

AMENDED IN SENATE MARCH 22, 2021

**SENATE BILL**

**No. 388**

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**Introduced by Senator Stern**

February 11, 2021

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An act to add ~~Article 24 (commencing with Section 70050) to Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, and to amend Section 8400 of, to amend the heading of Chapter 5.6 (commencing with Section 8400) of Division 1 of Title 2 of, and to repeal and add Article 2 (commencing with Section 8410) of Chapter 5.6 of Division 1 of Title 2 of, the Government Code, relating to CalServe. Section 1798.138 to the Civil Code, relating to platform companies.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 388, as amended, Stern. ~~CalServe. Platform companies: content management: negative externalities: report: acceptable use policy: illegal content.~~

Existing law, the California Consumer Privacy Act of 2018 (CCPA), grants a consumer various rights with respect to personal information, as defined, that is collected or sold by a business, as defined, and also establishes, as approved by the voters as Proposition 24 at the November 3, 2020, statewide general election, the California Privacy Protection Agency and vests it with full administrative power, authority, and jurisdiction to implement and enforce the CCPA.

This bill would require a platform company, as described, to report annually to the Department of Justice by April 1 of each year prescribed information relating to content management and the negative externalities associated with the platform company's business activities. The bill would require the department to make the information reported to it available to consumers. The bill would require a platform company

*to also report that information to the Legislature and the agency. The bill would require a platform company to develop policies to assess and mitigate their negative externalities, to develop an “acceptable use” policy for users, and to remove illegal content from its platform within 24 hours of its posting.*

~~(1) Existing law provides for a public postsecondary education system in this state. This system consists of the University of California, the California State University, and the California Community Colleges. Existing law authorizes these institutions to require that mandatory systemwide fees and tuition, among other fees, be paid by their students. Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending these institutions.~~

~~This bill would establish the CalServe Higher Education Grant Program, under the administration of the commission, which would award annual grants to eligible students to finance mandatory systemwide tuition and fees not covered by federal, state, or institutionally administered grants or fee waivers commencing with the 2024–25 academic year. The bill would establish the CalServe Higher Education Grant Program Fund in the State Treasury and require that all moneys appropriated for the program be deposited into the fund and appropriated by the Legislature to the commission for the program.~~

~~(2) Under existing law, by executive order, California Volunteers is established in the office of the Governor and is charged with overseeing programs and initiatives for service and volunteerism. Existing law authorizes California Volunteers to form a nonprofit public benefit corporation or other entity exempt from income taxation, as provided, to raise revenues and receive grants or other financial support from private or public sources, for purposes of undertaking or funding any lawful activity authorized to be undertaken by California Volunteers. Existing federal law, the National Community Service Trust Act, also requires the state to create a commission to carry out specified duties relating to national service programs to be eligible for grants or allotments under certain programs, or to receive distributions of approved national service positions. Existing state law continues into existence the Board of Commissioners under California Volunteers for purposes of meeting the requirements of the federal act and the act’s implementing rules and regulations. Existing law requires the Governor to appoint 25 voting members to the commission, as specified.~~

~~This bill would reestablish California Volunteers, renamed CalServe, as a state agency that is not established in the office of the Governor and would set forth its mission, duties, and responsibilities. The bill would require the director, deputy director, and staff of CalServe to serve at the pleasure of, and be appointed by, the Governor. The bill would continue in existence a Board of Commissioners under California Volunteers, to be named the CalServe Commission, for purposes of meeting the requirements of the federal act and the act’s implementing rules and regulations. The bill would repeal the provision requiring the Governor to appoint 25 voting members to the commission. The bill also would make conforming changes.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. *It is the intent of the Legislature for major social*  
 2 *media platforms to account for, and mitigate, negative externalities*  
 3 *from their business activities on the public health, democratic*  
 4 *security, mental health, violence, extremism, and other impacts*  
 5 *on the people of California.*

6     SEC. 2. *Section 1798.138 is added to the Civil Code, to read:*  
 7     1798.138. (a) *As used in this section, “platform” means any*  
 8 *internet website or electronic or digital networking service or*  
 9 *account that provides for the posting, display, or exchange of*  
 10 *information, including, but not limited to, social media internet*  
 11 *websites or other internet websites featuring videos or still*  
 12 *photographs, blogs, video blogs, podcasts, instant and text*  
 13 *messages, email, online services or accounts, or internet website*  
 14 *profiles or locations.*

15     (b) *A platform company that, in combination with each*  
 16 *subsidiary and affiliate of the service, has 25,000,000 or more*  
 17 *unique monthly visitors or users for a majority of the preceding*  
 18 *12 months, shall report to the Department of Justice by April 1,*  
 19 *2022, and by that date each year thereafter, the following*  
 20 *information:*

21     (1) *The amount of money, labor hours, and other efforts*  
 22 *expended to prevent, mitigate the effects of, and remove potentially*  
 23 *harmful content.*

- 1     (2) Any internal accounting of the negative externalities
- 2     associated with the platform company’s business activities.
- 3     (3) Quantified statistics on how much content is being reviewed,
- 4     how much content is targeted for removal, and how much content
- 5     is actually removed due to breach of terms-of-service agreement
- 6     issues or other issues.
- 7     (4) The categories the platform places content into that the
- 8     platform targets for removal and the corresponding number of
- 9     postings that fall into each category.
- 10    (c) The Department of Justice shall make the information
- 11    reported to it pursuant to subdivision (b) available to consumers.
- 12    (d) A platform company shall also report the information
- 13    required by subdivision (b) to the Legislature and the California
- 14    Privacy Protection Agency.
- 15    (e) A platform company shall develop policies to assess and
- 16    mitigate the negative externalities reported pursuant to subdivision
- 17    (b).
- 18    (f) A platform company shall develop an “acceptable use” policy
- 19    for users.
- 20    (g) A platform company shall remove illegal content from its
- 21    platform within 24 hours of the posting of the illegal content.

**All matter omitted in this version of the bill  
 appears in the bill as introduced in the  
 Senate, February 11, 2021. (JR11)**

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