



Big Tech: Recommendations

Big Tech is on everyone's screen and in everyone's mind, including emerging issues related to privacy, viewpoint discrimination, and possible abuse of market power. We must be vigilant to ensure that government policy does not privilege some over others. The Foundation has researched and explored whether there is justification for government action to deal with Big Tech issues, either by modifying existing law to curtail the power of these firms or other options. Following this examination, we present policy recommendations for Texas and the federal level.

TEXAS POLICY RECOMMENDATIONS

■ Prosecute Illegal Activity

Further empower law enforcement agencies, such as the Texas Rangers and the Attorney General, to investigate and prosecute illegal activity, such as child pornography and human trafficking, occurring on Big Tech platforms. Federal law does not provide protection for this activity and the recent Texas Supreme Court ruling indicated that platform protection does not extend to hosting illegal activity.

■ Increase Transparency and Enforcement

Texas should build on the transparency aspects of [SB 5](#) filed during the first special session of the 87th Legislature by requiring Big Tech platforms and others to clearly articulate standards for editing content submitted by users and adhere to those standards based on authority of the Attorney General to monitor for compliance. This information can put more power in the hands of consumers who can then decide to leave one tech company for another one that may enter the market or choose not to be on these websites.

■ End Corporate Welfare

Texas should remove any preferential treatment given to these companies. The practice of handing out tax breaks and favorable treatments results in picking winners and losers in the marketplace, which distorts the incentives of profits and losses. To ensure there is a level-playing field that promotes competition through new entrants and less government intervention, Texas should remove all tax break and subsidies that these companies receive. In addition, reducing state and local taxes and regulations will promote opportunities for increased competition that will help eliminate the potential harmful behavior by these companies at the expense of taxpayers.

FEDERAL POLICY OPTIONS THAT NEED FURTHER CONSIDERATION

■ Consider Repealing Section 230

Another consideration is whether Section 230 should be repealed or reformed to remove potential government obstacles to increased competition in this market. Section 230 protection has served as the equivalent of government-sponsored monopoly power to the online media industry. With Section 230 protection, the government delivers an artificial and market-beating privilege to online media that is denied to other forms of media—print, television, etc. This privilege creates a situation of government failure that should be corrected through less government intervention. Another option could be to remove Section 230(c)(2) to explicitly limit the ability to remove or censor content.