

1-1 By: Paxton, Kolkhorst S.B. No. 2420
 1-2 (In the Senate - Filed March 13, 2025; March 25, 2025, read
 1-3 first time and referred to Committee on State Affairs;
 1-4 April 7, 2025, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 10, Nays 0; April 7, 2025,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17			X	
1-18	X			
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 2420 By: Bettencourt

1-21 A BILL TO BE ENTITLED
 1-22 AN ACT

1-23 relating to the regulation of platforms for the sale and
 1-24 distribution of software applications for mobile devices.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Subtitle C, Title 5, Business & Commerce Code, is
 1-27 amended by adding Chapter 121 to read as follows:

1-28 CHAPTER 121. SOFTWARE APPLICATIONS

1-29 SUBCHAPTER A. GENERAL PROVISIONS

1-30 Sec. 121.001. SHORT TITLE. This chapter may be cited as the
 1-31 App Store Accountability Act.

1-32 Sec. 121.002. DEFINITIONS. In this chapter:

1-33 (1) "Age category" means information collected by the
 1-34 owner of an app store to designate a user based on the age
 1-35 categories described by Section 121.021(b).

1-36 (2) "App store" means a publicly available Internet
 1-37 website, software application, or other electronic service that
 1-38 distributes software applications from the owner or developer of a
 1-39 software application to the user of a mobile device.

1-40 (3) "Minor" means a child who is younger than 18 years
 1-41 of age who has not had the disabilities of minority removed for
 1-42 general purposes.

1-43 (4) "Mobile device" means a portable, wireless
 1-44 electronic device, including a tablet or smartphone, capable of
 1-45 transmitting, receiving, processing, and storing information
 1-46 wirelessly that runs an operating system designed to manage
 1-47 hardware resources and perform common services for software
 1-48 applications on handheld electronic devices.

1-49 (5) "Personal data" means any information, including
 1-50 sensitive data, that is linked or reasonably linkable to an
 1-51 identified or identifiable individual. The term includes
 1-52 pseudonymous data when the data is used by a person who processes or
 1-53 determines the purpose and means of processing the data in
 1-54 conjunction with additional information that reasonably links the
 1-55 data to an identified or identifiable individual. The term does not
 1-56 include deidentified data or publicly available information.

1-57 SUBCHAPTER B. DUTIES OF APP STORES

1-58 Sec. 121.021. DUTY TO VERIFY AGE OF USER; AGE CATEGORIES.

1-59 (a) When an individual in this state creates an account with an app
 1-60 store, the owner of the app store shall use a commercially

2-1 reasonable method of verification to verify the individual's age
2-2 category under Subsection (b).
2-3 (b) The owner of an app store shall use the following age
2-4 categories for assigning a designation:
2-5 (1) an individual who is younger than 13 years of age
2-6 is considered a "child";
2-7 (2) an individual who is at least 13 years of age but
2-8 younger than 16 years of age is considered a "younger teenager";
2-9 (3) an individual who is at least 16 years of age but
2-10 younger than 18 years of age is considered an "older teenager"; and
2-11 (4) an individual who is at least 18 years of age is
2-12 considered an "adult."
2-13 Sec. 121.022. PARENTAL CONSENT REQUIRED. (a) If the owner
2-14 of the app store determines under Section 121.021 that an
2-15 individual is a minor who belongs to an age category that is not
2-16 "adult," the owner shall require that the minor's account be
2-17 affiliated with a parent account belonging to the minor's parent or
2-18 guardian.
2-19 (b) For an account to be affiliated with a minor's account
2-20 as a parent account, the owner of an app store must use a
2-21 commercially reasonable method to verify that the account belongs
2-22 to an individual who:
2-23 (1) the owner of the app store has verified belongs to
2-24 the age category of "adult" under Section 121.021; and
2-25 (2) has legal authority to make a decision on behalf of
2-26 the minor with whose account the individual is seeking affiliation.
2-27 (c) A parent account may be affiliated with multiple minors'
2-28 accounts.
2-29 (d) The owner of an app store must obtain consent from the
2-30 minor's parent or guardian through the parent account affiliated
2-31 with the minor's account before allowing the minor to:
2-32 (1) download a software application;
2-33 (2) purchase a software application; or
2-34 (3) make a purchase in or using a software
2-35 application.
2-36 (e) The owner of an app store must:
2-37 (1) obtain consent for each individual download or
2-38 purchase sought by the minor; and
2-39 (2) notify the developer of each applicable software
2-40 application if a minor's parent or guardian revokes consent through
2-41 a parent account.
2-42 (f) To obtain consent from a minor's parent or guardian
2-43 under Subsection (d), the owner of an app store may use any
2-44 reasonable means to:
2-45 (1) disclose to the parent or guardian:
2-46 (A) the specific software application or
2-47 purchase for which consent is sought;
2-48 (B) the rating under Section 121.052 assigned to
2-49 the software application or purchase;
2-50 (C) the specific content or other elements that
2-51 led to the rating assigned under Section 121.052;
2-52 (D) the nature of any collection, use, or
2-53 distribution of personal data that would occur because of the
2-54 software application or purchase; and
2-55 (E) any measures taken by the developer of the
2-56 software application or purchase to protect the personal data of
2-57 users;
2-58 (2) give the parent or guardian a clear choice to give
2-59 or withhold consent for the download or purchase; and
2-60 (3) ensure that the consent is given:
2-61 (A) by the parent or guardian; and
2-62 (B) through the account affiliated with a minor's
2-63 account under Subsection (a).
2-64 (g) If a software developer provides the owner of an app
2-65 store with notice of a change under Section 121.053, the owner of
2-66 the app store shall:
2-67 (1) notify any individual who has given consent under
2-68 this section for a minor's use or purchase relating to a previous
2-69 version of the changed software application; and

3-1 (2) obtain consent from the individual for the minor's
3-2 continued use or purchase of the software application.

3-3 Sec. 121.023. DISPLAY OF AGE RATING FOR SOFTWARE
3-4 APPLICATION. (a) If the owner of an app store that operates in this
3-5 state has a mechanism for displaying a rating or other content
3-6 notice, the owner shall display for each software application
3-7 available for download and purchase on the app store:

3-8 (1) the rating under Section 121.052 assigned to the
3-9 software application; and

3-10 (2) the specific content or other elements that led to
3-11 the rating assigned under Section 121.052.

3-12 (b) The information displayed under this section must be
3-13 clear, accurate, and conspicuous.

3-14 Sec. 121.024. INFORMATION FOR SOFTWARE APPLICATION
3-15 DEVELOPERS. The owner of an app store that operates in this state
3-16 shall, using a commercially available method, allow the developer
3-17 of a software application to access current information related to:

3-18 (1) the age category assigned to each user under
3-19 Section 121.021(b); and

3-20 (2) whether consent has been obtained for each minor
3-21 user under Section 121.022.

3-22 Sec. 121.025. PROTECTION OF PERSONAL DATA. The owner of an
3-23 app store that operates in this state shall protect the personal
3-24 data of users by:

3-25 (1) limiting the collection and processing of personal
3-26 data to the minimum amount necessary for:

3-27 (A) verifying the age of an individual;

3-28 (B) obtaining consent under Section 121.022; and

3-29 (C) maintaining compliance records; and

3-30 (2) transmitting personal data using
3-31 industry-standard encryption protocols that ensure data integrity
3-32 and confidentiality.

3-33 Sec. 121.026. VIOLATION. The owner of an app store that
3-34 operates in this state violates this subchapter if the owner:

3-35 (1) enforces a contract or a provision of a terms of
3-36 service agreement against a minor that the minor entered into or
3-37 agreed to without consent under Section 121.022;

3-38 (2) knowingly misrepresents information disclosed
3-39 under Section 121.022(f)(1);

3-40 (3) obtains a blanket consent to authorize multiple
3-41 downloads or purchases; or

3-42 (4) shares or discloses personal data obtained for
3-43 purposes of Section 121.021, except as required by Section 121.024
3-44 or other law.

3-45 Sec. 121.027. CONSTRUCTION OF SUBCHAPTER. Nothing in this
3-46 subchapter may be construed to:

3-47 (1) prevent the owner of an app store that operates in
3-48 this state from taking reasonable measures to block, detect, or
3-49 prevent the distribution of:

3-50 (A) obscene material, as that term is defined by
3-51 Section 43.21, Penal Code; or

3-52 (B) other material that may be harmful to minors;

3-53 (2) require the owner of an app store that operates in
3-54 this state to disclose a user's personal data to the developer of a
3-55 software application except as provided by this subchapter;

3-56 (3) allow the owner of an app store that operates in
3-57 this state to use a measure required by this chapter in a manner
3-58 that is arbitrary, capricious, anticompetitive, or unlawful;

3-59 (4) block or filter spam;

3-60 (5) prevent criminal activity; or

3-61 (6) protect the security of an app store or software

3-62 application.

3-63 SUBCHAPTER C. DUTIES OF SOFTWARE APPLICATION DEVELOPERS

3-64 Sec. 121.051. APPLICABILITY OF SUBCHAPTER. This subchapter
3-65 applies only to the developer of a software application that the
3-66 developer makes available to users in this state through an app
3-67 store.

3-68 Sec. 121.052. DESIGNATION OF AGE RATING. (a) The developer
3-69 of a software application shall assign to each software application

4-1 and to each purchase that can be made through the software
4-2 application an age rating based on the age categories described by
4-3 Section 121.021(b).

4-4 (b) The developer of a software application shall provide to
4-5 each app store through which the developer makes the software
4-6 application available:

4-7 (1) each rating assigned under Subsection (a); and
4-8 (2) the specific content or other elements that led to
4-9 each rating provided under Subdivision (1).

4-10 Sec. 121.053. CHANGES TO SOFTWARE APPLICATIONS. (a) The
4-11 developer of a software application shall provide notice to each
4-12 app store through which the developer makes the software
4-13 application available before making any significant change to the
4-14 terms of service or privacy policy of the software application.

4-15 (b) For purposes of this section, a change is significant if
4-16 it:

4-17 (1) changes the type or category of personal data
4-18 collected, stored, or shared by the developer;

4-19 (2) affects or changes the rating assigned to the
4-20 software application under Section 121.052 or the content or
4-21 elements that led to that rating;

4-22 (3) adds new monetization features to the software
4-23 application, including:

4-24 (A) new opportunities to make a purchase in or
4-25 using the software application; or

4-26 (B) new advertisements in the software
4-27 application; or

4-28 (4) materially changes the functionality or user
4-29 experience of the software application.

4-30 Sec. 121.054. AGE VERIFICATION. (a) The developer of a
4-31 software application shall create and implement a system to use
4-32 information received under Section 121.024 to verify:

4-33 (1) for each user of the software application, the age
4-34 category assigned to that user under Section 121.021(b); and

4-35 (2) for each minor user of the software application,
4-36 whether consent has been obtained under Section 121.022.

4-37 (b) The developer of a software application shall use
4-38 information received from the owner of an app store under Section
4-39 121.024 to perform the verification required by this section.

4-40 Sec. 121.055. USE OF PERSONAL DATA. (a) The developer of a
4-41 software application may use personal data provided to the
4-42 developer under Section 121.024 only to:

4-43 (1) enforce restrictions and protections on the
4-44 software application related to age;

4-45 (2) ensure compliance with applicable laws and
4-46 regulations; and

4-47 (3) implement safety-related features and default
4-48 settings.

4-49 (b) The developer of a software application shall delete
4-50 personal data provided by the owner of an app store under Section
4-51 121.024 on completion of the verification required by Section
4-52 121.054.

4-53 Sec. 121.056. VIOLATION. (a) Except as provided by this
4-54 section, the developer of a software application violates this
4-55 subchapter if the developer:

4-56 (1) enforces a contract or a provision of a terms of
4-57 service agreement against a minor that the minor entered into or
4-58 agreed to without consent under Section 121.054;

4-59 (2) knowingly misrepresents an age rating or reason
4-60 for that rating under Section 121.052; or

4-61 (3) shares or discloses the personal data of a user
4-62 that was acquired under this subchapter.

4-63 (b) The developer of a software application is not liable
4-64 for a violation of Section 121.052 if the software developer:

4-65 (1) uses widely adopted industry standards to
4-66 determine the rating and specific content required by this section;
4-67 and

4-68 (2) applies those standards consistently and in good
4-69 faith.

5-1 (c) The developer of a software application is not liable
5-2 for a violation of Section 121.054 if the software developer:
5-3 (1) relied in good faith on age category and consent
5-4 information received from the owner of an app store; and
5-5 (2) otherwise complied with the requirements of this
5-6 section.

5-7 SUBCHAPTER D. ENFORCEMENT

5-8 Sec. 121.101. CIVIL ACTION; LIABILITY. (a) The parent or
5-9 guardian of a minor may bring an action against the owner of an app
5-10 store or the developer of a software application for a violation of
5-11 this chapter.

5-12 (b) Notwithstanding Sections 41.003 and 41.004, Civil
5-13 Practice and Remedies Code, a parent or guardian who prevails in an
5-14 action under this section is entitled to receive:

- 5-15 (1) injunctive relief;
- 5-16 (2) actual damages;
- 5-17 (3) punitive damages;
- 5-18 (4) reasonable attorney's fees;
- 5-19 (5) court costs; and
- 5-20 (6) any other relief the court considers appropriate.

5-21 (c) A violation of this chapter constitutes an injury in
5-22 fact to a minor.

5-23 Sec. 121.102. DECEPTIVE TRADE PRACTICE. A violation of
5-24 this chapter is a false, misleading, or deceptive act or practice as
5-25 defined by Section 17.46(b). In addition to any remedy under this
5-26 chapter, a remedy under Subchapter E, Chapter 17, is also available
5-27 for a violation of this chapter.

5-28 Sec. 121.103. CUMULATIVE REMEDIES. The actions and
5-29 remedies provided by this chapter are not exclusive and are in
5-30 addition to any other action or remedy provided by law.

5-31 SECTION 2. This Act takes effect January 1, 2026.

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