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Computer & Communications Industry Association
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CalChamber

April 21, 2025

The Honorable Thomas Umberg
Chair, Senate Judiciary Committee
1020 N Street, Room 3240
Sacramento, CA 95814

Re: SB 771 (Stern) – Personal rights: liability: social media platforms

Dear Chair Umberg,

TechNet and the following organizations must respectfully oppose SB 771, as it raises significant concerns about potential conflicts with longstanding internet law by exposing social media platforms to substantial liability, calculated in the billions, for user-generated content.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

Although SB 771 does not explicitly mandate content removal, it effectively incentivizes broad suppression of speech through the threat of legal action. In practice, the elevated liability risk could compel platforms to take down content based solely on unsubstantiated allegations of violence. This dynamic sets the stage for a heckler's veto, in which bad actors or politically motivated users can flag content they disagree with, knowing the platform may err on the side of removal to avoid potential lawsuits.

This bill's implicit concern is harmful content. It is impossible for companies to identify and remove every potentially harmful piece of content because there's no clear consensus on what exactly constitutes harmful content, apart from clearly illicit content. Determining what is harmful is highly subjective and varies from person to person, making it impossible to make such judgments on behalf of millions of users. Faced with this impossible task and the liability imposed by this bill, some platforms may decide to aggressively over restrict content that could be considered harmful.

Furthermore, platforms would need to evaluate whether to eliminate their fundamental features and functions, which are the reasons users go to their platforms, due to the legal risk involved. For instance, direct messaging features

could potentially be misused for contacting and bullying other teens; such features would likely be removed.

Serious First Amendment concerns.
It is well established that the companies covered by this legislation have constitutional rights related to content moderation, including the right to curate, prioritize, and remove content in accordance with their terms of service. By exposing these companies to civil liability for content they do not remove, SB 771 creates a chilling effect on their editorial discretion. The significant, prescribed civil penalties - potentially amounting into the billions for each violation - would lead platforms to over-remove lawful content to mitigate legal exposure. Therefore, if this law passes, it will almost certainly be struck down in court (see NetChoice v Paxton) because it imposes liability on social media platforms for whether certain types of third-party content are shown to users, as well as the expressive choices social media platforms make in designing the user experience. This violates the First Amendment rights of users and social media platforms.

Moreover, the proposed liability framework likely conflicts with Section 230 of the Communications Decency Act, which provides strong federal protections for platforms against civil liability for third-party content and for good-faith content moderation. Courts (see Twitter,inc V. Taamneh, 598 U.S.__ (2023)) have consistently upheld Section 230 as preempting state-level attempts to impose liability for content hosting or moderation decisions.

For these reasons, we respectfully oppose SB 771

If you have any questions regarding our position, please contact Robert Boykin at rboykin@technet.org or 408.898.7145.

Sincerely,



Robert Boykin
Executive Director for California and the Southwest
TechNet

Ronak Daylami, California Chamber of Commerce
Aodhan Downey, Computer and Communications Industry Association