

ARIZONA STATE SENATE Fifty-Sixth Legislature, First Regular Session

AMENDED FACT SHEET FOR S.B. 1106

social media platforms; standards; notification

Purpose

Establishes standards for a social media platform relating to deplatforming candidates, penalties for state employees, legal remedies to a violation of standards and publishing requirements.

Background

A *social media platform* is an organization that provides a service for public users to disseminate speech, expression, information or other content to other users or the public and includes both the organization and any of its officers, agents, employees, contractors or any other person employed by or acting on behalf of the platform, as well subcontractors or entities used to conduct fact-checking or any other activities relating to content modulation.

The federal Communications Decency Act of 1996 prohibits the provider or user of an interactive computer service from being held liable on account of any action: 1) voluntarily taken in good faith to restrict access to or availability of material that the provider or user considers to be obscene, excessively violent, harassing or otherwise objectionable, whether or not such material is constitutionally protected; or 2) taken to enable or make available to information content providers or others the technical means to restrict access to this material. An *interactive computer service* is any information service, system or access software provider that provides or enables computer access by multiple users to a computer server (47 U.S.C. § 230).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

Deplatforming Standards

- 1. Allows, during the duration of candidacy, a social media platform to deplatform an individual that the platform knows to be a candidate, as allowed under the federal Communications Decency Act of 1996.
- 2. Specifies that the duration of candidacy begins on the date of the candidate's qualification and ends on the date of election or the date the candidate ceases to be a candidate.
- 3. Requires a social media platform to publish the standards that the platform uses to determine how it will deplatform users.

FACT SHEET – Amended S.B. 1106 Page 2

- 4. Specifies that the published deplatforming standards must include detailed definitions.
- 5. Allows the Secretary of State (SOS), if the SOS finds that a social media platform violates the deplatforming standards for candidates, to impose a civil penalty of:
 - a) \$250,000 per day for deplatforming a candidate for statewide office; and
 - b) \$25,000 per day for deplatforming a candidate for any other office.
- 6. Subjects an employee who violates social media platform standards to removal from state service, reduction in grade, debarment from state employment for up to five years, suspension, reprimand or a civil penalty of up to \$1,000.
- 7. Specifies that social media platform standards do not prohibit an employee from engaging in lawful actions within the employee's official authority to either:
 - a) exercise legitimate law enforcement functions directly related to activities to combat child pornography, human trafficking or the illegal transporting of, or transacting in, controlled substances; or
 - b) safeguard or prevent the unlawful dissemination of properly classified state security information.

Definitions

- 8. Defines *social media platform* as a public or semipublic internet-based service or application that:
 - a) operates as a sole proprietorship, partnership, limited liability company, corporation, association or other legal entity;
 - b) does business in Arizona;
 - c) has annual gross revenues of more than \$100,000,000 directly from platform operations and not from selling goods and services and has at least 100,000,000 monthly individual platform participants globally;
 - d) primarily functions to connect users in order to allow users to interact socially with each other within the platform, excluding email or direct messaging services as primary functions; and
 - e) allows users to create a public or semipublic profile to log in and use the platform, populate a public list of other users with whom an individual shares a social connection within the platform and post content that is viewable by other users.
- 9. Specifies that, for the definition of *social media platform*, the annual gross revenue is adjusted in January of each odd-numbered year to reflect any increase in the consumer price index.
- 10. Excludes, from the definition of *social media platform*, a broadband internet access service provider or an online service, application, cloud services provider or website:
 - a) that consists primarily of news, sports, entertainment, e-commerce or information or content that is not user-generated but is preselected by the provider; and
 - b) for which any chat, comments or interactive functionality is incidental to, directly related to or dependent on the provision of preselected content.
- 11. Excludes, from the definition of *social media platform*, cloud storage, shared document collaboration and other cloud computing services.

FACT SHEET – Amended S.B. 1106 Page 3

- 12. Defines *censor* as any action taken by a state employee in the employee's official capacity to:
 - a) delete, regulate, restrict, edit, alter, inhibit the publication or reproduction of, or suspend a right to post, remove or post an addendum to any content or material posted by a user;
 - b) inhibit the ability of a user to be viewable by or to interact with another user of the social media platform; or
 - c) add or take away credibility to political speech that could have the effect of swaying political views, including fact-checking, issuing warnings, flagging, highlighting or cautioning users to believe or disbelieve content based on political views.
- 13. Defines *deplatform* as the act or practice by a social media platform of permanently or temporarily deleting or banning a user for more than 14 days from the platform.
- 14. Defines *user* as a person who resides or is domiciled in Arizona and who has an account on a social media platform, regardless of whether the person posts or has posted content or material to the platform.
- 15. Defines *algorithm* as a mathematical set of rules that:
 - a) specifies how a group of data behaves and that will assist in ranking search results and maintaining order; or
 - b) is used in sorting or ranking content or material based on relevancy or other factors instead of using published time or chronological order of the content or material.
- 16. Defines *postprioritization* as any action taken by a social media platform to place, feature or prioritize certain content or material ahead of, below or in a more or less prominent position than other content or material in a newsfeed, feed or view or in search results.
- 17. Excludes, from the definition of *postprioritization*, any action taken by a social media platform to place, feature or prioritize the content and material of a third party, including other users, based on payments by that third party to the platform.
- 18. Defines *journalistic enterprise* as an entity doing business in Arizona that:
 - a) publishes more than 100,000 words that are available online with at least 50,000 paid subscribers or 100,000 monthly active users;
 - b) publishes at least 100 hours of audio or video that is available online with at least 100,000,000 viewers annually;
 - c) operates a cable channel that provides more than 40 hours of content per week to more than 100,000 cable television subscribers; or
 - d) operates under a broadcast license issued by the Federal Communications Corporation.
- 19. Defines candidate.
- 20. Makes conforming changes.
- 21. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

- 1. Adds exceptions to the definition of *social media platform*.
- 2. Makes conforming changes.

Amendments Adopted by the House of Representatives

- 1. Allows a social media platform to deplatform, rather than prohibits a platform from willfully deplatforming, a candidate.
- 2. Requires a social media platform to publish the standards it uses, rather than uses or has used, for determining how it will deplatform, rather than how it will deplatform, censor and shadow ban, the platform's users.
- 3. Adds penalties for an employee who violates social media platform standards.
- 4. Specifies that social media platform standards do not prohibit an employee from engaging in lawful actions within the employee's official authority, as specified.
- 5. Adds, to the definition of *social media platform*, a service or platform that:
 - a) primarily functions to connect users to interact socially, excluding email or direct messaging services; and
 - b) allows users to create a profile, populate a public list and post content.
- 6. Modifies the definition of *social media platform* to:
 - a) be a public or semipublic internet-based service or application, rather than an information service, system, internet search engine or access software provider;
 - b) meet both the annual revenue and monthly participant requirements, rather than the revenue or participant requirement;
 - c) specify that annual gross revenue must be directly from the operation of the platform and not from the selling of goods and services; and
 - d) exclude cloud storage, shared document collaboration and other cloud computing services.
- 7. Excludes, from the definition of *social media platform*, a broadband internet access service provider or cloud services provider, as prescribed, and e-commerce that is preselected by the provider.
- 8. Removes, from the definition of *social media platform*, that a social media platform provides or enables computer access by multiple users to a computer server, including an internet platform or a social media site.
- 9. Modifies the definition of *censor* to be any action taken by a state employee in the employee's official capacity, rather than any action taken by a social media platform.
- 10. Removes the definition of shadow ban.
- 11. Makes technical and conforming changes.

| Senate Action | | | | House Action | | | |
|-----------------------------|-------------------|----|------------------|-----------------------------|--------------------|-----|------------------------|
| TAT 3 rd Read | 2/6/23 2/21/23 | DP | 4-3-0 16-13-1 | COM 3 rd Read | 3/28/23 5/15/23 | DPA | 6-4-0-0 31-27-1-0-1 |

Prepared by Senate Research May 15, 2023 KJA/CB/sr