

**Fact Sheet: The Digital Services Oversight and Safety Act (DSOSA)**

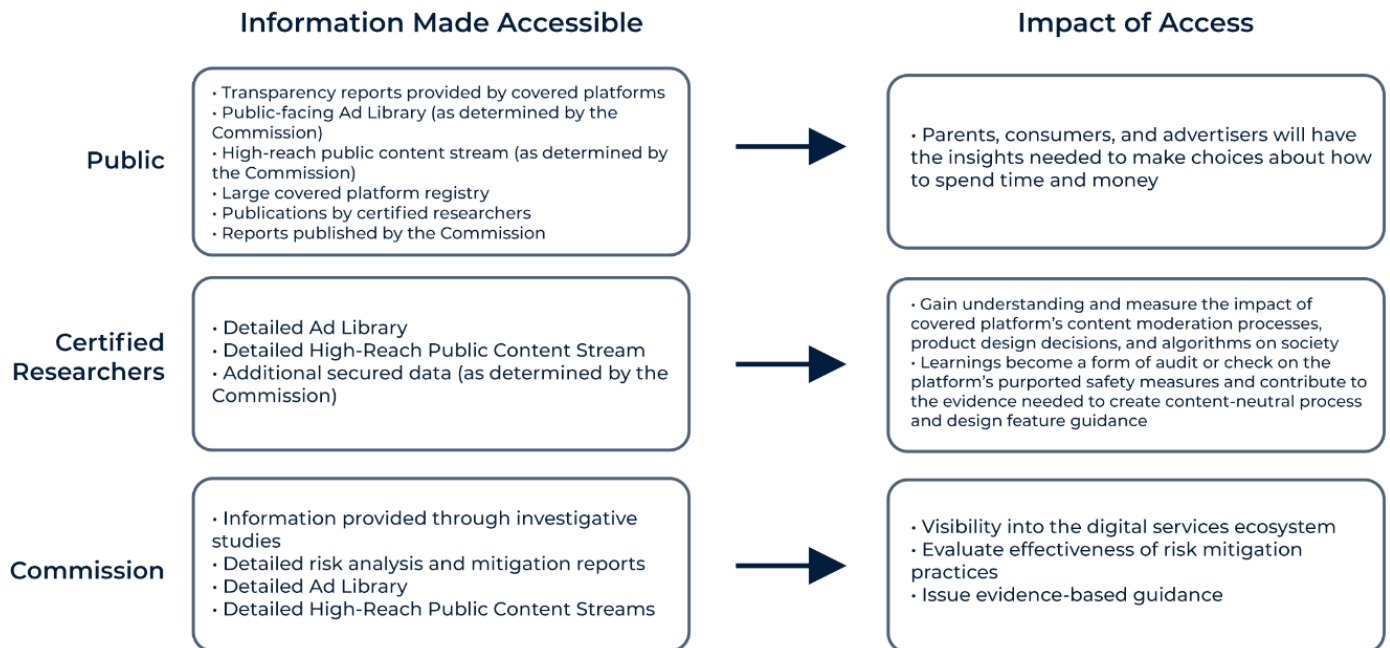
For years, social media companies have told the government, “Trust us, we have processes to keep users safe.” However, the federal government currently lacks the power to hold companies accountable for the promises they make to users, parents, advertisers, and lawmakers. This bill changes that.

From financial services to healthcare, the government has had the capacity to ensure that industries we rely on everyday are protecting the safety of consumers. Why should online services be any different?

This Act achieves:

- **Transparency:** Provides regulators, research institutions, civil society, and the public at large the ability to gain a deeper understanding of online platforms.
- **Accountability:** Creates an accountability framework that incentivizes—and in some cases mandates— processes and design features that mitigate *systemic risks* of online platforms to keep consumers safe.
- **Enforcement:** Ensures companies are providing accurate information and following rules.

These goals are achieved first and foremost through a series of disclosures and transparency requirements aimed at empowering a range of stakeholders:



## Establishing the Bureau of Digital Services Oversight and Safety:

DSOSA establishes a *Bureau of Digital Services Oversight and Safety* (Bureau) at the Federal Trade Commission (FTC) with a Director and 500 employees, including technologists, constitutional lawyers, and interdisciplinary experts like child development specialists and statisticians to conduct investigations and issue a series of content neutral rules and transparency requirements centered around mitigating *systemic risks* on online platforms.

The Act centers around understanding and ultimately guarding against *systemic risks*, which includes:

- Spreading illegal content, selling illegal goods, or facilitating illegal activity, through a hosting service.
- Discriminating against individuals through the activities of a hosting service provider.
- Any malfunctioning or intentional manipulation of a hosting service, with an actual or foreseeable negative effect on the protection of public health, minors, civic discourse, electoral processes, public security, or the safety of vulnerable and marginalized communities.

## DSOSA-Supported Investigations:

DSOSA supports three types of FTC investigations through the new Bureau:

- Investigative Studies: Provides funding for the Commission to use its existing 6(b) authority to study platforms.
- Inter-Agency Reports (“Shared Services”): Authorizes the Commission to investigate conduct by a provider of a hosting service when another government agency identifies a potential violation of laws or regulation.
- Investigations Related to Enforcement: Enables the commission to investigate a covered platform or company when it is suspected of not complying with the rules defined in this Act. These investigations are supported by whistleblower protections for employees and contractors of hosting services, and for certified researchers.

## The Bureau Issues Rules in Tiered Obligations for Hosting Platforms, Covered Platforms and Large Covered Platforms:

Companies impacted by this Act are providers of the services covered by the FTC’s jurisdiction:

**Interactive Computer Service as defined by Section 230 of the Communications Decency Act**

**Hosting Service:** Interactive Computer Service that consists of the storage of information provided by, and at the request of, a user of the service.  
(Very small business exemption.)  
*Examples include cloud services, webhosting, and online communications.*

**Covered Platform:** Hosting Service which stores information provided by, and at the request of, users and which, at the request of users, stores and disseminates information to the public. Monthly active users ≥ 10M (3% of U.S. Population).  
*Examples include social media platforms, online marketplaces, and app stores.*

**Large Covered Platform:** Hosting Service which stores information provided by, and at the request of, users and which, at the request of users, stores and disseminates information to the public. Monthly active users ≥ 66M (20% of U.S. Population).  
*Examples include large social media platforms, large online marketplaces, and large app stores.*

Obligations vary based on the nature of the platform. Within the three categories of services (hosting, covered platforms, large covered platforms) the Commission may vary requirements based on the types of services during rulemaking.

|   | Hosting Services | Covered Platform | Large Covered Platform |
|---|------------------|------------------|------------------------|
| Community Standards                               | ✓                | ✓                | ✓                      |
| Transparency Reports                              | ✓                | ✓                | ✓                      |
| Internal Complaint System                         |                  | ✓                | ✓                      |
| Researcher Access As Determined by the Commission |                  | ✓                | ✓                      |
| Risk Assessment & Mitigation Reports              |                  |                  | ✓                      |
| Independent Audits                                |                  |                  | ✓                      |
| Recommender Systems                               |                  |                  | ✓                      |
| Advertisement Library                             |                  |                  | ✓                      |
| High-Reach Public Content Stream                  |                  |                  | ✓                      |

Obligations include:

- Publish public facing community standards and transparency reports.
- Establish internal complaint handling systems to offer users the ability to appeal account and content removals.
- Make data available to certified researchers in a privacy preserving manner as determined by the Commission (more details below).
- Publish risk assessments and risk mitigation reports aimed to incentivize platforms to think about *systemic risks* throughout the design and operation of their products.
- Receive an independent audit of their safety practices (similar to civil rights audits).

- Provide users with insight and control into how their personal data is used in recommendation algorithms.
- Provide certified researchers (and the public as determined by the Commission) with a detailed advertisement library and high reach content stream.

**DSOSA directs the FTC to use the results of independent audits along with their investigative authorities to issue:**

- Voluntary guidance for platforms on processes and product design features.
- Annual reports on the *systemic risks* which are present in the ecosystem of large covered platforms and the effectiveness of existing mitigation methods.
- A public facing repository of large covered platforms and a summary of the guidance they report to currently follow.

**Office of Independent Research Facilitation:**

DSOSA establishes an *Office of Independent Research Facilitation* within the Bureau tasked with:

- Certifying researchers from academia and civil society to study the impact of covered platform's content moderation processes, product design decisions and algorithms on society, politics, the spread of hate, harassment and extremism, security, privacy, and physical and mental health.
- Creating a tiered access model in which information currently held by platforms must be shared with certified researchers while following rules for data security.
- Supporting a Federally Funded Research and Development Center (FFRDC) as deemed necessary to facilitate collaboration among researchers and platforms.
- Creating a safe harbor for platforms sharing data with certified researchers voluntarily and a safe harbor for certified researchers that create researcher accounts and collect data provided with informed consent.
- Offering consultation to researchers and platforms looking to collaborate on a study using information provided voluntarily or under the mandates listed above.
- Mandating that large covered platforms host a public ad library and a detailed ad library for certified researchers to provide insights into discriminatory ad targeting.
- Mandating that large covered platforms provide certified researchers with a high-reach public content stream to bring transparency to content that platforms amplify.