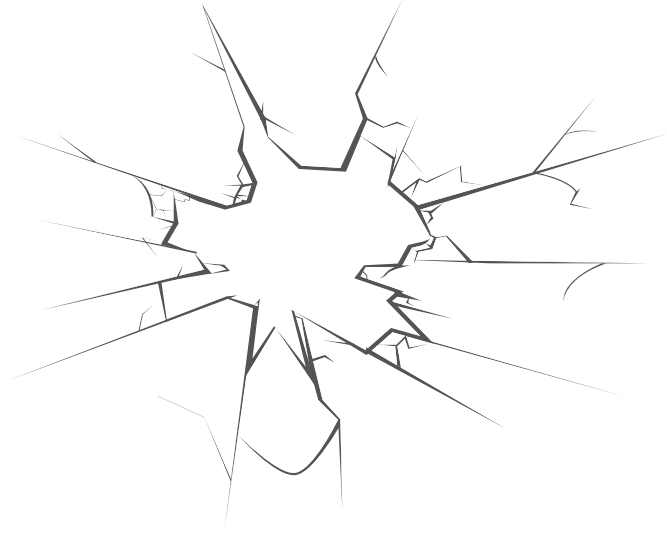


Senator Cotton, Experts:
AICOA RAISES SERIOUS CONCERNS FOR NATIONAL SECURITY AND GOVERNMENT OVERREACH



(S. 2992 AND H.R. 3816)

Senators Klobuchar, Grassley, and other cosponsors recently introduced S. 2992, "The American Innovation and Choice Online Act" (AICOA) to the Senate Judiciary Committee for markup.

Senator Cotton expressed strong concerns:

"I'm afraid that this bill leaves a lot of discretion to the Federal Trade Commission to define unfair conduct. I have real concern giving any agency that much power and discretion."

"I have concerns with provisions in the bill that would require data sharing between American companies and bad actors under the control of the Chinese Communist Party."

"I think it also includes language that could catch up a lot of other firms that are nothing like these companies. Firms like Publix, or Home Depot, or Visa, could be designated covered platforms under the text of this bill as I read it."

Experts agree:

Robert O'Brien

Former White House National Security Advisor

"Cloaked in antiquated interpretations of U.S. antitrust law, these bills hand increased authority to bureaucrats at the Federal Trade Commission and lay the groundwork for dismantling America's most successful technology companies—the ones at the forefront of the race to retain U.S. dominance in fields such as quantum and AI. Chinese firms like Tencent, Bytedance, Alibaba, Huawei and Baidu are seeking to supplant U.S. companies and would have an open field world-wide and in America if these bills pass."

Keith Kratch

Former Under Secretary of State for Economic Growth, Energy, and the Environment

"The first thing we got to make sure is that we don't handcuff our businesses. And I know there is some legislation that says things like 'software companies have to always open up their interfaces'. That means the Chinese can always get the data. Or that you can't make an acquisition. We have to be careful."

Graham DuFault
The App Association

"Limiting the universe of bad actors subject to removal to those that appear on lists 'maintained by the Federal Government' is laughably inadequate and irresponsible cybersecurity policy. The new language only protects token cybersecurity activity, shielding platforms if they rely on the lists of prohibited persons and businesses from the federal government. Cybercriminals adapt quickly and take a variety of measures to prevent detection. Requiring platforms to wait for threat identification and addition to a federal government list gives criminals an enviable new advantage and would expose consumers to a fresh wave of new threats that mobile devices can easily avoid at present."

Patrick Hedger
Taxpayers Protection Alliance

"What is perhaps most concerning about this bill is that it would grant sweeping new powers to the FTC. The bill would give FTC broad discretion to determine which antitrust cases to take up under the bill and would give the FTC the power to bring enforcement action themselves. Because businesses are inherently always looking out for their own interests, the FTC could soon find a wide license to regulate anything and everything on a whim."

Arthur Sidney
Computer & Communications Industry Association

"Congress should engage its national security committees to solicit briefings and technical assistance from U.S. intelligence, counterintelligence, and foreign policy agencies to evaluate the risks before proceeding to approve these bills targeting the U.S. tech sector."

"It is ironic that earlier this year, the Senate passed legislation to bolster U.S. competitiveness and innovation in the tech domain vis-a-vis China and other foreign competitors and only a few months later, Congress is attempting to dismantle and chill innovation with these newly introduced bills, which themselves are not antitrust bills but instead amount to government-mandated industrial policy."