1-1 By: Hughes S.B. No. 1860 (In the Senate - Filed March 4, 2025; March 17, 2025, read time and referred to Committee on State Affairs; 1-2 1-3 first April 7, 2025, reported favorably by the following vote: Yeas 10, Nays 0; April 7, 2025, sent to printer.) 1-4 1-5 1-6 COMMITTEE VOTE 1-7 PNV Yea Nay Absent 1-8

Х Hughes 1-9 Х Paxton 1-10 1-11 Bettencourt Х Х Birdwell 1-12 Hall Х 1-13 Hinojosa of Nueces Х Х Middleton 1-14 1**-**15 1**-**16 Parker Х Perry Х 1-17 Schwertner Χ 1-18 Zaffirini Х

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A BILL TO BE ENTITLED AN ACT

relating to the applicability of laws protecting minors from 1-21 1-22 harmful material on digital services. 1**-**23

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 509.002(b), Business & Commerce Code, as added by Chapter 795 (H.B. 18), Acts of the 88th Legislature, Regular Session, 2023, is amended to read as follows: 1-25 1-26 1-27 1-28

(b) This chapter does not apply to:

a state agency or a political subdivision of this (1)1-29 state:

1-30 (2) a financial institution or data subject to Title V, Gramm-Leach-Bliley Act (15 U.S.C. Section 6801 et seq.); 1-31

1-32 (3) a covered entity or business associate governed by the privacy, security, and breach notification rules issued by the 1-33 United States Department of Health and Human Services, 45 C.F.R. 1-34 160 and 164, established under the Health Insurance 1-35 Parts 1-36 Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.), and the Health Information Technology for Economic and Clinical Health Act (Division A, Title XIII, and Division B, Title 1-37 1-38 1-39 IV, Pub. L. No. 111-5);

1-40 (4) a small business as defined by the United States Small Business Administration on September 1, 2024; 1-41

(5) an institution of higher education or a priv school, as that term is defined by Section 5.001, Education Code; (6) a digital service provider who processes 1-42 private 1-43

1-44 1-45 maintains user data in connection with the employment, promotion, reassignment, or retention of the user as an employee or independent contractor, to the extent that the user's data is processed or maintained for that purpose; 1-46 1-47 1-48

1-49 (7)an operator or provider regulated by Subchapter D, Chapter 32, Education Code, that primarily provides education 1-50 services to students or educational institutions; 1-51

(8) a person subject to the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) that: 1-52 1-53 1-54

(A) operates a digital service; and

1-55 (B) primarily provides education services to students or educational institutions; 1-56

(9) a digital service provider's provision of a digital service that facilitates e-mail or direct messaging 1-57 1-58 1-59 services, if the digital service facilitates only those services; 1-60 or 1-61

(10) a digital service provider's provision of а

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2-1 digital service that: 2-2 (A) primarily functions to provide a user with 2-3 access to news, sports, commerce, or content primarily generated or 2-4 selected by the digital service provider; and 2-5 (B) allows chat, comment, or other interactive 2-6 functionality that is incidental to the digital service. 2-7 SECTION 2. This Act takes effect September 1, 2025.

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