-is-a-logical-starting-point-for-childrens-safety-online/</u>.



# **1.** A mandatory device filter would remove a user's individual ability to tailor preferences regarding content and services.

Mandating that a device activate a "filter" intended to prevent younger users from accessing certain content ignores the fact that adults, by and large, are the primary users of the cellular phone and tablet devices that the bill explicitly seeks to regulate. In the global economy, there are many products and services that we use that are not, by default, designed for younger users. For example, automobiles are designed with seats and seatbelts for adult consumers. However, car seats designed specifically for children's safety are available and recommended for use to ensure that children are as safe as possible when riding in an automobile. In a similar vein, many devices and services have content filtering technologies that allow parents to individually tailor settings and preferences to enable both adults and children to make appropriate choices about the type of content and services they are able to see and use. These types of filters and settings, however, are not activated by default. SB 138 could invite significant consumer confusion for adults who are not aware such filters aimed for children are set by default. CCIA would recommend that the use of such filters continue to be voluntary and an opt-in feature for the specific consumers who wish to utilize them.

### 2. Businesses operating online depend on clear regulatory certainty across jurisdictions nationwide.

Ambiguous and inconsistent regulation at the state or local levels would undermine business certainty, creating significant confusion surrounding compliance. This type of regulatory patchwork may deter new entrants, harming competition, innovation, and consumers. Devices sold into a national market are not and cannot be designed for functionality to trigger by the mere fact that they have moved within a state's borders.

#### 3. Providing a cure period would be beneficial to consumers and businesses alike.

CCIA recommends that the legislation include a cure period of at least 30 days. This would allow for actors operating in good faith to correct an unknowing or technical violation, reserving formal lawsuits and violation penalties for the bad actors that the bill intends to address. This would also focus the government's limited resources on enforcing the law's provisions for those that persist in violations despite being made aware of such alleged violations. Such notice allows consumers to receive injunctive relief, but without the time and expense of bringing a formal suit.

We appreciate your consideration of these comments and stand ready to provide additional information as the legislature considers proposals related to technology policy.

\*

\*

\*

Sincerely,

Khara Boender State Policy Director Computer & Communications Industry Association

\*