1

WARNING LABEL AMENDMENTS

2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Brady Brammer

Senate Sponsor: Todd D. Weiler

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LONG TITLE

4 General Description:

- 5 This bill modifies provisions that create a cause of action for injury of a minor by
- 6 pornographic material.

7 Highlighted Provisions:

- 8 This bill:
- 9 modifies certain exemptions for liability for entities for a cause of action for injury of a
- 10 minor by pornographic material;
- 11 changes provisions of the safe harbor protections for liability for a cause of action for
- injury of a minor by pornographic material;
- clarifies who must give a warning of the harmful impact of exposing pornographic
- 14 material to a minor; and
- 15 ► makes technical changes.

16 Money Appropriated in this Bill:

- 17 None
- 18 Other Special Clauses:
- 19 None
- 20 Utah Code Sections Affected:
- 21 AMENDS:
- **78B-6-2102**, as enacted by Laws of Utah 2017, Chapter 464
- 23 **78B-6-2103**, as last amended by Laws of Utah 2020, Chapter 442
- **78B-6-2105**, as enacted by Laws of Utah 2020, Chapter 442

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- Be it enacted by the Legislature of the state of Utah:
- Section 1. Section **78B-6-2102** is amended to read:

28	78B-6-2102 . Exemptions.
29	(1) If the conditions of Subsection (2) are met, this part does not apply to:
30	(a) the following, as defined in the Communications Act of 1934, as amended:
31	(i) an interactive computer service;
32	(ii) a telecommunications service, information service, or mobile service, including a
33	commercial mobile service; or
34	(iii) a multichannel video programming distributor;
35	(b) an Internet service provider;
36	(c) a provider of an electronic communications service;
37	(d) a distributor of Internet-based video services;
38	(e) a host company as defined in Section 76-10-1230; or
39	(f) a distributor of electronic or computerized game software that users manipulate
40	through interactive devices.
41	(2) This part does not apply to an entity described in Subsection (1) if:
42	(a) the distribution of pornographic material by the entity occurs only incidentally
43	through the entity's function of:
44	(i) transmitting or routing data from one person to another person;
45	(ii) providing a connection between one person and another person; or
46	(iii) providing data storage space or data caching to a person; and
47	(b) the entity does not intentionally aid or abet in the distribution of the pornographic
48	material[; and] <u>.</u>
49	[(e) the entity does not knowingly receive from or through a person who distributes the
50	pornographic material a fee greater than the fee generally charged by the entity, as a
51	specific condition for permitting the person to distribute the pornographic material.]
52	Section 2. Section 78B-6-2103 is amended to read:
53	78B-6-2103 . Liability Safe harbor.
54	(1) A person who is not exempt under Section 78B-6-2102, and who [predominately-]
55	distributes or otherwise [predominately] provides pornographic material to consumers is
56	liable to a person if:
57	(a) at the time the pornographic material is viewed by the person, the person is a minor;
58	and
59	(b) the pornographic material is the proximate cause for the person being harmed
60	physically or psychologically, or by emotional or medical illnesses as a result of that
61	pornographic material.

62 (2) Nothing in this part affects any private right of action existing under other law, 63 including contract.

- (3) Notwithstanding Subsection (1), a person who distributes or otherwise provides pornographic material is not liable under this section if the person who distributes or 66 otherwise provides pornographic material:
 - (a) provides a warning that:
- 68 (i) is conspicuous;

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- (ii) appears before the pornographic material can be accessed; and
- 70 (iii) consists of a good faith effort to warn persons accessing the pornographic 71 material that the pornographic material may be harmful to minors; and
- 72 (b) makes a good faith effort to verify the age of a person accessing the pornographic 73 material.
- 74 (4) Subsection (3) may not be interpreted as exempting a person from complying with Title 75 13, Chapter 39, Child Protection Registry.
- 76 (5) (a) Notwithstanding Section 78B-6-2105, a person who is not exempt under Section 77 78B-6-2102, and who [predominately] distributes or otherwise [predominately] 78 provides obscene material to consumers without a warning label or without the 79 metadata described in Subsection 78B-6-2105(3)(b) is not liable if the person 80 demonstrates reasonable efforts to determine the location of recipients of obscene 81 material within the state and the placement of warning labels on material that enters 82 the state. Reasonable efforts shall result in a compliance rate that exceeds 75% of the 83 content believed to enter the state within the shorter of six months prior to any claim, 84 or from May 12, 2020, to the time of the claim. Proof of reasonable efforts shall 85 remove liability only for the type of compliance for which reasonable efforts have 86 been proven.
- 87 (b) The use of virtual private networks or similar technology by the consumer to hide the 88 consumer's location may not be included in a compliance rate calculation.
- 89 (6) Notwithstanding Section 78B-6-2105, a video game without a warning label is not 90 liable if it has a rating of the Entertainment Software Rating Board or equivalent, as long 91 as it also explicitly provides notice of the content as part of the rating.
- 92 Section 3. Section **78B-6-2105** is amended to read:
- 93 78B-6-2105. Civil action for enforcement -- Penalties.
- 94 (1) A person who predominately distributes or otherwise predominately provides 95 pornographic material to consumers [with the intent to earn revenue or profit directly or

96	indirectly from the distribution] may not distribute any obscene material or performance
97	as defined in Section 76-10-1203 without first giving a clear and reasonable warning of
98	the harmful impact of exposing minors to the material or performance.
99	(2) The warning of the harm shall be prominently displayed in the following form:
100	STATE OF UTAH WARNING
101	Exposing minors to obscene material may damage or negatively impact minors.
102	[(2)] (3) (a) For print publications created after May 12, 2020, the warning in Subsection [
103	(1)] (2) shall be placed in clear, readable type on the cover of each publication which
104	includes material as defined in Section 76-10-1201.
105	(b) For digital publications:
106	(i) the warning in Subsection [(1)] (2) shall be displayed in searchable text format and
107	for at least five seconds prior to the display of any video or each image which
108	includes material as defined in Section 76-10-1201; or
109	(ii) if the website complies with Subsection 78B-6-2103(3), it is not required to
110	display the warning in Subsection [(1)] (2) prior to each video or image contained
111	on the website.
112	[(3)] (4) A person who violates this section shall be liable for a civil penalty not to exceed
113	\$2,500 per violation, plus filing fees and attorney fees, in addition to any other penalty
114	established by law, and enjoined from further violations.
115	(5) The civil penalty may be assessed and recovered in a civil action brought in any court of
116	competent jurisdiction.
117	(6) Each of the following violations shall create a separate liability per violation:
118	(a) the sale or display of potentially harmful content without the warning required in
119	Subsection $[(1),]$ (2), in accordance with Subsection $[(2)]$ (3); or
120	(b) the absence of the following searchable text within the website's metadata -
121	utahobscenitywarning.
122	[(4)] (7) The determination by a court as to whether a person is distributing material the
123	state considers to be obscene material or performance as defined in Section 78B-6-1203
124	shall be proven by clear and convincing evidence. All other elements of proof shall be
125	proven by a preponderance of the evidence.
126	[(5)] (8) The court, in ordering payment, shall specify each amount for the civil penalty,
127	filing fees, and attorney fees.
128	[(6)] (9) In assessing the amount of a civil penalty for a violation of this chapter, the court
129	shall consider all of the following:

130	(a) the nature and extent of the violation;
131	(b) the number and severity of the violations;
132	(c) the economic effect of the penalty on the violator;
133	(d) whether the violator took good faith measures to comply with this chapter and when
134	those measures were taken;
135	(e) the willfulness of the violator's misconduct;
136	(f) the deterrent effect that the imposition of the penalty would have on both the violator
137	and the regulated community as a whole; and
138	(g) any other factor that the court determines justice requires.
139	[(7)] (10) Actions pursuant to this section may be brought by the attorney general's office in
140	the name of the people of the state or by a private person in accordance with Subsection [
141	(8)] <u>(11)</u> .
142	[(8)] (11) A private person may bring an action in the public interest pursuant to this section
143	if:
144	(a) the person has served notice of an alleged violation of Section 78B-6-2103 on the
145	alleged violator and the attorney general's office;
146	(b) the attorney general's office has not provided a letter to the noticing party within 60
147	days of receipt of the notice of an alleged violation indicating that:
148	(i) an action is currently being pursued or will be pursued by the attorney general's
149	office regarding the violation; or
150	(ii) the attorney general believes that there is no merit to the action; and
151	(c) the alleged violator has not responded to the notice of alleged violation or returned
152	the proof of compliance form provided in Subsection [(14) -] (17) .
153	[(9)] (12) If a lawsuit is commenced, the plaintiff may include additional violations in the
154	claim that are discovered through the discovery process.
155	[(10)] (13) Notice of the alleged violation shall be executed by the attorney for the noticing
156	party, or by the noticing party, if the noticing party is not represented by an attorney, and
157	include a notice of alleged violation. The notice of alleged violation shall:
158	(a) state that the person executing the notice believes that there is a violation; and
159	(b) provide factual information sufficient to establish the basis for the alleged violation.
160	[(11)] (14) A person who serves a notice of alleged violation identified in Subsection [(10)-]
161	(13) shall complete and provide to the alleged violator at the time the notice of alleged
162	violation is served, a notice of special compliance procedure and proof of compliance
163	form pursuant to Subsection $[(14)-]$ (17) . The person may file an action against the

164	alleged violator, or recover from the alleged violator if:
165	(a) the notice of alleged violation alleges that the alleged violator failed to provide a
166	clear and reasonable warning as required under Subsection (1); and
167	(b) within 14 days after receipt of the notice of alleged violation, the alleged violator has
168	not:
169	(i) corrected the alleged violation and all similar violations known to the alleged
170	violator;
171	(ii) agreed to pay a penalty for the alleged violation in the amount of \$500 per
172	violation; and
173	(iii) notified, in writing, the noticing party that the violation has been corrected.
174	[(12)] (15) The written notice required in Subsection [(11)(b)(iii)] (14)(b)(iii) shall be the
175	notice of special compliance procedure and proof of compliance form specified in
176	Subsection [(14)-] (17). The alleged violator shall deliver the civil penalty to the noticing
177	party within 30 days of receipt of the notice of alleged violation.
178	[(13)] (16) The attorney general shall review the notice of alleged violation and may confer
179	with the noticing party. If the attorney general believes there is no merit to the action,
180	the attorney general shall, within 45 days of receipt of the notice of alleged violation,
181	provide a letter to the noticing party and the alleged violator stating that the attorney
182	general believes there is no merit to the action.
183	[(14)] (17) The notice required to be provided to an alleged violator pursuant to Subsection [
184	(11) (14) shall be presented as follows:
185	Date:
186	Name of Noticing Party or attorney for Noticing Party:
187	Address:
188	Phone number:
189	SPECIAL COMPLIANCE PROCEDURE
190	PROOF OF COMPLIANCE
191	You are receiving this form because the Noticing Party listed above has alleged that you are
192	in violation of Utah Code Section 78B-6-2103.
193	The Noticing Party may bring legal proceedings against you for the alleged violation
194	checked below if:
195	(1) you have not actually taken the corrective steps that you have certified in this form;
196	(2) the Noticing Party has not received this form at the address shown above, accurately
197	completed by you, postmarked within 14 days of your receiving this notice; and

198 (3) the Noticing Party does not receive the required \$500 penalty payment for each 199 violation alleged from you at the address shown above postmarked within 30 days of your 200 receiving this notice. 201 PART 1: TO BE COMPLETED BY THE NOTICING PARTY OR ATTORNEY FOR 202 THE NOTICING PARTY 203 This notice of alleged violation is for failure to warn against an exposure to minors of 204 materials considered harmful to minors. (provide complete description of violation, including when and where observed) 205 206 Date: 207 Name of Noticing Party or attorney for Noticing Party: 208 Address: 209 Phone number: 210 PART 2: TO BE COMPLETED BY THE ALLEGED VIOLATOR OR AUTHORIZED 211 REPRESENTATIVE 212 Certification of Compliance 213 Accurate completion of this form will demonstrate that you are now in compliance with 214 Utah Code Section 78B-6-2103, for the alleged violation listed above. You must complete and 215 submit the form below to the Noticing Party at the address shown above, postmarked within 14 216 days of you receiving this notice. 217 I hereby agree to pay, within 30 days of receipt of this notice, a penalty of \$500 for each 218 violation alleged to the Noticing Party only and certify that I have complied with by (check 219 only one of the following): 220 [] Posting a warning or warnings, and attaching a copy of that warning and a photograph 221 accurately showing its placement on the print or digital publication. 222 [] Eliminating the alleged exposure, and attaching a statement accurately describing how 223 the alleged exposure has been eliminated. 224 CERTIFICATION 225 My statements on this form, and on any attachments to it, are true, complete, and correct to 226 the best of my knowledge and belief and are made in good faith. I have carefully read the 227 instructions to complete this form. I understand that if I make a false statement on this form, I 228 may be subject to additional penalties under Utah Code Section 76-10-1206. 229 Signature of alleged violator or authorized representative: 230 Date: 231 Name and title of signatory:

232	[(15)] (18) An alleged violator may satisfy the conditions set forth in Subsection [(14) -] (17)
233	only one time for a specific violation.
234	[(16)] (19) Notwithstanding Subsection [(14)-] (17), the attorney general may file an action
235	pursuant to Subsection [(7)-] (10) against an alleged violator. In any action, the amount
236	of any civil penalty for a violation shall be reduced to reflect any payment made by the
237	alleged violator to a private person in accordance with Subsection [(14)] (17) for the
238	same alleged violation.
239	[(17)] (20) Payments shall be made in accordance with this section.
240	(a) A civil penalty ordered by the court shall be paid to the plaintiff as directed by the
241	court.
242	(b) A penalty paid in accordance with the special compliance procedure in Subsection [
243	(14)] (17) shall be made directly to the noticing party.
244	[(18)] (21) The Utah Office for Victims of Crime shall receive 50% of any penalty paid in
245	accordance with this section. Funds received shall be deposited [in-] into the Crime
246	Victim Reparations Fund created in Section 63M-7-526. The penalty amount upon
247	which the 50% is calculated may not include attorney fees or costs awarded by the court.
248	(a) If the penalty is paid to a noticing party in accordance with Subsection [(14)-] (17),
249	the noticing party shall remit the required amount along with a copy of the Special
250	Compliance Procedure document.
251	(b) If a civil penalty is ordered by the court, the plaintiff shall remit the required amount
252	along with a copy of the court order.
253	[(19)] (22) The attorney general's office shall provide to the Utah Office for Victims of
254	Crime a copy of all notices of alleged violations to which the attorney general's office
255	did not respond with a letter of no merit in accordance with Subsection $[(13)]$ (16).
256	[(20)] (23) The court shall provide to the Utah Office for Victims of Crime a copy of the
257	court's order for payment.
258	[(21)] (24) The Utah Office for Victims of Crime shall:
259	(a) maintain a record of documents and payments submitted pursuant to Subsections [
260	(18), (19), and (20) [(21), (22), and (23);
261	(b) create and provide to the Legislature in odd-numbered years beginning November
262	2021, a report containing the following for the previous two years:
263	(i) the number of notices of alleged violations received from the attorney general's
264	office;
265	(ii) the number of court orders received; and

266	(iii) the total amount received and deposited into the Crime Victim Reparations Fund
267	[(22)] (25) This section does not apply to:
268	(a) a person portrayed in obscene or pornographic material that is created, duplicated, or
269	distributed without the person's knowledge or consent; or
270	(b) a person who is coerced or blackmailed into distributing obscene or pornographic
271	material.
272	[(23)] (26) Beginning May 1, 2025, and at each five-year interval, the dollar amount of the
273	civil penalty provided in Subsection [(3) -] (4) shall be adjusted by the Judicial Council
274	based on the change in the annual Consumer Price Index for the most recent five-year
275	period ending on December 31 of the previous year, and rounded to the nearest five
276	dollars. The attorney general shall publish the dollar amount of the civil penalty together
277	with the date of the next scheduled adjustment.
278	Section 4. Effective date.
279	This bill takes effect on May 1, 2024.