



TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

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February 24, 2021

The Honorable Jake Chapman
Iowa Senate
State Capitol
1007 E. Grand Avenue
Des Moines, IA 50319

RE: Opposition to SF 402

Good morning Mr. Chairman and members of the Subcommittee.

My name is Tyler Diers and I am the Midwest executive director for TechNet. I am here today to respectfully submit testimony **in opposition to SF 402** (Chapman), which will subject Iowa residents to more abhorrent and illegal content on the internet by forcing private companies to keep objectionable content on their platforms.

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 more than three and a half million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance.

Our members are committed to keeping their users safe online, which is why social media companies review millions of pieces of content every day in order to remove harmful content that conflicts with their policies. Iowa should encourage these companies to have content policies, as they govern the removal of content showing the exploitation of children, bullying, harassment, gore, pornography, and spam. Instead, SF 402 perversely creates an incentive for companies to not prohibit and remove any objectionable content in order keep tax incentives for projects that are providing jobs and economic development in the state.

Private companies understand that they have an obligation to remove objectionable content, otherwise their users will be subjected to dangers like images of child endangerment, financial scams, spam, and other nefarious links. Companies take

this responsibility seriously, removing harmful content in an unbiased manner while keeping their services open to a broad range of ideas.

Say for example you live next door to a white supremacist, and that individual is posting obscenely racist remarks on social media, and the company removes the content; under this bill they would run the risk of losing any economic benefits they have in the state. Take the same situation but instead, the individual was yelling racist remarks in a restaurant. The restaurant has a right to remove someone from their establishment if they're acting obscene. Television shows get cancelled often because of unpopular opinions portrayed on the show or by an actor or actress, oftentimes at the pressure of advertisers. This isn't a violation of free speech; these are private entities. Under this bill, private companies would be forced by government to house on their server's objectionable speech inconsistent with their beliefs, and against their will.

Policymakers should be encouraging incentive programs and tax policies that attract and grow jobs in the State of Iowa. It would be bad public policy for the legislature to weaponize economic development programs in order to forward a political agenda at the expense of the state's economic interests. Iowa has made itself a significant leader in the Midwest for technology investment, particularly that of data centers. By considering this legislation, the state's business environment and reputation would be damaged as companies that were considering moving to the state would have to weigh whether or not it is worth angering a set of lawmakers. And it's not just prospective tech companies looking to expand in the state, but other industries as well.

Additionally, the bill runs counter to the American free speech law governing content liability on the internet, Section 230 of the federal Communications Decency Act. Since its enactment in 1996, Section 230's two key provisions have empowered online intermediaries to remove harmful content while providing them with the same "conduit immunity" that commonly exists in other real world offline contexts – for example, not holding a bookseller liable for libelous books, but rather the individual who committed the libel.

Due to Section 230, American companies have the right to curate information on their service to meet the needs and expectations of their customers. Section 230 has supported innovation across the internet while also encouraging companies to be "Good Samaritans" by allowing them to "to restrict access to or availability of material that the provider or user considers to be obscene, lewd, filthy, excessively violent, harassing, or otherwise objectionable, whether or not such material is constitutionally protected."

For these reasons, TechNet opposes SF 402. We thank you in advance for your consideration, and thank you for allowing me to testify this morning.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tyler Diers', is positioned above the typed name.

Tyler Diers
Executive Director, Midwest
TechNet

Cc: Senators Mathis and Schultz