

**Senate Bill No. 1177**

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Passed the Senate August 26, 2014

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*Secretary of the Senate*

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Passed the Assembly August 25, 2014

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add Chapter 22.2 (commencing with Section 22584) to Division 8 of the Business and Professions Code, relating to privacy.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1177, Steinberg. Privacy: students.

Existing law, on and after January 1, 2015, prohibits an operator of an Internet Web site or online service from knowingly using, disclosing, compiling, or allowing a 3rd party to use, disclose, or compile the personal information of a minor for the purpose of marketing or advertising specified types of products or services. Existing law also makes this prohibition applicable to an advertising service that is notified by an operator of an Internet Web site, online service, online application, or mobile application that the site, service, or application is directed to a minor.

This bill would prohibit an operator of an Internet Web site, online service, online application, or mobile application from knowingly engaging in targeted advertising to students or their parents or legal guardians, using covered information to amass a profile about a K–12 student, selling a student's information, or disclosing covered information, as provided. The bill would require an operator to implement and maintain reasonable security procedures and practices appropriate to the nature of the covered information, to protect the information from unauthorized access, destruction, use, modification, or disclosure, and to delete a student's covered information if the school or district requests deletion of data under the control of the school or district. The bill would authorize the disclosure of covered information of a student under specified circumstances. The bill's provisions would become operative January 1, 2016.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 22.2 (commencing with Section 22584) is added to Division 8 of the Business and Professions Code, to read:

CHAPTER 22.2. STUDENT ONLINE PERSONAL INFORMATION  
PROTECTION ACT

22584. (a) For the purposes of this section, “operator” means the operator of an Internet Web site, online service, online application, or mobile application with actual knowledge that the site, service, or application is used primarily for K–12 school purposes and was designed and marketed for K–12 school purposes.

(b) An operator shall not knowingly engage in any of the following activities with respect to their site, service, or application:

(1) (A) Engage in targeted advertising on the operator’s site, service, or application, or (B) target advertising on any other site, service, or application when the targeting of the advertising is based upon any information, including covered information and persistent unique identifiers, that the operator has acquired because of the use of that operator’s site, service, or application described in subdivision (a).

(2) Use information, including persistent unique identifiers, created or gathered by the operator’s site, service, or application, to amass a profile about a K–12 student except in furtherance of K–12 school purposes.

(3) Sell a student’s information, including covered information. This prohibition does not apply to the purchase, merger, or other type of acquisition of an operator by another entity, provided that the operator or successor entity continues to be subject to the provisions of this section with respect to previously acquired student information.

(4) Disclose covered information unless the disclosure is made:

(A) In furtherance of the K–12 purpose of the site, service, or application, provided the recipient of the covered information disclosed pursuant to this subparagraph:

(i) Shall not further disclose the information unless done to allow or improve operability and functionality within that student’s classroom or school; and

(ii) Is legally required to comply with subdivision (d);

(B) To ensure legal and regulatory compliance;

(C) To respond to or participate in judicial process;

(D) To protect the safety of users or others or security of the site; or

(E) To a service provider, provided the operator contractually (i) prohibits the service provider from using any covered information for any purpose other than providing the contracted service to, or on behalf of, the operator, (ii) prohibits the service provider from disclosing any covered information provided by the operator with subsequent third parties, and (iii) requires the service provider to implement and maintain reasonable security procedures and practices as provided in subdivision (d).

(c) Nothing in subdivision (b) shall be construed to prohibit the operator's use of information for maintaining, developing, supporting, improving, or diagnosing the operator's site, service, or application.

(d) An operator shall:

(1) Implement and maintain reasonable security procedures and practices appropriate to the nature of the covered information, and protect that information from unauthorized access, destruction, use, modification, or disclosure.

(2) Delete a student's covered information if the school or district requests deletion of data under the control of the school or district.

(e) Notwithstanding paragraph (4) of subdivision (b), an operator may disclose covered information of a student, as long as paragraphs (1) to (3), inclusive, of subdivision (b) are not violated, under the following circumstances:

(1) If other provisions of federal or state law require the operator to disclose the information, and the operator complies with the requirements of federal and state law in protecting and disclosing that information.

(2) For legitimate research purposes: (A) as required by state or federal law and subject to the restrictions under applicable state and federal law or (B) as allowed by state or federal law and under the direction of a school, school district, or state department of education, if no covered information is used for any purpose in furtherance of advertising or to amass a profile on the student for purposes other than K–12 school purposes.

(3) To a state or local educational agency, including schools and school districts, for K–12 school purposes, as permitted by state or federal law.

(f) Nothing in this section prohibits an operator from using deidentified student covered information as follows:

(1) Within the operator’s site, service, or application or other sites, services, or applications owned by the operator to improve educational products.

(2) To demonstrate the effectiveness of the operator’s products or services, including in their marketing.

(g) Nothing in this section prohibits an operator from sharing aggregated deidentified student covered information for the development and improvement of educational sites, services, or applications.

(h) “Online service” includes cloud computing services, which must comply with this section if they otherwise meet the definition of an operator.

(i) “Covered information” means personally identifiable information or materials, in any media or format that meets any of the following:

(1) Is created or provided by a student, or the student’s parent or legal guardian, to an operator in the course of the student’s, parent’s, or legal guardian’s use of the operator’s site, service, or application for K–12 school purposes.

(2) Is created or provided by an employee or agent of the K–12 school, school district, local education agency, or county office of education, to an operator.

(3) Is gathered by an operator through the operation of a site, service, or application described in subdivision (a) and is descriptive of a student or otherwise identifies a student, including, but not limited to, information in the student’s educational record or email, first and last name, home address, telephone number, email address, or other information that allows physical or online contact, discipline records, test results, special education data, juvenile dependency records, grades, evaluations, criminal records, medical records, health records, social security number, biometric information, disabilities, socioeconomic information, food purchases, political affiliations, religious information, text messages, documents, student identifiers, search activity, photos, voice recordings, or geolocation information.

(j) “K–12 school purposes” means purposes that customarily take place at the direction of the K–12 school, teacher, or school district or aid in the administration of school activities, including, but not limited to, instruction in the classroom or at home,

administrative activities, and collaboration between students, school personnel, or parents, or are for the use and benefit of the school.

(k) This section shall not be construed to limit the authority of a law enforcement agency to obtain any content or information from an operator as authorized by law or pursuant to an order of a court of competent jurisdiction.

(l) This section does not limit the ability of an operator to use student data, including covered information, for adaptive learning or customized student learning purposes.

(m) This section does not apply to general audience Internet Web sites, general audience online services, general audience online applications, or general audience mobile applications, even if login credentials created for an operator's site, service, or application may be used to access those general audience sites, services, or applications.

(n) This section does not limit Internet service providers from providing Internet connectivity to schools or students and their families.

(o) This section shall not be construed to prohibit an operator of an Internet Web site, online service, online application, or mobile application from marketing educational products directly to parents so long as the marketing did not result from the use of covered information obtained by the operator through the provision of services covered under this section.

(p) This section does not impose a duty upon a provider of an electronic store, gateway, marketplace, or other means of purchasing or downloading software or applications to review or enforce compliance of this section on those applications or software.

(q) This section does not impose a duty upon a provider of an interactive computer service, as defined in Section 230 of Title 47 of the United States Code, to review or enforce compliance with this section by third-party content providers.

(r) This section does not impede the ability of students to download, export, or otherwise save or maintain their own student created data or documents.

22585. This chapter shall become operative on January 1, 2016.

SEC. 2. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity

shall not affect other provisions or applications that can be given effect without the invalid provision or application.

Approved \_\_\_\_\_, 2014

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*Governor*