TikTok's future in the US uncertain after Montana ban

Article



The news: Montana is the first state to approve a full ban on **ByteDance**'s **TikTok**, escalating the government's negative sentiment toward the popular video app on the grounds of its potential for spying on US citizens, per NPR.

An all-out ban: Montana's House of Representatives voted 54-43 to approve the bill that would ban TikTok from being downloaded in the state.

- The bill makes it **illegal to download TikTok in the state, with penalties of up to \$10,000 a day** for any entity, such as **Apple** and **Google** app stores or TikTok itself, that makes the popular video-streaming app available.
- The bill was sent to Republican Gov. Greg Gianforte, who previously banned TikTok from state-owned devices.
- If enacted, the ban in the state would not start until January 2024.

Sentiment is souring on TikTok: Governments of the US, Canada, Belgium, India, the UK, the European Commission, and France have banned TikTok from government devices over data privacy and national security concerns.

- Half of Americans support a US government ban on TikTok, while 22% oppose the idea and more than a quarter are unsure, per a study by Pew Research Center.
- More than half of US states have banned TikTok from government devices, per <u>CNN</u>.
- TikTok CEO Shou Chew failed to convince the US Congress of the app's autonomy from Chinese-owned ByteDance and its connection to Beijing.

Easier said than done: TikTok spokesperson **Brooke Oberwetter**, said the bill's backers have admitted that there is "no feasible plan" for putting the TikTok ban in place.

- Blocking downloads of apps in any one individual state would be almost impossible to enforce.
- TikTok is also accessible via its website and on PC app stores.

What's next? TikTok is expected to challenge Montana's ban in federal court, setting up a legal battle that could reach the Supreme Court. "We will continue to fight for TikTok users and creators in Montana whose livelihoods and First Amendment rights are threatened by this egregious government overreach," Oberwetter said.

Our take: TikTok and its users and advertisers are facing unprecedented government pushback. Statewide bans on TikTok could gain momentum in the US, even if the mechanics of banning individual apps in specific locations are extremely complex.



TikTok Users in Select Countries Where There Are Efforts* to Ban the App, 2023 millions US 102.4 Japan 20.1 UK 18.8 16.5 Germany France 16.0 Italy 12.7 9.0 Canada 3.4 Australia Note: internet users of any age who access their TikTok account via any device at least once per month; list is not exhaustive; *includes partial bans, ban considerations by government agencies, or investigations Source: eMarketer, Dec 2022 281160 eMarketer | InsiderIntelligence.com

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