# Vermont passes Kids Code but shelves broader data privacy bill amid heavy lobbying



When Vermont lawmakers reconvened in Montpelier for the current legislative session, they faced the formidable task of readdressing data privacy issues in an environment thick with lobbying pressures and contrasting interests. Last biennium, the Legislature had achieved a milestone with a comprehensive data privacy package—over 100 pages of provisions that boasted some of the strongest protections in the nation. However, Governor Phil Scott vetoed this landmark legislation, expressing fears that it would jeopardize local businesses and subject the state to costly legal challenges. An attempt to override his veto fell short in the Senate, leaving lawmakers to reconsider their strategy.

In light of these challenges, the architects of last year's legislation have taken a more segmented approach this year. They introduced two principal bills: S.69, known as the "Kids Code," aims to overhaul social media design for users under 18, while S.71 seeks to implement broader data privacy protections for all Vermonters. Recently, lawmakers celebrated the passage of the Kids Code, which aims to curtail the addictive features of platforms like TikTok and Instagram and impose strict privacy settings for minors. The bill, now waiting for the governor's approval, has received vocal support, including from its lead sponsor, Senator Wendy Harrison, who stated, "It's critical to support our kids."

Despite the success of the Kids Code, the future of S.71 looks far less certain. Lawmakers decided to shelve the bill, largely due to the intense opposition stirred up by a well-orchestrated lobbying campaign from both local businesses and massive tech corporations. Representative Monique Priestley emphasised the overwhelming influence of these lobbyists, saying, “The public and even other members of the body don’t realise how extreme the lobbying tactics are on tech bills in the building.” This perception has encouraged some legislators to take a step back to further engage with constituents and local business owners before moving forward with any comprehensive data privacy legislation.

The proposed S.71 initially included provisions allowing consumers to sue companies for violating privacy laws, but this met with fierce resistance. Lobbyists from companies such as Meta, Apple, and Google collectively spent over $110,000 advocating against such measures in Vermont. Critics argued that the bill would create inconsistency and uncertainty for local businesses, potentially favouring trial lawyers over consumer welfare. Megan Sullivan, vice president of the Vermont Chamber of Commerce, articulated concerns over “untested and confusing definitions” in the proposed legislation, amplifying fears about unintended consequences.

In lieu of advancing S.71, the Legislature opted to explore a bill—S.93—that offers milder data protections without the contentious private right of action. However, this shift has not been well-received by advocates of stricter privacy measures. The decision to hold off on the comprehensive overhaul until the next legislative session was characterised by lawmakers as a necessary pause for further engagement and coalition-building, not just within Vermont but also with neighbouring New England states developing similar laws.

While the Kids Code appears to have gained considerable traction, its fate is also not without uncertainty. Governor Scott has expressed tentative support for the bill but remains cautious, echoing concerns about litigation risks that might arise from similar legislation in other states. Legal challenges from advocacy groups like NetChoice, which represents major tech firms, loom large. These groups have a history of contesting such laws in court, arguing that they infringe on First Amendment rights. Vermont lawmakers have stated that their Kids Code aims to navigate these legal pitfalls by focusing on the structural design of social media rather than restricting content.

As the summer recess approaches, Vermont legislators are gearing up for a critical period. They plan to engage more deeply with businesses and the public, hoping that collaboration will yield a more effective and widely supported data privacy framework to be reintroduced next year. The emphasis remains on balancing the legitimate privacy concerns of consumers with the operational realities faced by businesses, particularly small and mid-sized companies that form the backbone of the Vermont economy. The outcome of this ongoing dialogue will be pivotal as Vermont seeks to carve out its place on the national stage in the evolving conversation around digital privacy rights.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://vtdigger.org/2025/06/06/as-kids-code-awaits-action-from-vermont-gov-phil-scotts-lawmakers-put-other-data-privacy-bills-on-ice-for-the-year/), [[2]](https://apnews.com/article/40cb74ebbe6c6b9e5d33df45bae028f8)
* Paragraph 2 – [[1]](https://vtdigger.org/2025/06/06/as-kids-code-awaits-action-from-vermont-gov-phil-scotts-lawmakers-put-other-data-privacy-bills-on-ice-for-the-year/), [[4]](https://www.mynbc5.com/article/kids-code-lawmakers-protect-kids-social-media/63834093)
* Paragraph 3 – [[2]](https://apnews.com/article/40cb74ebbe6c6b9e5d33df45bae028f8), [[5]](https://statescoop.com/vermont-phil-scott-vetoes-data-privacy-bill-2024/), [[6]](https://www.jdsupra.com/legalnews/vermont-governor-vetoes-comprehensive-4795626/)
* Paragraph 4 – [[4]](https://www.mynbc5.com/article/kids-code-lawmakers-protect-kids-social-media/63834093), [[7]](https://www.vermontpublic.org/local-news/2024-05-21/here-are-the-bills-vetoed-by-gov-phil-scott)
* Paragraph 5 – [[1]](https://vtdigger.org/2025/06/06/as-kids-code-awaits-action-from-vermont-gov-phil-scotts-lawmakers-put-other-data-privacy-bills-on-ice-for-the-year/), [[3]](https://apnews.com/article/2ab84d8705fa38cf89c428daa1dbfc54)
* Paragraph 6 – [[5]](https://statescoop.com/vermont-phil-scott-vetoes-data-privacy-bill-2024/), [[6]](https://www.jdsupra.com/legalnews/vermont-governor-vetoes-comprehensive-4795626/)
* Paragraph 7 – [[3]](https://apnews.com/article/2ab84d8705fa38cf89c428daa1dbfc54), [[6]](https://www.jdsupra.com/legalnews/vermont-governor-vetoes-comprehensive-4795626/)
* Paragraph 8 – [[1]](https://vtdigger.org/2025/06/06/as-kids-code-awaits-action-from-vermont-gov-phil-scotts-lawmakers-put-other-data-privacy-bills-on-ice-for-the-year/), [[4]](https://www.mynbc5.com/article/kids-code-lawmakers-protect-kids-social-media/63834093)

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## Bibliography

1. <https://vtdigger.org/2025/06/06/as-kids-code-awaits-action-from-vermont-gov-phil-scotts-lawmakers-put-other-data-privacy-bills-on-ice-for-the-year/> - Please view link - unable to able to access data
2. <https://apnews.com/article/40cb74ebbe6c6b9e5d33df45bae028f8> - In May 2024, the Democrat-controlled Vermont legislature passed a robust data privacy measure, allowing consumers to sue companies for violating certain privacy rules. Governor Phil Scott, a Republican, vetoed the bill, expressing concerns that it would harm local businesses and lead to costly litigation. The bill aimed to prohibit the sale of sensitive data and limit data collection and usage by companies. Despite the veto, advocates considered the legislation among the strongest in the nation, with provisions from previous child protection legislation included. The consumer lawsuit provision was set to take effect in 2026, with a sunset clause in 2028. Governor Scott's decision was pending a thorough review.
3. <https://apnews.com/article/2ab84d8705fa38cf89c428daa1dbfc54> - In June 2024, Vermont Governor Phil Scott vetoed a comprehensive data privacy bill that would have allowed consumers to file civil lawsuits against companies violating certain privacy rules. Governor Scott argued that the legislation would make Vermont 'a national outlier and more hostile than any other state to many businesses and non-profits.' He also expressed concerns about the bill's impact on mid-sized employers and small businesses. The bill aimed to prohibit the sale of sensitive data and set limits on data collection and usage by companies. Despite the veto, advocates urged the legislature to override the decision, highlighting the importance of consumer protection and the fight against fraud.
4. <https://www.mynbc5.com/article/kids-code-lawmakers-protect-kids-social-media/63834093> - Vermont lawmakers are working on a bill aimed at strengthening online privacy settings for children. The proposed 'Kids Code' bill would require social media apps to set privacy at the highest level for children, meaning data collected from children cannot be sold to advertisers. It would also block push notifications from midnight to 6 a.m. and messages from unknown adults to decrease risks like sex trafficking. The bill follows a previous attempt that was vetoed by Governor Phil Scott due to constitutional concerns. Lawmakers believe this legislation is crucial for protecting children in the digital age.
5. <https://statescoop.com/vermont-phil-scott-vetoes-data-privacy-bill-2024/> - In June 2024, Vermont Governor Phil Scott vetoed the state's comprehensive data privacy bill, citing the 'unnecessary and avoidable level of risk' it would have incurred. He recommended that the legislature craft a law similar to those enacted in Connecticut or New Hampshire. The bill aimed to provide residents with a private right of action, allowing individuals to bring civil suits against companies that violate the law. Governor Scott expressed concerns that this provision would make Vermont hostile to businesses and nonprofits. He also cited risks associated with the bill's 'kids code' provision, which would have imposed new privacy requirements on online services used by minors.
6. <https://www.jdsupra.com/legalnews/vermont-governor-vetoes-comprehensive-4795626/> - In June 2024, Governor Phil Scott vetoed Vermont's proposed comprehensive privacy law, expressing concerns about the 'unnecessary and avoidable level of risk' it would have created. He highlighted three main issues: the private right of action, which he believed would be hostile to businesses; the 'kids code' provision, which mirrored other state laws but had been challenged in courts; and the potential burdens on companies, particularly small and mid-sized businesses. Governor Scott recommended aligning the law with Connecticut's data privacy law to mitigate these concerns.
7. <https://www.vermontpublic.org/local-news/2024-05-21/here-are-the-bills-vetoed-by-gov-phil-scott> - In May 2024, Vermont Governor Phil Scott vetoed several bills, including H.121, a data privacy and 'Kids Code' bill. The legislation aimed to allow Vermonters to sue large data brokers for misusing personal information and to enforce stricter privacy settings for children on social media platforms. Governor Scott raised concerns that the bill would make Vermont more hostile to businesses and nonprofits and suggested adopting Connecticut's data privacy law instead. Despite efforts to override the veto, the Senate sustained it, and the bill was not enacted.