



06 May 2022

The Honorable Chris Holden

Chair, Assembly Appropriations Committee
1021 O Street, Suite 8220
Sacramento, CA 95814

Re: AB 2273 (Wicks, Cunningham, Petrie-Norris): The California Age-Appropriate Design Code Act. **(STRONG SUPPORT)**

Dear Chair Holden,

On behalf of the 5Rights Foundation, we are writing to express our strong support for the California Age-Appropriate Design Code Act. AB 2273 would require businesses that provide an online service, product or feature that is likely to be accessed by a child to comply with specific requirements to ensure that products are designed in the best interests of children.

Policy Considerations

Children across the globe are facing an unprecedented mental health crisis. Even before the onset of COVID-19 and subsequent social distancing and isolation, teen suicide was on the rise; in the US, the CDC¹ found that between 2007 to 2017, the suicide rate among people ages 10 to 24 increased by 56%. And in the year between spring of 2020 and 2021, emergency room visits for girls ages 12 to 17 increased by 50%.²

In 2020, 81% of 14 to 22-year-olds said they used social media either “daily” or “almost constantly.”³ This is by design. As private companies are beholden to shareholders, performance incentives for product developers and executives are tied to profit and therefore time spent on their platform. Social media platforms and tech companies do not design these services with their youngest and most vulnerable users in mind.

Ensuring the safety of tech products is long overdue. We have nutrition labels on food packaging, rigorous testing for cribs and car seats, and yet the technology children use daily from the youngest of ages have little to no safeguards.

¹ [PBS, Youth suicide rates are on the rise in the U.S.](#)

² [U.S. News, CDC Study Documents Rise in Adolescent Suicide Attempts During Pandemic](#)

³ [Common Sense, COPING WITH COVID-19: HOW YOUNG PEOPLE USE DIGITAL MEDIA TO MANAGE THEIR MENTAL HEALTH](#)

- 75% of the top social media platforms use Artificial Intelligence (AI) to recommend children's profiles to strangers.⁴
- Of the top 100 free apps for kids in Google Play, 1 in 3 have banner ads, including ads for adult content.⁵
- 60% of school-based apps share kids' data with third parties.⁶
- A leaked internal survey found that "1 in 3 teenage girls is exacerbating body image problems" on Instagram, and that 6% of US teens link their interest in suicide directly to the platform.⁷

More than 80% of Americans say they want legislation that requires social media platforms to take action to minimize harm to minors.⁸ We agree with President Biden, who in his State of the Union address said that "we must hold social media platforms accountable for the national experiment they're conducting on our children for profit." California has the opportunity to lead the nation in protecting our children online and prioritizing well-being over profit, childhood over exploitation. Two-thirds (64%) of California teens and parents (68%) say that social networks do a poor job explaining what they do with users' data.⁹

And we know the framework behind AB 2273 works. In September 2021, the Age-Appropriate Design Code¹⁰ went into effect in the UK. Since then, tech companies have made changes to products that children use to ensure their data is not needlessly collected, they are not deceived by dark patterns, and that product design is not detrimental to their health and well-being.

Fiscal Considerations

5Rights has considerable experience in supporting regulators, the tech sector and others and remains committed to engaging with the relevant regulators on expertise and best practices. The AADC is increasingly a measure to which the tech sector designs its services and there is a wealth of experience that should support and enhance the implementation of this measure.

After reviewing recent budget change proposals (BCP) on similar issues, including implementation of the California Consumer Privacy Act (CCPA)¹¹ and California Privacy Rights Act (CPRA)¹², we do not believe this measure will generate significant, new costs but will require resources to ensure success. Moreover, given that the California

⁴ [5Rights Foundation, Risky-By-Design](#)

⁵ [Science Daily, Advertising in kids' apps more prevalent than parents may realize](#)

⁶ [Me2B Alliance, Product Testing Report: School Mobile Apps Student Data Sharing Behavior](#)

⁷ [The Guardian, Teenage girls, body image and Instagram's 'perfect storm'](#)

⁸ [Morning Consult + Politico, National Tracking Poll March 2022](#)

⁹ [Common Sense, Privacy Matters: Protecting Digital Privacy for Parents and Kids](#)

¹⁰ [ICO, Introduction to the Age-appropriate design code](#)

¹¹ [Department of Justice, 2019 Budget Change Proposal](#)

¹² [CPPA, 2022 Budget Change Proposal](#)

Privacy Protection Agency (Agency) is already required to do regulatory work and enforcement of the CPRA, we believe there will be efficiencies that reduce costs of implementation of this measure.

In terms of areas that will need financial support, the measure requires businesses covered by the measure to submit a Data Protection Impact Assessment to the Agency for review within 12 months of the passage of the measure and every two years thereafter. This provision will likely require some dedicated staff for this purpose, but there are likely efficiencies that can be found at the Agency who are also required to review risk assessments developed by businesses subject to the CPRA. Second, this measure requires the Agency to convene the California Children's Data Protection Taskforce which may require some limited staff to ensure successful operations of the Taskforce and requirements in proposed Civil Code Section 1798.99.32. Third, this measure confers authority to the Agency to develop regulations as necessary to effectuate the purposes of the measure. After review of the Agency's 22/23 Budget Change Proposal, it is unclear if any additional staff will be needed to support the regulatory requirements. Finally, any Department of Justice costs to their consumer protection section may have the opportunity to be supported through special funds.

All told, the benefits of establishing a statutory structure that drives child protection to the forefront of design considerations for online services, products or features will have benefits that significantly outweigh the cost of implementation.

For these reasons, we are in strong support of AB 2273, The California Age-Appropriate Design Code Act, and respectfully request your support of this important measure.

Sincerely,



Baroness Beeban Kidron
Chair, 5Rights Foundation

Cc: The Honorable Frank Bigelow, Vice Chair, Assembly Appropriations Committee
Honorable Members, Assembly Appropriations Committee
The Honorable Buffy Wicks