



February 5, 2026

Banking, Commerce and Insurance Committee
1445 K St
Lincoln, NE 68508

Re: LB 1118 - "Classify certain actions by a social media platform as deceptive trade practices under the Uniform Deceptive Trade Practices Act" (Oppose)

Dear Chair Jacobson and Members of the Banking, Commerce and Insurance Committee:

On behalf of the Computer & Communications Industry Association (CCIA), I write to respectfully oppose LB 1118. CCIA is an international, not-for-profit trade association representing a broad cross-section of communications and technology firms.¹ Proposed regulations on the interstate provision of digital services therefore can have a significant impact on CCIA members.

Responsible digital services partner with a wide range of stakeholders to protect consumers from illegal and dangerous content and conduct online, including fraudulent advertisements. They participate in voluntary information sharing programs and educational campaigns to assist in detecting, reporting, identifying, and removing fraud and other illegal or dangerous content. There is close coordination with federal, state, and local law enforcement to better identify bad actors, hold them accountable, and prevent misconduct. Companies will reject ads that violate their policies (e.g., spam, phishing scams, manipulated media, and other deceptive practices), as well as review and take action on existing accounts and posts in response to user reports. For companies operating at scale, that may be tens of millions of pieces of content.

While addressing fraud is a priority for CCIA members, LB 1118 would undermine these existing industry efforts by imposing infeasible prescriptive mandates that will ultimately harm Nebraska consumers and businesses.

LB 1118's broad scope will harm small businesses and competition.

Requiring covered entities to investigate and determine the status of allegedly fraudulent advertisements within seven days, regardless of complexity, and to take them down "immediately" could incentivize over-removal of lawful content to avoid liability. This approach would harm legitimate advertisers, including small businesses, and reduce consumer access to lawful products and services in Nebraska.

These extensive compliance obligations would require significant technical, legal, and staffing resources, creating barriers to entry and reducing competition in the digital advertising marketplace. These actions are contrary to Nebraska's pro-innovation and pro-business

¹ For more than 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available at <https://www.ccianet.org/members>.



values. By prioritizing formal compliance checklists over flexible, risk-based approaches, LB 1118 may divert resources away from the most effective fraud prevention tools and partnerships currently in use.

LB 1118 lacks clear definitions, making compliance infeasible.

The bill would make it a “deceptive trade practice” for a covered “social media platform” to fail to establish and implement a long list of burdensome programs and processes, many of which are undefined or subjective. Terms such as “unlawful impersonation detection and mitigation,” “automated and manual fraud detection systems,” “measures to prevent repeated offenses,” and “ignores credible reports” lack clear statutory benchmarks, exposing covered entities to liability based on hindsight rather than reasonable, good-faith efforts.

The bill raises conflicts with federal law and will not stop fraud.

This proposal would regulate services that are inherently interstate, and can only effectively be addressed at the federal level. Moreover, targeting one specific subset of online ads for regulation will inevitably raise costs in order to ensure compliance, likely resulting in bad actors going elsewhere (e.g., ad-supported games, which are carved out), or offline, where these onerous know-your-customer rules don’t apply.

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CCIA urges the Committee to reject LB 1118 and instead consider approaches that promote collaboration between websites, advertisers, and law enforcement without imposing inflexible mandates or expansive liability.

We appreciate the Banking, Commerce and Insurance Committee’s consideration of these comments and stand ready to provide additional information as Nebraska considers proposals related to technology policy.

Sincerely,

Megan Stokes
Director of State Policy
Computer & Communications Industry Association