

Transcript of Chairman Gallagher's Press Conference Response to TikTok Intimidation Campaign Against U.S. Users

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Mike Gallagher: But in response to the bill that we introduced two days ago, the ESC is marking up right now that would allow for a divestiture of TikTok. Users of TikTok are getting a pop up on their app lying about our Bill. It asks them to enter the ZIP Code they're in. And then it automatically calls the member of Congress in that zip code, saying stop the ban on TikTok. But of course, if you actually read the bill, it's not a ban. It's a divestiture, and it puts the choice squarely in the hands of TikTok to sever their relationship with the Chinese Communist Party. And as long as they do that, as long as bytedance no longer owns the company, TikTok can continue to survive, people can continue to do all the dumb dance videos they want on the platform, friends and all that stuff. But the basic ownership structure has to change. That's the message we've heard from every single national security official in the Biden administration right now. It's why we have such strong bipartisan support. It's why the White House has signaled support, we've spent months arriving at a carefully crafted, thoughtful legislative solution to a difficult problem. And now TikTok is using the app to lie about. So today, it's about our bill, and it's about intimidating members considering that bill. But tomorrow, it could be misinformation or lies about an election, about a war about any number of things. This is why we can't take the chance of having a dominant news platform in America controlled or owned by a company that is beholden to the Chinese Communist Party, our foremost adversary so I'm confident cooler heads will prevail. And I know that the ENC market is proceeding apace right now. But this is just not a constructive way to engage in the legislative process.

Reporter: Is this impacting a lot of your colleagues? Have you been hearing from them about these pop ups?

Rep. Gallagher: I've heard, they're getting a lot of calls in their offices, for sure. Some members live in their office. I actually live in my office, it's really glamorous. And they were saying that, you know, their phones were ringing off the hook last night, whether it's impacting their analysis, I don't know. The good news is we spent a lot of time kind of talking to people and getting people comfortable with the bill's construct.

Reporter: There's obviously a lot of momentum behind this speaker Johnson's behind this. Are we expecting a vote next week?

Rep. Gallagher: I would hope we vote as quickly as possible. Obviously, we have like a five day rule. And we might be right up against that on Wednesday. So I'm for whatever the most expeditious path to the floor is and then obviously there's another part of Congress who have to deal with their Senate.

Reporter: What are you hearing from them?

Rep. Gallagher: A lot of interest, eagerness to, to introduce a companion piece of legislation. Obviously, we go through Senate Commerce, I've had discussions with a lot of the members and we welcome that and hope they could act swiftly. Obviously, we've had some work already done in this space by Senator Warner, who understands the threat very clearly and is one of the most thoughtful members of Congress. So we're hoping to make this a bicameral effort. And as the President, I think, signaled yesterday, he would sign a bill with regard to his debt. So we should do that.

Reporter: Should he talk about that in the State of the Union tonight?

Rep. Gallagher: Sure, the president should talk about all of my priorities in the State of the Union? It should be Mike Gallagher.

Reporter: But given the momentum right now, right, given the momentum right now behind Tiktok and the President's support, he has his own campaign arm has a Tiktok so is it incumbent on him to say something?

Rep. Gallagher: Well I don't think it's incumbent upon him and he can talk about whatever he wants? Listen, I think, as we it's incumbent upon him to talk about our foremost national security threat, which is the Chinese Communist Party. And this is part of that threat. Right. That is I think the President would be wise to focus squarely on what we can do together as Republicans as Democrats, as Americans stand up to increase in communist aggression. I think you'll find a lot of support for those efforts. And this could certainly be a component of that argument. So we'll see if he does it. That being said, I have to confess I've long been a proponent of going back to written, State of the Unions, because these things are getting way too long. And we should do an over under and how many standing ovations they're going to be tonight, because it's getting ridiculous. Didn't they used to do it out here on this side of the Capitol?

Reporter: What if they don't divest? I mean, what would be the consequences if they say we're not going to follow suit?

Rep. Gallagher: App stores would no longer be able to host the app

Reporter: So it would be a ban?

Rep. Gallagher: If they don't divest, yeah.

Reporter: This came around pretty quickly. I mean, we just found out about it on Monday and markups already happening today. For your colleagues. I know you've been working on this for months, but many of them I'm sure aren't fully read in on the bill yet. I mean, are these phone calls, that they're getting their phones ringing off the hook? Is this having an impact on support from the bill? Are you hearing from folks who say Hey, I just can't back this?

Rep. Gallagher: Not yet. No. I mean, we've gotten, I mean, all the sort of, I mean, the leadership is behind the effort. I think most members of Energy and Commerce are behind the efforts. So, not yet. And though, you know, the bill just got released two days ago, it's only 12 pages. So even a member of Congress could read a bill at that length? I think so and I have to salute the work of Chairman Cathy McMorris Rodgers, as well as ranking member Frank Pallone who've tackled this in a very thoughtful, constructive way. And again, as I said yesterday, in our press conference, was that yesterday? We didn't arrive at the solution lightly. I mean, it's a very complicated issue. There's been previous attempts to do this that haven't worked. So we've tried to learn from those failures, and iterate off of it. And thus far, everyone's approaching it very constructively. And again, I'll, I'll salute the White House, which is something I don't often do and working with their national security team and getting technical assistance on the bill. This is kind of how it should work.

Reporter: Have there been constitutional concerns about the bill, especially regarding the First Amendment groups like the ACLU have come out against it. What's your response?

Rep. Gallagher: I think there's clear precedent for tackling the basic ownership of a company, certainly when it comes to antitrust legislation, for example, right? I mean by that, by that argument, we wouldn't have broken up the bill in 1982. Right? This is about foreign adversary control of a social media application. It's not about censorship, does not go after individual TikTok user speech or things like that. So we think we've, this was part of the process of working together and getting not only technical assistance to the White House, but outside legal expertise. We think we've arrived at a point that doesn't engender any concerns over a bill of attainder or something like that. It's not about shutting down speech, as long as the ownership structure has changed. Tiktok can continue and Americans can say whatever the heck they want. On the platform.

Reporter: Some members characterizing this bill as a ban, would it be good to characterize it that way?

Rep. Gallagher: No, it's a divestiture. Again it comes back to choice, divest the ownership structure, or lose access to app stores. So a total ban, how I think Tiktok is characterizing it as an outright ban, which is, of course, an outright lie. If you look at and read the legislation.

Reporter: Who determines that the company running this app is controlled by a foreign adversary? Is that a government agency or is it a cabinet? Who determines that?

Rep. Gallagher: Well we define the threshold in the statute itself, both by defining the for foreign adversaries China, Russia, Iran, and North Korea. And then we also define the threshold for ownership and operational control. So 20% ownership, so Congress sets the definition. But let's, for example, let's say that there was a future company that engendered the same concerns that Tiktok does, the administration would have to make the case. And as the executive branch has been doing for years now, when it comes to Tiktok, they'd have to do that in partnership with Congress. But we've deliberately set a very clear high bar, because we don't want this authority to be abused. And one critical thing having learned from other attempts to do this, there's nothing in the legislation that would allow this administration or any future administration to go after an American social media company at all. It's about foreign adversary control of American social media, and the privacy concerns that engenders the espionage concerns. But most importantly, like the concerns for the news, right? If young Americans are getting all their news from Tiktok, and we and the algorithm remains a black box, that is the fundamental concern.

Reporter: If this passes wouldn't make you want to stay? I mean, you'd be getting from that house getting something done. A lot of people are leaving because they feel like there's, you know, we're at a standstill.

Rep. Gallagher: I'm happy to pass this and leave. And I think the Republic will survive, whether or not I'm in Congress. But now there are other things I think I can do to serve the country.

Reporter: If this passes committee today, what kind of track is this on? Will this be voted on next week?

Rep. Gallagher: As I said before, I'm for whatever the quickest path to the floor is that doesn't violate rules and all those things. And I think that the bill is simple enough where, you know, I don't think it will require months of debate.

Reporter: China said they will not allow the sale of Tik Tok so what do you say to that?

Rep. Gallagher: Well, I actually I've talked with a lot of people who are invested in byte dance, and they understand that it would be in their interests. And even in bytedance's interest for there to be a sale. People can make money. For example, if Tiktok went public, in America, yeah.

Versus like a janky Hong Kong IPO. No offense to Hong Kong. We love Hong Kong pre CCP takeover. We don't like that the CCP is destroying Hong Kong and eviscerating the idea of one country two systems which Taiwan has taken note of by the way, side note. Or if you can imagine a successful version of what was attempted a few years ago, where a collection of American or European and American companies put together with private equity, bought Tiktok America. And as long as there was a complete separation of the plumbing right now engineering, complete algorithmic control, that new entity would be free to operate in the United States and everywhere around the world, I think it would actually be a very, it'd be a very strong company, right? So there's a There's any number of companies that could collaborate. And I think Tiktok's users would like the idea of other companies already, like having ownership of the app it would make for a better user experience.

Reporter: There is concern right now against this bill about the voices of the small businesses who are on the platform. Their estimate is around 5 million small businesses. And if this app were to be banned, are you concerned about some of the entrepreneurs?

Rep. Gallagher: All the more reason why Tiktoks users should encourage bytedance to divest sector, from the mothership and everybody CCP-controlled and small businesses can flourish in that environment. So that is the outcome I'm interested in achieving.

Reporter: If bytedance does divest From Tiktok, Tiktok has like what less than six months to find a buyer and figure that out, isn't that kind of putting Tiktok at a disadvantage, kind of like getting a fire sale type mentality to it?

Rep. Gallagher: I don't think so. Six months is a long time, particularly the business world. Yeah, and this isn't like a new thing. We've been talking about this issue for years now. Obviously, the Trump administration had an executive order that ran into a legal buzzsaw. So it's not like suddenly Tiktoks waking up and realizing members of Congress on both sides of the aisle are concerned about the app and want there to be a change in ownership.

Reporter: Is this bill bulletproof in terms of ensuring that any US company with ties to China isn't going to be wrapped up in this? What are you hearing from the business community?

Rep. Gallagher: Well, I don't. I don't know if bulletproof is the right description, if I'm understanding it. I haven't heard any concerns about another company like an American American company being affected by this at all. And again, we've written it explicitly. So it gives no authority to the executive branch to go after any American company at all. We're very clear about that.

Reporter: How about WeChat? Would this ban WeChat? In the US, obviously, it's a Chinese app used by a lot of people.

Rep. Gallagher: Yeah. Well, the principle is foreign adversary control of an app. It would affect any app owned effectively by bytedance. I'm not going to speculate. Right now. The concern is tick tock. But it's, I think, critical. And this was another lesson we learned from previous efforts that the bill be about a broader construct, which is foreign adversary control. So we've established the bar. We've established the definitions, we've established the intellectual framework. And then going forward, we can debate what companies fall over under that threshold.

Reporter: Do you think this will prompt the Committee on Foreign Investment in the United States to act sooner?

Rep. Gallagher: Well, the Committee on Foreign Investment in the United States has been reviewing it for years. I think the reason we're at this point is because we've been trapped in the Committee on Foreign Investment in the United States, Purgatory, and Project Texas purgatory for too long, and it hasn't really resulted in anything. So no, I don't think it's going to prompt us Committee on Foreign Investment in the United States to act. We're acting, because the Committee on Foreign Investment in the United States hasn't solved the problem.

Reporter: So it is the White House fully on board with this bill, this current version?

Rep. Gallagher: I mean, you've i What was the I didn't watch the press? I think kJP was asked if the President would sign it. And she said, Yes. The White House released a statement praising the bill two days ago. So I think they're on board with it. I don't talk to the President so.

Reporter: There was a mention of strengthening some of the language so I was curious if anything

Rep. Gallagher: Sure, No, I don't know what that I mean, perhaps they have ideas for how to approve the bill when it goes to the Senate. You know, I'm open to anything that improves, improves the bill, but doesn't kill it. And so we'll see what that is. Thank you guys. All right.