

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2294 - SB 2852

February 18, 2020

SUMMARY OF BILL: Effective January 1, 2021. Enacts the *Safer Internet for Minors Act* by requiring internet service providers to provide default online parental controls to block access to a specific website category, at no additional cost to the consumer, with each contract for internet access service entered into, amended or renewed on or after July 1, 2021.

Requires the online parental controls to be included with internet access service on any device and utilize a secure password or identification number to access the controls. Requires the default online parental controls to include a category specific to pornographic content and block access to any pornographic website or digital content. Establishes that a violation of this Act is an unfair and deceptive act or practice in violation of the *Tennessee Consumer Protection Act of 1977 (the Act)*.

Requires the Attorney General and Reporter (AG) to provide a written notice to each internet service provider that is not in compliance with the *Safer Internet for Minors Act* by October 1, 2021. Requires an internet service provider to comply within 90 days of the date of the notice.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The AG can provide a written notice to an internet provider that is not in compliance within existing resources.
- The proposed legislation may result in an increase in formal complaints to the Division of Consumer Affairs; however, any such increase can be accommodated within existing resources.
- Committing an unfair or deceptive practice under the Act is a Class B misdemeanor offense.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

IMPACT TO COMMERCE:

Other Commerce Impact – This legislation is estimated to result in an increase in business expenditures for internet service providers in this state; however, any such increase cannot be estimated with any reasonable certainty.

Assumptions:

- The proposed legislation requires internet services providers to provide online parental controls with internet access service on any device.
- Online parental controls are required to be activated by default under any internet access service contract entered into, amended, or renewed on after July 1, 2021.
- The required online parental controls must include a category specific to pornographic content and block access to any pornographic website or digital content.
- Internet service providers are prohibited from charging any additional cost to the consumer for the usage of the online parental controls.
- Business expenditures for internet service providers in this state will increase to develop or purchase software capable of adhering to the provisions of the legislation without authorization to increase any costs to consumers; however, the cost to each individual internet service provider cannot be estimated with any reasonable certainty.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/agr