LFC Requestor: Self Assigned

2025 LEGISLATIVE SESSION AGENCY BILL ANALYSIS

Section I: General

Chamber: House Category: Bill

Number: 313 Type: Introduced

Date (of THIS analysis): 2/6/2025

Sponsor(s): Linda Serrato

Short Title: Digital Age Verification Act

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or	Fund
FY 25	FY 26	Nonrecurring	Affected
\$0	\$0	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or		
FY 25	FY 26	FY 27	Nonrecurring	Fund Affected	
\$0	\$0	\$0	N/A	N/A	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: Senate Bill 11 (SB 11)

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 313 (HB313) would enact the "Digital Age Verification Act" which would establish a set of requirements related to age verification of users on devices that connect and communicate with other devices across a network. Covered manufacturers of such devices and applications would be required to take commercially reasonable and technically feasible steps to:

- 1. Equip devices to determine or estimate the device's users age;
- 2. Provide websites, applications and on-line services with a digital signal indicating users age; and
- 3. Obtain parental or guardian consent prior to allowing a person under sixteen years of age to download an application and connect the developer with the approving parent or guardian

Manufacturers must also ensure these requirements are met for devices sold prior to January 1, 2026, through operating system and application store updates.

HB 313 would provide the NM Department of Justice with the ability to promulgate rules in accordance with the "Digital Age Verification Act" and would become effective on January 1, 2026.

HB 313 would make a violation of the "Digital Age Verification Act" an unfair and deceptive trade practice actionable under the Unfair Practices Act.

Is this an amendment or substitution?	☐ Yes ⊠ No
Is there an emergency clause? \square Yes	⊠ No

b) Significant Issues

HB313 would enact regulations on device manufacturers that could improve safety and reduce known health harms for youth as they engage in online activities. In 2023, U.S.

Surgeon General Vivek Murphy, in a health advisory on social media and youth mental health, warned that "At this time, we do not yet have enough evidence to determine if social media is sufficiently safe for children and adolescents". In the same report, the Surgeon General recommended that communities "create tech-free zones and encourage children to foster in-person relationships". The Surgeon General also recommended that technology companies play a major role in designing safe environments for youth by "prioritizing user health and safety in the design and development of social media products" including "ensuring default settings for children are set to highest safety and privacy standards" and "adhere to and enforce age minimums" (Social Media and Youth Mental Health Surgeon General Report).

The American Academy of Pediatrics has also issued a policy statement on media use in school-aged children and adolescents noting numerous risks associated with frequent media use including possible negative impacts on sleep, development of problematic internet use including addictive behaviors, potential negative consequences on learning as many children and teenagers split attention between online media and educational tasks, and exposure to cyberbullying (AAP Policy Statement on Media Use in School-aged Children and Adolescents).

Technology is ingrained in our society. Today's children have on-line access to a large array of information and resources that has not been available in previous generations. (Instructing Your Kids About Online Safety - Privacy). On-line literacy is a protective measure for children and families for ensuring safety in virtual spaces. Frequent conversations regarding safety of on-line practices at home and schools should be initiated, similarly to conversations regarding driving or crossing the street. Devices can be password protected, location data on apps should be turned off and games and apps should be set to private. Children and adolescents should also be wary of on-line grooming tactics used by on-line predators to gain trust. (Take Action | Homeland Security).

Education campaigns and resource development are necessary to protect children's safety yet allow them to succeed in a quickly changing virtual world. The European Union recently adopted the Digital Services Act which requires digital platforms to ban advertising and algorithmic content that targets children. Regular education for children, adolescents, educators, parents and policy makers on safe on-line practices, challenges, how to identify risks and understand what is fake, empowers communities to understand what is real and make safe on-line choices (Protecting children's rights in a digital world UNICEF Croatia). Age verification for minors accessing the internet has historically been implemented to protect children from accessing inappropriate content like explicit material, violent media, or gambling websites by ensuring only adults can view such content, thereby safeguarding children's well-being and development on the internet. By verifying age, platforms can restrict access to content that might be psychologically damaging or unsuitable for minors. These restrictions are common in industries such as alcohol, gambling, and adult content, where exposure to certain materials is regulated by law.

Children and adolescents may benefit from technology, as it can create more tailored learning experiences, prepares children for a digital future, and create opportunities for interpersonal connections and experiences that would not otherwise exist (<u>Top 5 Benefits of Technology in the Classroom | Walden University</u>).

There are 19 states currently with age verification laws. The Supreme Court recently heard a challenge to such laws which is still in process and could determine the outcome of these laws.

https://www.axios.com/2025/01/16/adult-website-age-verification-states

The New Mexico Office of the Attorney General has specific projects targeted towards the protection of minors on social media.

https://nmdoj.gov/get-help/internet-protection-safety/

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۷٠	PL	RFORMANCE IMPLICATIONS
	•	Does this bill impact the current delivery of NMDOH services or operations?
		□ Yes ⊠ No
	•	Is this proposal related to the NMDOH Strategic Plan? \boxtimes Yes \square No
		☐ Goal 1: We expand equitable access to services for all New Mexicans
		☐ Goal 2: We ensure safety in New Mexico healthcare environments
		☑ Goal 3: We improve health status for all New Mexicans
		☐ Goal 4 : We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals
		The NMDOH State Health Improvement Plan includes a focus areas under behavioral health that includes mental health (NMDOH 2024-2026 State Health Improvement Plan). HB313 may improve device usage safety among children, which may reduce harmful online exposures and improve mental health outcomes for young people.
3.	FIS	SCAL IMPLICATIONS
	•	If there is an appropriation, is it included in the Executive Budget Request?
		□ Yes □ No ⊠ N/A
	•	If there is an appropriation, is it included in the LFC Budget Request?
		□ Yes □ No ⋈ N/A
	•	Does this bill have a fiscal impact on NMDOH? \square Yes \boxtimes No
4.		OMINISTRATIVE IMPLICATIONS Il this bill have an administrative impact on NMDOH? □ Yes ☒ No
5.	DU	PLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

HB313 is related to SB11. SB11 would appropriate funds for school districts and charter schools to store devices of youth during school time and is a different approach at regulating youth access to online services, as it pertains to the school environment.

6. TECHNICAL ISSUES

Are there technical issues with the bill? \boxtimes Yes \square No

HB 313 would require covered devices to automatically notify online services of the age of the user, including notifying them if the user is under the age of thirteen. This could be used for age verification as a safety measure, but it could also be used to target advertising to children and/or to identify vulnerable users by malicious online services.

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

•	Will administrative rules need to be updated or new rules written? ⊠ Yes □ No
	Rules may need to be promulgated by the Department of Justice.
•	Have there been changes in federal/state/local laws and regulations that make this
	legislation necessary (or unnecessary)? □ Yes ⊠ No
•	Does this bill conflict with federal grant requirements or associated regulations?
	□ Yes ⊠ No
•	Are there any legal problems or conflicts with existing laws, regulations, policies, or
	programs? ☐ Yes ⊠ No

8. DISPARITIES ISSUES

Use of social media and online technologies is near ubiquitous among school-aged youth and risks of harms are a concern for all youth. There have been documented disparities in increased risk of harms for some youth including:

- A review of 36 studies found that adolescent females and sexual minority youth were more likely to report experiencing incidents of cyberbullying (<u>Cyberbullying Perpetration and Victimization Among Middle-school Students</u>).
- o In 2023, among New Mexico high school students, females were 17% more likely than male students to use social media at least once per hour. Students who report their parents' highest education level was less than a high school diploma, were 21% more likely than students who report at least one of their parents graduated from college, to use social media at least once an hour (Source: 2023 New Mexico Youth Risk and Resiliency Survey, Analysis performed by NMDOH Center for Health Protection).
- o In 2023, students who were treated unfairly in school because of their race/ethnicity were 31% more likely to experience symptoms of depression when they used social media more than once per hour than those students who were treated unfairly and used social media less frequently (Source: 2023 New Mexico Youth Risk and Resiliency Survey, Analysis performed by NMDOH Center for Health Protection).

9. HEALTH IMPACT(S)

In 2023, 92% of New Mexico high school students used social media and 34% of students used social media more than once per hour. When compared to students who used social media less frequently, New Mexico high school students who used social media more than once per hour were 15% more likely to have poor sleep, 18% more likely to have symptoms of an anxiety, 23% more likely to have persistent feelings of sadness or hopelessness, 35% more likely to have symptoms of a depressive disorder, and 36% more likely to have experienced electronic bullying. Despite minimum age requirements on most social media platforms requiring the user to be aged 13 or older, 81% of New Mexico middle school students aged 12 or younger reported active social media use (Source: 2023 New Mexico Youth Risk and Resiliency Survey, Analysis performed by NMDOH – Center for Health Protection). National analysis of frequent social media use and associations with risk behaviors found similar outcomes as in New Mexico. In 2024, CDC released findings from the national 2023 Youth Risk Behavior

Survey which also indicated students who frequently used social media were more likely to be bullied at school, electronically bullied, or have feelings of sadness or hopelessness. The recommendation from this report was that "findings might support multisectoral efforts to create safer digital environments for youth, including decision-making about social media policies, practices, and protections" (<u>Frequent Social Media Use and Experiences with Bullying Victimization, Persistent Feelings of Sadness or Hopelessness, and Suicide Risk Among High school Students – CDC MMWR).</u>

Frequent digital technology use has both positive and negative impacts on the brain and behavior including heightened attention deficit, impaired emotional and social intelligence, social isolation, changes to circadian rhythms and sleep patterns, worsening mental health, and altered brain development (Brain health consequences of digital technology use PMC) (Impacts of technology on children's health: a systematic review - PMC). Technology also offers strengthened social connections (Impacts of technology on children's health: a systematic review - PMC).

10. ALTERNATIVES

Education campaigns and resource development may be useful to protect children's safety yet allow them to succeed in a quickly changing virtual world. The European Union recently adopted the Digital Services Act which requires digital platforms to ban advertising and algorithmic content that targets children.

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB313 is not enacted, covered manufacturers will not be required to take commercially reasonable and technically feasible steps to equip devices to estimate user's age; provide websites, applications or services with digital services indicating users' age; or obtain parental consent.

12. AMENDMENTS

None.