SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

UNFINISHED BUSINESS

Bill No: SB 771

Author: Stern (D), et al.

Amended: 9/2/25 Vote: 21

SENATE JUDICIARY COMMITTEE: 10-0, 4/29/25

AYES: Umberg, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Weber

Pierson, Wiener

NO VOTE RECORDED: Niello, Valladares, Wahab

SENATE APPROPRIATIONS COMMITTEE: 4-0, 5/23/25

AYES: Caballero, Cabaldon, Grayson, Richardson NO VOTE RECORDED: Seyarto, Dahle, Wahab

SENATE FLOOR: 29-4, 6/4/25

AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NOES: Alvarado-Gil, Choi, Jones, Strickland

NO VOTE RECORDED: Dahle, Grove, Niello, Ochoa Bogh, Reyes, Seyarto, Valladares

ASSEMBLY FLOOR: 51-2, 9/10/25 - See last page for vote

SUBJECT: Personal rights: liability: social media platforms

SOURCE: AAUW of California

Children's Advocacy Institute, University of San Diego School of

Law
Consumer Federation of California

Jewish Family and Children's Services of San Francisco

Loma LGBTQA+ Alumni and Allies

Rainbow Spaces

San Diego Democrats for Equality, Executive Board Stop the Cycle

DIGEST: This bill creates, effective January 1, 2027, a civil action against a social media platform, as defined, with over \$100 million in gross annual revenues that aids and abets the commission of, conspires with a person to violate, or is a joint tortfeasor for a violation of, specified civil rights and hate crime laws.

Assembly Amendments modify the bill's findings and declarations; remove violations of the Penal Code from the scope of the bill's civil penalty regime; and add a delayed implementation date of January 1, 2027.

ANALYSIS:

Existing federal law:

- 1) Provides that a provider or user of an interactive computer service shall not be treated as the publisher or speaker of any information provided by another information content provider. (47 U.S.C. § 230(c)(1).)
- 2) Provides that a provider or user of an interactive computer service shall not be held liable on account of:
 - a) any action voluntarily taken in good faith to restrict access to, or availability of, material that the provider or user considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, or otherwise objectionable, whether or not such material is constitutionally protected; or
 - b) any action taken to enable or make available to information content providers or others the technical means to restrict access to such material. (47 U.S.C. § 230(c)(2).)

Existing state law:

- 1) Defines "social media platform" as a public or semipublic internet-based service or application that has users in California and that meets both of the following criteria:
 - a) A substantial function of the service or application is to connect users in order to allow users to interact socially with each other within the service or application; a service or application that provides email or direct messaging services, without more, does not meet this criterion.

- b) The service or application allows users to do all of the following: (1) construct a public or semipublic profile for purposes of signing into and using the service or application; (2) populate a list of other users with whom an individual shares a connection within the system; (3) create or post content viewable by other users, including, but not limited to, on message boards, in chat rooms, or through a landing page or main feed that presents the user with content generated by other users. (Bus. & Prof. Code, § 22675(f).)
- 2) Defines the following additional relevant terms:
 - a) "Content" means statements or comments made by users and media that are created, posted, shared, or otherwise interacted with by users on an internet-based service or application; "content" does not include media put on a service or application exclusively for the purpose of cloud storage, transmitting files, or file collaboration.
 - b) "Public or semipublic internet-based service or application" excludes a service or application used to facilitate communication within a business or enterprise among employees or affiliates of the business or enterprise, provided that access to the service or application is restricted to employees or affiliates of the business or enterprise using the service or application. (Bus. & Prof. Code, § 22675(c), (d).)
- 3) Establishes the Ralph Civil Rights Act of 1976 (Ralph Act), the Tom Bane Civil Rights Act (Tom Bane Act), and prohibitions against sexual harassment in the workplace, which generally protect persons from violence or threats of violence on the basis of specified characteristics or their political affiliation;, interference with the exercise of constitutional rights or rights protected by law; and sexual harassment. (Civ. Code, §§ 51, 51.7, 51.9, 52.)

This bill:

- 1) Makes uncodified statements relating to the prevalence of threats, coercive harassment, and intimidation on social media platforms, and the need for legislative action to protect Californians from these harms.
- 2) Establishes Title 23 within Part 4 of Division 3 of the Civil Code (Title 23).
- 3) Defines, for purposes of Title 23, a "social media platform" as a social media platform as defined in Section 22675 of the Business and Professions Code that generates more than \$100,000,000 per year in gross revenues.

- 4) Provides that a social media platform that violates the Ralph Act, the Tom Bane Act, or Section 51.9 or 52 of the Civil Code, including through its algorithms that relay content to users, or aids, abets, acts in concert, or conspires in a violation of any of those sections, or is a joint tortfeasor in an action alleging a violation of any of those sections, shall, in addition to any other remedy, in an action brought pursuant to this provision, be liable for a civil penalty for each violation sufficient to deter future violations, but not to exceed the following:
 - a) For an intentional, knowing, or willful violation, a civil penalty of up to \$1 million.
 - b) For a reckless violation, a civil penalty of up to \$500,000.
 - c) If the evidence demonstrates that the platform knew, or should have known, that the plaintiff was a minor, the court may award up to twice the penalties described in 4)(a)-(b).
- 5) Provides that, for purposes of 4), deploying an algorithm that relays content to users may be considered an act of the platform independent from the message of the content relayed.
- 6) Provides that a platform shall be deemed to have actual knowledge of the operations of its own algorithms, including how and under what circumstances its artificial intelligence and algorithms deliver content to some users but not to others.
- 7) Includes a severability clause.
- 8) Provides that any waiver of 1)-7) shall be void and unenforceable as contrary to public policy.
- 9) Provides that 1)-8) will take effect on January 1, 2027.

Comments

Violence, threats, and intimidation targeting certain historically vulnerable populations – Jews, LGBTQ+ community members, women, immigrants, and people of color especially – are at historic highs and rising at record-shattering rates. A recent Harvard study found a causal relationship between widespread violence against historically target groups and the practices of social media platforms.

Notwithstanding the escalating danger, social media platforms have announced dramatic retreats in screening and moderation practices to protect targeted populations. This change could not have come at a more dangerous time for groups that are historically targeted. L.A. County's most recent hate crime report reflected double or triple digit increases in hate crimes resulting in "the largest number[s] ever recorded" against the LGBTQ+ community, Jews, Asians, Blacks, Latinos, and immigrants. This is a national trend that is accelerating.

California must respond to protect its most vulnerable residents. The least California can do is ensure that our existing laws against hate crimes, intimidation, and harassment, including conduct aimed at preventing our neighbors from exercising their constitutional rights, unambiguously apply to platform practices and offer penalties sufficient to prompt compliance with our laws without the necessity of a lawsuit.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Appropriations Committee, the fiscal effect is as follows:

- 1) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate cases filed against large social media platforms. The significant new civil penalties authorized by the bill may prompt additional lawsuits that would not otherwise have been filed. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately \$1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The fiscal year 2025-26 state budget provides \$82 million ongoing General Fund to the Trial Court Trust Fund for court operations.
- 2) Possible costs (General Fund) to the Department of Justice (DOJ) to defend legal challenges to the bill. If DOJ hires legal staff to handle this workload, the department will incur significant costs, likely in the low hundreds of thousands of dollars annually at a minimum.

SUPPORT: (Verified 9/10/25)

AAUW of California (co-source) Children's Advocacy Institute, University of San Diego School of Law (co-source) Consumer Federation of California (co-source) Jewish Family and Children's Services of San Francisco (co-source)

Loma LGBTQA+ Alumni and Allies (co-source)

Rainbow Spaces (co-source)

San Diego Democrats for Equality, Executive Board (co-source)

Stop the Cycle (co-source)

California Initiative for Technology & Democracy

Courage California

Center for Countering Digital Hate

Hassadah

JCC/Federation of San Luis Obispo

JCRC Bay Area

JCRC of Greater Santa Barbara

Jewish Community Federation and Endowment Fund

Jewish Democratic Club of Marin

Jewish Family Service LA

Jewish Family Service of San Diego

Jewish Family Services of Silicon Valley

Jewish Family & Community Services East Bay

Jewish Family & Children's Services of San Francisco, the Peninsula, Marin & Sonoma Counties

Jewish Federation of San Diego

Jewish Federation of the Greater San Gabriel and Pomona Valleys

Jewish Free Loan Association

Jewish Long Beach

JFCS Long Beach and Orange County

JPAC

OPPOSITION: (Verified 9/10/25)

7amleh – The Arab Center for Advancement of Social Media

18 Million Rising

Alameda County Green Party

American-Arab Anti-Discrimination Committee

Anti Police-Terror Project

Arab American Caucus CA Dems

Arab American Civic Council

Arab American Cultural Center of Silicon Valley

Arab Resource & Organizing Center Action

Asian Pacific Environmental Network

Berkeley Families for Collective Liberation

CA Muslims & Friends Phone Bank

California Chamber of Commerce

California Latino School Boards Association

Code Pink Central Coast

Code Pink San Fernando Valley

Code Pink Sela

Computer and Communications Industry Association

Council on American-Islamic Relations, California

Democratic Socialists of America, East Bay Chapter

Democratic Socialists of America, San Francisco Chapter

Democrats for Palestinian Rights – Bay Area

Earth Loves Gaza

Fight for the Future

Ground Game LA

Hindus for Human Rights

Human Agenda

IfNotNow California

IMEU Policy Project

JVP Bay Area

JVP LA

JVP Sacramento

JVP San Diego

JVP South Bay

Justice Teams Network

La Raza Community Resource Center

Labor for Palestine National Network

Majdal Arab Community Center of San Diego

MPower Action

Muslim Civic Coalition

Muslim Public Affairs Council

National Iranian American Council Action

National Organization of Legal Services Workers, UAW Local 2320

Orange County Justice Initiative

Pacific Coast Psychology

Peace and Freedom Party

Queers Undermining Israeli Terrorism

Ramallah Club of San Jose

San José Against War

San José Peace and Justice Center

Showing Up for Racial Justice Bay Area

Showing Up for Racial Justice San Francisco

Speak Write Out Collective
Story Sunbirds
Tech Workers Coalition
TechNet
The Truth Project
UCLA Undergraduate Student Council, Office of the External Vice President
US Palestinian Community Network
Voices for Justice in Palestine
Approximately 2,700 individuals

ARGUMENTS IN SUPPORT: According to the Center for Countering Digital Hate:

Violence, threats, and intimidation targeting certain historically vulnerable populations – Jews, LGBTQ+ community members, women, immigrants, and people of color, especially – are at new highs and rising at record-shattering rates. For example, in L.A. County's most recent hate crime report, the County documented both double or triple-digit increases in hate crimes resulting in "the largest number[s] ever recorded" against the LGBTQ+ community, Jews, Asians, Blacks, Latinos, and immigrants.

Notwithstanding the escalating danger, the market-dominant social media platform, Meta, has announced a dramatic retreat in screening and moderation practices to protect targeted populations. CCDH's in-depth analysis of Meta's policy changes shows that the company could stop as much as 97% of its content enforcement in key policy areas, including hate speech, bullying and harassment, and violence or incitement of violence...

California law already prohibits every person and every corporation from engaging in hate crimes, harassment, and intimidation aimed at frightening people out of exercising their legal rights. It is urgent to update and clarify the application of these pre-Internet laws to ensure they meet the challenges of the modern era.

SB 771 will do just that while offering financial consequences minimally proportional to the vast wealth of the corporations and the need to ensure they are motivated to comply.

ARGUMENTS IN OPPOSITION: According to the California Chamber of Commerce, the Computer and Communications Industry Association, and TechNet:

It is well established that the companies covered by this legislation have constitutional rights related to content moderation, including the right to curate, prioritize, and remove content in accordance with their terms of service. By exposing these companies to civil liability for content they do not remove, SB 771 creates a chilling effect on their editorial discretion. The significant, prescribed civil penalties - potentially amounting into the billions for each violation - would lead platforms to over-remove lawful content to mitigate legal exposure. Therefore, if this law passes, it will almost certainly be struck down in court (see *NetChoice v Paxton*) because it imposes liability on social media platforms for whether certain types of third-party content are shown to users, as well as the expressive choices social media platforms make in designing the user experience. This violates the First Amendment rights of users and social media platforms.

Moreover, the proposed liability framework likely conflicts with Section 230 of the Communications Decency Act, which provides strong federal protections for platforms against civil liability for third-party content and for good-faith content moderation. Courts (see *Twitter,inc v. Taamneh*, 598 U.S.__(2023)) have consistently upheld Section 230 as preempting state-level attempts to impose liability for content hosting or moderation decisions.

ASSEMBLY FLOOR: 51-2, 9/10/25

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Carrillo, Connolly, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Ransom, Celeste Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Stefani, Ward, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio, Ellis

NO VOTE RECORDED: Alanis, Caloza, Castillo, Chen, Davies, Dixon, Elhawary, Flora, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Johnson, Lackey, Lee, Macedo, Patterson, Petrie-Norris, Quirk-Silva, Ramos, Michelle Rodriguez, Sanchez, Soria, Ta, Tangipa, Valencia, Wallis

Prepared by: Allison Whitt Meredith / JUD. / (916) 651-4113 9/11/25 9:44:05