

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4574

(SENATE AUTHORS: MAYE QUADE)

DATE	D-PG	OFFICIAL STATUS
03/18/2026	6812	Introduction and first reading Referred to Commerce and Consumer Protection

1.1 A bill for an act

1.2 relating to consumer data privacy; creating the Minnesota Age-Appropriate Design

1.3 Code Act; placing obligations on certain businesses regarding children's consumer

1.4 information; providing for enforcement by the attorney general; amending

1.5 Minnesota Statutes 2024, section 13.6505, by adding a subdivision; proposing

1.6 coding for new law in Minnesota Statutes, chapter 325M.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2024, section 13.6505, is amended by adding a subdivision

1.9 to read:

1.10 Subd. 3. **Data protection impact assessments.** A data protection impact assessment

1.11 collected or maintained by the attorney general under section 325M.44 is classified under

1.12 section 325M.44, subdivision 3.

1.13 Sec. 2. **[325M.40] CITATION; CONSTRUCTION.**

1.14 Subdivision 1. **Citation.** This chapter may be cited as the "Minnesota Age-Appropriate

1.15 Design Code Act."

1.16 Subd. 2. **Construction.** (a) A business that develops and provides online products that

1.17 children are reasonably likely to access must consider the best interests of children when

1.18 designing, developing, and providing that online product.

1.19 (b) If a conflict arises between commercial interests of a business and the best interests

1.20 of children likely to access an online product, service, or feature, the business must prioritize

1.21 the privacy, safety, and well-being of children over its commercial interests.

2.1 (c) In order to help support the design of online products, a business must consider the
2.2 unique needs and diversities of different age ranges, including the following developmental
2.3 stages:

2.4 (1) zero to five years of age or "preliterate and early literacy";

2.5 (2) six to nine years of age or "core primary school years";

2.6 (3) ten to 12 years of age or "transition years";

2.7 (4) 13 to 15 years of age or "early teens"; and

2.8 (5) 16 to 17 years of age or "approaching adulthood."

2.9 **Sec. 3. [325M.41] DEFINITIONS.**

2.10 (a) For purposes of this chapter, the following terms have the meanings given.

2.11 (b) "Affiliate" has the meaning given in section 325M.11.

2.12 (c) "Aggregate consumer information" means information:

2.13 (1) that relates to a group or category of consumers;

2.14 (2) from which individual consumer identities have been removed;

2.15 (3) that is not linked or reasonably linkable to any consumer or household, including by
2.16 a device; and

2.17 (4) that does not include deidentified data.

2.18 (d) "Best interests of children" means a business's use of the personal data of a child or
2.19 the design of an online product in a way that does not:

2.20 (1) benefit the business to the detriment of children; and

2.21 (2) result in:

2.22 (i) reasonably foreseeable and material physical or financial harm to children;

2.23 (ii) reasonably foreseeable and severe psychological or emotional harm to children;

2.24 (iii) a highly offensive intrusion on children's reasonable expectation of privacy; or

2.25 (iv) discrimination against children based on race, color, religion, national origin,
2.26 disability, sex, or sexual orientation.

2.27 (e) "Business" means:

3.1 (1) a sole proprietorship, partnership, limited liability company, corporation, association,
3.2 or other legal entity that is organized or operated for the profit or financial benefit of its
3.3 shareholders or other owners; and

3.4 (2) an affiliate of a business that shares common branding with the business. For purposes
3.5 of this clause, "common branding" means a shared name, service mark, or trademark that
3.6 the average consumer would understand that two or more entities commonly own.

3.7 For purposes of this chapter, for a joint venture or partnership composed of businesses in
3.8 which each business has at least a 40 percent interest, the joint venture or partnership and
3.9 each business that composes the joint venture or partnership shall separately be considered
3.10 a single business, except that personal data in the possession of each business and disclosed
3.11 to the joint venture or partnership must not be shared with the other business.

3.12 (f) "Child" means a consumer who is under 18 years of age.

3.13 (g) "Collect" means buying, renting, gathering, obtaining, receiving, or accessing any
3.14 personal data pertaining to a consumer by any means. This includes receiving data from the
3.15 consumer, either actively or passively or by observing the consumer's behavior.

3.16 (h) "Consumer" has the meaning given in section 325M.11.

3.17 (i) "Dark pattern" has the meaning given in section 325M.11.

3.18 (j) "Data protection impact assessment" means a systematic survey to assess compliance
3.19 with the duty to act in the best interests of children.

3.20 (k) "Default" means a preselected option adopted by the business for the online product.

3.21 (l) "Deidentified data" has the meaning given in section 325M.11.

3.22 (m) "Online product" means an online service, product, or feature. Online product does
3.23 not include the following:

3.24 (1) telecommunications services as defined in United States Code, title 47, section 153;

3.25 (2) a broadband service as defined by section 116J.39, subdivision 1; or

3.26 (3) the sale, delivery, or use of a physical product sold by an online retailer.

3.27 (n) "Personal data" has the meaning given in section 325M.11.

3.28 (o) "Process" or "processing" has the meaning given in section 325M.11.

3.29 (p) "Product experimentation results" means the data that a business collects to understand
3.30 the experimental impact of its products.

4.1 (q) "Profiling" has the meaning given in section 325M.11.

4.2 (r) "Reasonably likely to be accessed by children" means that it is reasonable to expect
4.3 that the online product would be accessed by children, based on satisfying any of the
4.4 following criteria:

4.5 (1) the online product is directed to children as defined by the Children's Online Privacy
4.6 Protection Act, United States Code, title 15, section 6501 et seq., and the Federal Trade
4.7 Commission rules implementing that act;

4.8 (2) the online product is determined, based on competent and reliable evidence regarding
4.9 audience composition, to be routinely accessed by a significant number of children;

4.10 (3) the online product contains advertisements marketed to children;

4.11 (4) the online product is substantially similar to or the same as an online product subject
4.12 to clause (2);

4.13 (5) a significant amount of the audience of the online product is determined, based on
4.14 internal company research, to be children; or

4.15 (6) the business knew or should have known that a significant number of users are
4.16 children.

4.17 (s) "Sale," "sell," or "sold" has the meaning given in section 325M.11.

4.18 (t) "Share" means sharing, renting, releasing, disclosing, disseminating, making available,
4.19 transferring, or otherwise communicating orally, in writing, or by electronic or other means
4.20 a consumer's personal data by the business to a third party for cross-context behavioral
4.21 advertising, whether for monetary or other valuable consideration, including transactions
4.22 between a business and a third party for cross-context behavioral advertising for the benefit
4.23 of a business in which no money is exchanged.

4.24 (u) "Specific geolocation data" has the meaning given in section 325M.11.

4.25 (v) "Third party" has the meaning given in section 325M.11.

4.26 **Sec. 4. [325M.43] SCOPE; EXCLUSIONS.**

4.27 (a) A business is subject to this chapter if it:

4.28 (1) collects consumers' personal data or has consumers' personal data collected on its
4.29 behalf by a third party;

4.30 (2) determines alone or jointly with others the purposes and means of the processing of
4.31 consumers' personal data;

5.1 (3) does business in Minnesota; and

5.2 (4) satisfies one or more of the following thresholds:

5.3 (i) has annual gross revenues in excess of \$25,000,000, as adjusted every odd-numbered
5.4 year to reflect the Consumer Price Index;

5.5 (ii) annually buys, receives for the business's commercial purposes, sells, or shares for
5.6 commercial purposes, alone or in combination, the personal data of 50,000 or more
5.7 consumers, households, or devices; or

5.8 (iii) derives 50 percent or more of its annual revenues from selling consumers' personal
5.9 data.

5.10 (b) This chapter does not apply to:

5.11 (1) protected health information that is collected by a covered entity or business associate
5.12 governed by the privacy, security, and breach notification rules issued by the United States
5.13 Department of Health and Human Services, Code of Federal Regulations, title 45, parts 160
5.14 and 164, established pursuant to the Health Insurance Portability and Accountability Act
5.15 of 1996, Public Law 104-191, and the Health Information Technology for Economic and
5.16 Clinical Health Act, Public Law 111-5;

5.17 (2) a covered entity governed by the privacy, security, and breach notification rules
5.18 issued by the United States Department of Health and Human Services, Code of Federal
5.19 Regulations, title 45, parts 160 and 164, established pursuant to the Health Insurance
5.20 Portability and Accountability Act of 1996, Public Law 104-191, to the extent the provider
5.21 or covered entity maintains patient information in the same manner as medical information
5.22 or protected health information as described in clause (1);

5.23 (3) information collected as part of a clinical trial subject to the federal policy for the
5.24 protection of human subjects, also known as the common rule, pursuant to good clinical
5.25 practice guidelines issued by the International Council for Harmonisation or pursuant to
5.26 human subject protection requirements of the United States Food and Drug Administration;
5.27 or

5.28 (4) data subject to Title V of the Gramm-Leach-Bliley Act of 1999, Public Law 106-102.

5.29 Sec. 5. [325M.44] BUSINESS OBLIGATIONS.

5.30 Subdivision 1. Requirements for businesses. (a) A business subject to this chapter
5.31 must:

6.1 (1) complete a data protection impact assessment for any new online product that is
6.2 reasonably likely to be accessed by children and maintain documentation of the data
6.3 protection impact assessment as long as the online product is reasonably likely to be accessed
6.4 by children;

6.5 (2) review and modify all data protection impact assessments as necessary to account
6.6 for material changes to processing pertaining to the online product;

6.7 (3) within five business days of a written request by the attorney general, provide to the
6.8 attorney general a list of all data protection impact assessments the business has completed;

6.9 (4) within seven business days of a written request by the attorney general or by a date
6.10 otherwise specified by the attorney general, provide the attorney general with a copy of any
6.11 data protection impact assessment;

6.12 (5) configure all default privacy settings provided to children by the online product to
6.13 settings that offer a high level of privacy, unless the business can demonstrate a compelling
6.14 reason that a different setting is in the best interests of children;

6.15 (6) provide any privacy information, terms of service, policies, and community standards
6.16 concisely, prominently, and using clear language suited to the age of children reasonably
6.17 likely to access that online product; and

6.18 (7) provide prominent, accessible, and responsive tools to help children or if applicable,
6.19 their parents or guardians, exercise their privacy rights and report concerns.

6.20 (b) A business that provides an online product reasonably likely to be accessed by
6.21 children must prepare a data protection impact assessment for an online product that is
6.22 offered to the public on or before August 1, 2027, and will continue to be offered to the
6.23 public after that date, or that is initially offered to the public after August 1, 2027.

6.24 (c) A data protection impact assessment must:

6.25 (1) identify the purpose of the online product;

6.26 (2) identify how the online product uses children's data;

6.27 (3) determine whether the online product is designed in a manner consistent with the
6.28 best interests of children reasonably likely to access the online product through consideration
6.29 of:

6.30 (i) whether algorithms used by the product, service, or feature would result in reasonably
6.31 foreseeable and material physical or financial harm to the child; reasonably foreseeable and
6.32 extreme psychological or emotional harm to the child; a highly offensive intrusion on the

7.1 reasonable privacy expectations of the child; or discrimination against the child based upon
7.2 race, color, religion, national origin, disability, sex, or sexual orientation;

7.3 (ii) whether the design or data processing practices of the online product could lead to
7.4 children experiencing or being targeted by contacts on the online product that would result
7.5 in reasonably foreseeable and material physical or financial harm to the child; reasonably
7.6 foreseeable and extreme psychological or emotional harm to the child; a highly offensive
7.7 intrusion on the reasonable privacy expectations of the child; or discrimination against the
7.8 child based upon race, color, religion, national origin, disability, sex, or sexual orientation;

7.9 (iii) whether the design or data processing practices of the online product could permit
7.10 children to witness, participate in, or be subject to conduct on the online product that would
7.11 result in reasonably foreseeable and material physical or financial harm to the child;
7.12 reasonably foreseeable and extreme psychological or emotional harm to the child; a highly
7.13 offensive intrusion on the reasonable privacy expectations of the child; or discrimination
7.14 against the child based upon race, color, religion, national origin, disability, sex, or sexual
7.15 orientation;

7.16 (iv) whether the design or data processing practices of the online product are reasonably
7.17 expected to allow children to be party to or exploited by a contract on the online product
7.18 that would result in reasonably foreseeable and material physical or financial harm to the
7.19 child; reasonably foreseeable and extreme psychological or emotional harm to the child; a
7.20 highly offensive intrusion on the reasonable privacy expectations of the child; or
7.21 discrimination against the child based upon race, color, religion, national origin, disability,
7.22 sex, or sexual orientation;

7.23 (v) whether the online product uses system design features to increase, sustain, or extend
7.24 use of the online product by children, including the automatic playing of media, rewards
7.25 for time spent, and notifications that would result in reasonably foreseeable and material
7.26 physical or financial harm to the child; reasonably foreseeable and extreme psychological
7.27 or emotional harm to the child; a highly offensive intrusion on the reasonable privacy
7.28 expectations of the child; or discrimination against the child based upon race, color, religion,
7.29 national origin, disability, sex, or sexual orientation;

7.30 (vi) whether, how, and for what purpose the online product, service, or feature collects
7.31 or processes personal data of children and whether those practices would result in reasonably
7.32 foreseeable and material physical or financial harm to the child; reasonably foreseeable and
7.33 extreme psychological or emotional harm to the child; a highly offensive intrusion on the

8.1 reasonable privacy expectations of the child; or discrimination against the child based upon
8.2 race, color, religion, national origin, disability, sex, or sexual orientation;

8.3 (vii) whether and how product experimentation results for the online product, service,
8.4 or feature reveal data management or design practices that would result in reasonably
8.5 foreseeable and material physical or financial harm to the child; reasonably foreseeable and
8.6 extreme psychological or emotional harm to the child; a highly offensive intrusion on the
8.7 reasonable privacy expectations of the child; or discrimination against the child based upon
8.8 race, color, religion, national origin, disability, sex, or sexual orientation; and

8.9 (viii) any other factor that may indicate that the online product is designed in a manner
8.10 that is inconsistent with the best interests of children; and

8.11 (4) include a description of steps that the business has taken and will take to act in a
8.12 manner consistent with the best interests of children.

8.13 (d) A data protection impact assessment conducted by a business for the purpose of
8.14 compliance with any other law complies with this section if the data protection impact
8.15 assessment meets the requirement of this chapter.

8.16 (e) A single data protection impact assessment may contain multiple similar processing
8.17 operations that present similar risk only if each relevant online product is addressed.

8.18 Subd. 2. **Prohibition on businesses.** (a) A business that provides an online product
8.19 reasonably likely to be accessed by children must not:

8.20 (1) process the personal data of any child in a way that is inconsistent with the best
8.21 interests of children reasonably likely to access the online product;

8.22 (2) profile a child by default unless both of the following criteria are met:

8.23 (i) the business can demonstrate it has appropriate safeguards in place to ensure that
8.24 profiling is consistent with the best interests of children reasonably likely to access the
8.25 online product; and

8.26 (ii) either of the following is true:

8.27 (A) profiling is necessary to provide the online product requested and only with respect
8.28 to the aspects of the online product with which a child is actively and knowingly engaged;
8.29 or

8.30 (B) the business can demonstrate a compelling reason that profiling is in the best interests
8.31 of children;

9.1 (3) process any personal data that is not reasonably necessary to provide an online product
9.2 with which a child is actively and knowingly engaged;

9.3 (4) if the end user is a child, process personal data for any reason other than a reason
9.4 for which that personal data was collected;

9.5 (5) process any specific geolocation data of children by default, unless the collection of
9.6 that specific geolocation data is strictly necessary for the business to provide the service,
9.7 product, or feature requested and then only for the limited time that the collection of specific
9.8 geolocation data is necessary to provide the service, product, or feature;

9.9 (6) process any specific geolocation data of a child without providing an obvious sign
9.10 to the child for the duration of that collection that specific geolocation data is being collected;

9.11 (7) use dark patterns to cause children to provide personal data beyond what is reasonably
9.12 expected to provide that online product to forego privacy protections, or to take any action
9.13 that the business knows, or has reason to know, is not in the best interests of children
9.14 reasonably likely to access the online product; or

9.15 (8) allow a person other than a child's parent or guardian to monitor the child's online
9.16 activity without first notifying the child and the child's parent or guardian.

9.17 (b) A business that provides an online product that is accessed or reasonably likely to
9.18 be accessed by children may allow a child's parent or guardian to monitor the child's online
9.19 activity or track the child's location without providing an obvious signal to the child when
9.20 the child is being monitored or tracked.

9.21 (c) In determining whether an online product is reasonably likely to be accessed by
9.22 children, a business may not collect or process any personal data beyond what is reasonably
9.23 necessary to make the determination.

9.24 Subd. 3. **Data practices.** (a) A data protection impact assessment collected or maintained
9.25 by the attorney general under subdivision 1 is classified as nonpublic data or private data
9.26 on individuals under section 13.02, subdivisions 9 and 12.

9.27 (b) To the extent any information contained in a data protection impact assessment
9.28 disclosed to the attorney general includes information subject to attorney-client privilege
9.29 or work product protection, disclosure pursuant to this section does not constitute a waiver
9.30 of that privilege or protection.

10.1 **Sec. 6. [325M.45] ATTORNEY GENERAL ENFORCEMENT.**

10.2 (a) A business that violates this chapter may be subject to an injunction and liable for a
10.3 civil penalty of not more than \$2,500 per affected child for each negligent violation, or not
10.4 more than \$7,500 per affected child for each intentional violation, which may be assessed
10.5 and recovered only in a civil action brought by the attorney general in accordance with
10.6 section 8.31. If the state prevails in an action to enforce this chapter, the state may, in addition
10.7 to penalties provided by this paragraph or other remedies provided by law, be allowed an
10.8 amount determined by the court to be the reasonable value of all or part of the state's litigation
10.9 expenses incurred.

10.10 (b) Any penalties, fees, and expenses recovered in an action brought under this chapter
10.11 must be deposited in an account in the special revenue fund and are appropriated to the
10.12 attorney general to offset costs incurred by the attorney general in connection with
10.13 enforcement of this chapter.

10.14 (c) If a business is in substantial compliance with this act and has fulfilled the
10.15 requirements of section 325M.44, subdivision 1, paragraph (a), clause (1), the attorney
10.16 general must, before initiating a civil action under this section, provide written notice to the
10.17 business identifying the specific provisions of this chapter that the attorney general alleges
10.18 have been or are being violated. If, within 90 days of receiving notice, the business cures
10.19 any noticed violation and provides the attorney general a written statement that the alleged
10.20 violations have been cured, and sufficient measures have been taken to prevent future
10.21 violations, the business is not liable for a civil penalty for any violation cured pursuant to
10.22 this section.

10.23 **Sec. 7. [325M.46] LIMITATIONS.**

10.24 Nothing in this chapter shall be interpreted or construed to:

10.25 (1) impose liability in a manner that is inconsistent with United States Code, title 47,
10.26 section 230;

10.27 (2) provide a private right of action under this chapter, section 8.31, or any other law;

10.28 (3) prevent or preclude any child from deliberately or independently searching for or
10.29 specifically requesting content;

10.30 (4) require a business to implement age-gating or other technical protection methods to
10.31 prevent underage people from viewing a website or other content;

10.32 (5) infringe on the existing rights and freedoms of children;

11.1 (6) require a business to monitor or censor third-party content; or

11.2 (7) discriminate against children on the basis of race, color, religion, national origin,

11.3 disability, gender identity, sex, or sexual orientation.