

February 2, 2022

## BY ELECTRONIC MAIL

lawenforcement@reddit.com

Reddit, Inc. 1455 Market Street Suite 1600 San Francisco, CA 94103

RE: MUR 7811 Reddit, Inc.

Dear Sir or Madam:

On October 7, 2020, the Federal Election Commission notified Reddit, Inc. of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was forwarded at that time. On January 25, 2022, the Commission found, based on information in the complaint, that there is no reason to believe that Reddit, Inc. violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b) by making prohibited inkind corporate contributions. Accordingly, the Commission closed the file in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). The Factual and Legal Analysis, which more fully explains the Commission's finding, is enclosed for your information.

If you have any questions, please contact Christine C. Gallagher, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Ana J. Pena-Wallace Ana J. Peña-Wallace

Acting Assistant General Counsel

Enclosure Factual and Legal Analysis

# FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS

**MUR:** 7811

**RESPONDENT:** Reddit, Inc.

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## I. INTRODUCTION

This matter was generated by a Complaint filed with the Federal Election Commission by Joshua Freedman alleging that Reddit, Inc. ("Reddit"), a social news website, violated the Federal Election Campaign Act of 1971, as amended (the "Act"), by making prohibited in-kind corporate corporations to unspecified federal candidates and political committees by removing opposing content. The Complainant points to his own temporary ban for a comment relating to the Black Lives Matter movement and the permanent ban received by a Reddit group comprised of supporters of former President Donald J. Trump, then a 2020 presidential candidate. In addition, the Complaint appears to allege that unspecified candidates and committees are paying Reddit to manipulate content. Reddit did not respond to the Complaint.

As discussed below, the allegations in the Complaint are vague, speculative, and do not appear to specify facts that reasonably suggest Reddit engaged in any activities for the purpose of influencing a federal election or coordinated with any candidate or committee. Therefore, the Commission finds that there is no reason to believe that Reddit violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b) by making prohibited in-kind corporate contributions.

### II. FACTUAL BACKGROUND

Reddit is a social news website where registered users share content by posting stories, links, images, and videos to user-created communities (known as "subreddits") organized by interest. According to Reddit's homepage, it provides a feature whereby users can comment on

Homepage, Redditinc.com, <a href="https://www.redditinc.com">https://www.redditinc.com</a> (last visited Mar. 2, 2021).

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- each other's posts, and "upvote" or "downvote" posts and comments so that the most interesting
- 2 content rises to the top of each subreddit and the main Reddit homepage.<sup>2</sup> Reddit describes itself
- 3 as the "front page of the internet."<sup>3</sup>
- 4 Complainant is a Reddit user under the pseudonym " "4 On
- 5 September 4, 2020, he commented on another user's post in the "r/Conspiracy" subreddit.<sup>5</sup> The
- 6 original post, dated September 3, 2020, was titled: "This guy may have found the Portland
- 7 rioter's base of operations." It contained a link to a YouTube video claiming to show a vacant
- 8 lot with tents belonging to Black Lives Matter protestors. Complainant's comment stated that,
- 9 according to property tax records, 8 the lot in question is owned by PDC d/b/a Prosper Portland,
- and that Prosper Portland, in turn, supports Black Lives Matter. The comment included the
- address of the property owner and a link to the property tax record. On September 5, 2020,
- 12 Reddit suspended Complainant "for posting or threatening to post personal information," and
- sent him a message describing the basis for his suspension and a link to Reddit's Content

Reddit, Inc., http://www.reddit.com (last visited Apr. 13, 2021). Reddit incorporated on May 13, 2011, in Delaware. Delaware Dep't of State: Division of Corporations, File number 4982247 (https://icis.corp.delaware.gov/Ecorp/EntitySearch/NameSearch.aspx) (last visited Apr. 16, 2021).

Id.

<sup>4</sup> Compl. at 1 (Oct. 5, 2020).

<sup>&</sup>lt;sup>5</sup> *Id.*; *id.*, Attach. at 8-9

Sept. 4, 2020 comment).

<sup>6</sup> Compl. at 1; *id.*, Attach. at 9 (screenshot of Sept. 3, 2020 post).

NeverAloneWithCHIRST, *The City of Portland Houses #RoseCityAntifa (#Trumpetman) – Portland's #CHAZ/#CHOP??: 39 #heydan*, YOUTUBE (https://www.youtube.com/watch?v=UE\_3LDvWcbY) (Aug. 31, 2020).

<sup>&</sup>lt;sup>8</sup> Compl., Attach. at 2-3 (screenshot of Multnomah County Oregon Property Records search results, Property ID R673495 (accessed Sept. 3, 2020)).

Id. at 4-5 (screenshot of <a href="www.prosperportland.us">www.prosperportland.us</a> homepage showing a Black Lives Matter banner (accessed Sept. 3, 2020)); id. at 8 (screenshot of Sept. 4, 2020 comment, claiming that "the lot is owned by black lives matter[]" and that the Prosper Portland website "is BLM").

<sup>10</sup> *Id.* at 8-9

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- Policy. 11 Reddit Content Policy Rule 3 states that: "Instigating harassment, for example by
- 2 revealing someone's personal or confidential information is not allowed." Complainant
- 3 appealed, and Reddit restored his account later the same day. 13 Still, Complainant alleges that
- 4 the offending comment remains "shadow deleted" (i.e., Complainant can see the post but it
- 5 shows as deleted when viewed by other users). 14
- 6 In addition, the Complaint cites to a June 29, 2020, NPR article reporting that Reddit
- 5 banned a subreddit titled "r/The\_Donald," frequented by supporters of then-President Donald
- 8 Trump, for violating its rules of conduct concerning harassment, hate speech, and content
- 9 manipulation. 15 The article states that r/The\_Donald had nearly 800,000 users and describes the
- subreddit as "a forum dedicated to President Trump's most ardent fans." The Complaint does
- 11 not submit or describe any specific information regarding activity on the r/The\_Donald subreddit
- or the circumstances that led to its ban. Reddit's official announcement states that it banned
- 13 r/The\_Donald because it "has consistently hosted and upvoted more rule-breaking content than
- average (Rule 1), antagonized us and other communities (Rules 2 and 8), and its [moderators]
- 15 have refused to meet our most basic expectations," and the announcement contends that Reddit

Compl. at 1; *id.*, Attach. at 6 (screenshot of automated message from Reddit to stating that "Your account has been permanently suspended from Reddit," sent on Sept. 5, 2020).

Reddit, Inc., Content Policy Rules, (<a href="https://www.redditinc.com/policies/content-policy">https://www.redditinc.com/policies/content-policy</a>) (last viewed Apr. 20, 2021) [hereinafter Reddit Content Policy].

Compl. at 1; *id.*, Attach. at 7 (screenshot of automated message from Reddit to "We have reviewed your request and have lifted your suspension," sent on Sept. 5, 2020).

Compl. at 1.

Bobby Allyn, *Reddit Bans The\_Donald, Forum of Nearly 800,000 Trump Fans, Over Abusive Posts*, NPR (<a href="https://www.npr.org/2020/06/29/884819923/reddit-bans-the\_donald-forum-of-nearly-800-000-trump-fans-over-abusive-posts">https://www.npr.org/2020/06/29/884819923/reddit-bans-the\_donald-forum-of-nearly-800-000-trump-fans-over-abusive-posts</a>) (June 29, 2020).

<sup>&</sup>lt;sup>16</sup> *Id*.

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- 1 "worked in good faith to help [r/The\_Donald] preserve the community as a space for its users—
- 2 through warnings, [moderator] changes, quarantining, and more."<sup>17</sup>
- Based on these facts, the Complaint alleges that "the removal of negative comments,
- 4 users, and coordinated groups, and silencing of users' voices about a candidate or issue, by a
- 5 campaign, PAC, or their agent is tantamount to a non-disclosed donation and surely a violation
- of campaign finance disclosure laws." It therefore appears that the Complaint is arguing that
- 7 Reddit made prohibited in-kind corporate contributions to unidentified candidates and political
- 8 committees by removing or suppressing opposing content.
- 9 The Complaint makes a related allegation that unspecified candidates and committees are
- paying Reddit to engage in activities such as arbitrary enforcement of the Reddit Content Policy,
- deleting users, "shadowbanning" users and comments, and "manipulation of posts and
- 12 comments."<sup>20</sup> The Complaint argues that Reddit should "disclose the non-publishing or
- manipulation of messages that were paid for."<sup>21</sup>
- The only alleged example submitted by the Complaint relates to Correct the Record, a
- 15 pro-Hillary Clinton political committee, which the Complaint asserts "in the 2016 election cycle

Reddit, Inc., Announcements, (<a href="https://www.reddit.com/r/announcements/comments/hi3oht/update\_to\_our\_content\_policy/">https://www.reddit.com/r/announcements/comments/hi3oht/update\_to\_our\_content\_policy/</a>) (June 29, 2020). Reddit Content Policy Rule 1 states that: "Communities and users that incite violence or that promote hate based on identity or vulnerability will be banned." Rule 2 prohibits "content manipulation (including spamming, vote manipulation, ban evasion, or subscriber fraud)" and activities that "otherwise interfere with or disrupt Reddit communities." Rule 8 prohibits "anything that interferes with normal use of Reddit." Reddit Content Policy.

Compl. at 2.

The Complaint uses the terms "shadowbanning" and "shadow deleting" interchangeably to mean a user's comments or posts remain visible to the user, but are deleted in the public view. *See, e.g.*, Compl. at 1, 2.

Id. at 2 ("I suspect that Reddit Inc. or its associated ownership is monetizing on behalf of campaign, PACs and associated, coordinated groups.").

<sup>21</sup> *Id.* at 3.

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- 1 had a very strong and manipulative presence on Reddit."<sup>22</sup> However, the Complaint only cites to
- 2 an allegedly leaked Correct the Record strategy document, posted with little description, on an
- 3 anti-Clinton themed subreddit titled r/HillaryforPresident.<sup>23</sup> There is no information from the
- 4 allegedly leaked document or otherwise that Correct the Record engaged in such activities or that
- 5 it would have involved Reddit. The document discussed internet content strategies in general,
- 6 not specific to Reddit, and, in fact, the document did not mention Reddit.

## III. LEGAL ANALYSIS

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### A. Relevant Law

The Act prohibits corporations from making contributions to federal candidates, and likewise bars candidates, political committees (other than independent expenditure-only political committees and committees with hybrid accounts), and other persons, from knowingly accepting or receiving corporate contributions.<sup>24</sup>

Under the Act, a "contribution" includes "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.<sup>25</sup> The term "anything of value" includes "all in-kind contributions." In-kind contributions include "coordinated expenditures," that is, expenditures "made by any person in cooperation, consultation or in concert, with, or at the request or suggestion of, a candidate,

<sup>&</sup>lt;sup>22</sup> *Id*.

The Complaint cites to a post titled "Correct The Record's manipulative strategies LEAKED," apparently claiming to publish a Correct the Record strategy document enumerating "several techniques for the control and manipulation of [an] internet forum no matter what, or who is on it." Compl., Attach. at 1 ("[Influence Guide] Techniques for dilution, misdirection and control of a [sic] internet forum").

<sup>&</sup>lt;sup>24</sup> 52 U.S.C. § 30118(a); accord 11 C.F.R. § 114.2(a), (d).

<sup>&</sup>lt;sup>25</sup> 52 U.S.C. § 30101(8)(A); accord 11 C.F.R. § 100.52.

<sup>&</sup>lt;sup>26</sup> 11 C.F.R. § 100.52(d).

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- 1 his [or her] authorized committees, or their agents."<sup>27</sup> Under Commission regulations, a
- 2 communication is coordinated and thus treated as an in-kind contribution when it is: (1) paid for
- 3 by a third-party; (2) satisfies one of five content standards; and (3) satisfies one of five conduct
- 4 standards. <sup>28</sup> In-kind contributions also include "provision of any goods or services without
- 5 charge or at a charge that is less than the usual and normal charge for such goods or services."<sup>29</sup>
- 6 The Commission has concluded that a commercial vendor providing services to political
- 7 committees will not make a contribution for the purpose of influencing an election when its
- 8 business activity "reflects commercial considerations and does not reflect considerations outside
- 9 of a business relationship."<sup>30</sup> A commercial vendor need not make its services available to
- 10 committees representing all political ideologies, but rather may establish objective business
- criteria to protect commercial viability of its business without making contributions to the
- 12 committees that meet those criteria.<sup>31</sup>
- The Commission has long considered activity engaged in for *bona fide* commercial
- reasons not to be "for the purpose of influencing an election," and thus, not a contribution or

<sup>&</sup>lt;sup>27</sup> 52 U.S.C. § 30116(a)(7)(B); 11 C.F.R. § 109.20.

<sup>&</sup>lt;sup>28</sup> 11 C.F.R. § 109.21(a).

<sup>&</sup>lt;sup>29</sup> *Id.* § 100.52(d) (listing examples of goods or services, such as securities, facilities, equipment, supplies, personnel, advertising services, membership lists, and mailing lists).

<sup>&</sup>lt;sup>30</sup> Advisory Op. 2012-31 (AT&T) at 4.

Advisory Op. 2004-06 (Meetup) at 1 (explaining that a corporation may provide goods and services to political committees without being considered to have made an in-kind contribution so long as it does so "on the same terms and conditions available to all similarly situated persons in the general public"); Advisory Op. 2012-26 (Cooper for Congress, *et al.*) at 10 (concluding that no contribution to committee resulted where its participation in a text message fundraising program was subject to "objective and commercially reasonable" criteria).

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- 1 expenditure under section 30118(a).<sup>32</sup> This is true even if a candidate benefitted from the
- 2 commercial activity.<sup>33</sup>

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# B. The Commission Finds No Reason to Believe That Reddit Made Prohibited In-Kind Corporate Contributions

The Complaint alleges that Reddit made prohibited in-kind corporate contributions to unspecified candidates and committees by removing opposing content.<sup>34</sup> Yet, the Complaint's allegations are vague and speculative, and Reddit's policies suggest a more likely, non-political explanation of its actions. The actions taken by Reddit appear to reflect reasonable commercial considerations, as explained in Reddit's Content Policy rules, rather than an effort to influence a federal election. Reddit states that its platform "can only exist if we operate by a shared set of rules," and "everyone on Reddit should have an expectation of privacy and safety." In light of this apparent commercial, rather than electoral, purpose and considering the lack of any

See, e.g., Factual & Legal Analysis at 4, MUR 6586 (World Wrestling Entertainment, Inc.) (finding that the WWE acted with the "sole intent to defend its business reputation" and not for the purpose of influencing an election when the WWE's senior vice president sent a letter to a newspaper seeking a retraction of a negative article about Senate candidate Linda McMahon, who owned and served as CEO of the WWE); First Gen. Counsel's Rpt. at 13, MUR 5474 (Dog Eat Dog Films, et al.) (determining that distributors and marketers of Fahrenheit 9/11 film did so "in connection with bona fide commercial activity and not for the purpose of influencing an election") (Commission voted to approve no reason to believe recommendations); Advisory Op. 2012-11 (Microsoft Corp.) (concluding that commercially reasonable efforts "to protect [Microsoft's] brand reputation" by providing election-sensitive customers with free account security services are not an in-kind contribution).

See First Gen. Counsel's Rpt. at 16, MUR 3622 (The Clinton/Gore '92 Committee) ("[T]he fact that any of these candidates . . . may have received an indirect benefit (dissemination of their political positions) as a result of the sale of these tapes does not convert commercial activity into a corporate contribution.") (Commission voted to approve no reason to believe recommendation); Factual & Legal Analysis at 6, MUR 7024 (Van Hollen for Senate, et al.) (opining that the "question under the Act is whether the legal services were provided for the purpose of influencing a federal election, not whether they provided a benefit to Van Hollen's campaign," and concluding there was no contribution given the "absence of any objective or subjective indication" respondents acted for the purpose of influencing the election).

Compl. at 2 ("I posit that the removal of negative comments, users, and coordinated groups, and silencing of users' voices about a candidate or issue, by a campaign, PAC, or their agent is tantamount to a non-disclosed, donation and surely a violation of campaign finance disclosure laws.").

Reddit Content Policy.

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- 1 information to suggest that Reddit coordinated with any candidate or committee, the
- 2 Commission finds no reason to believe that Reddit's actions constituted in-kind contributions.
- 3 Complainant describes an instance where Reddit banned and then reinstated him for a
- 4 comment he made on the r/Conspiracy subreddit, and alleges that Reddit also "shadow deleted"
- 5 the comment. But Complainant presents no information to reasonably suggest that Reddit's
- 6 actions against him were related to an election or coordinated with any candidate or committee.
- 7 Indeed, the comment did not mention of any candidate, campaign, or electoral content. Reddit's
- 8 stated reason for issuing the ban was because Complainant posted personal information in
- 9 violation of its content policy rules.<sup>36</sup> In any event, Reddit promptly reversed its decision.<sup>37</sup>
- 10 Complainant nonetheless argues that his comment remains shadow deleted.<sup>38</sup> But, even if true,
- there is no indication that such action by Reddit was made for the purpose of influencing a
- 12 federal election or coordinated with any candidate or committee.

In addition, the Complaint cites to a news article reporting that Reddit permanently

banned r/The\_Donald, a community comprised of President Trump supporters, for violating its

content policy rules concerning harassment, hate speech, and content manipulation.<sup>39</sup> Reddit's

public explanation of its actions states that it banned r/The\_Donald because it violated three

specific rules of its content policy, and also noted that the subreddit "consistently hosted and

upvoted more rule-breaking content than average," "antagonized us and other communities," and

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Compl. at 1; *id.*, Attach. at 6 (screenshot of automated message from Reddit to explaining that he was "suspended from Reddit for posting or threatening to post personal information").

Compl. at 1; *id.*, Attach. at 7 (screenshot of automated message from Reddit to stating that administrators "have received your request and have lifted your suspension").

Compl. at 1.

<sup>&</sup>lt;sup>39</sup> *Id.* at 3 (citing Allyn, NPR, June 29, 2020).

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- 1 "refused to meet our most basic expectations." Reddit contends that, prior to the ban, it
- 2 "worked in good faith" to resolve the problems on the subreddit.<sup>41</sup> Accordingly, neither the
- 3 Complaint nor other available information indicate that Reddit's application of its content policy
- 4 rules in this instance, was motivated by something other than a commercial interest.
- 5 Finally, the Complaint relatedly alleges that unspecified candidates and committees paid
- 6 Reddit to suppress opposing content.<sup>42</sup> However, the Complaint does not provide any particular
- 7 information to directly support its claims. The Complaint merely "suspect[s] that Reddit or its
- 8 associated ownership is monetizing on behalf of campaigns PACs and associated, coordinated
- 9 groups."43 The only information cited by the Complaint is an allegedly leaked Correct the
- 10 Record strategy document that does not discuss or mention any activities involving Reddit.<sup>44</sup> In
- sum, the allegation that unspecified candidates and committees are paying Reddit to suppress or
- manipulate opposing content is not supported by the available information.<sup>45</sup> Moreover, it is
- unclear what, if any, violation, would result from the alleged conduct.<sup>46</sup>

Reddit, Inc., Announcements, (<a href="https://www.reddit.com/r/announcements/comments/hi3oht/update\_to\_our\_content\_policy/">https://www.reddit.com/r/announcements/comments/hi3oht/update\_to\_our\_content\_policy/</a>) (last viewed Apr. 20, 2021).

<sup>&</sup>lt;sup>41</sup> *Id*.

<sup>42</sup> Compl. at 2-3.

<sup>43</sup> *Id.* at 2.

Compl., Attach. at 1 ("[Influence Guide] Techniques for dilution, misdirection and control of a [sic] internet forum").

Statement of Reasons, Comm'rs Mason, Sandstrom, Smith, & Thomas at 1, MUR 4960 (Clinton for U.S. Exploratory Committee) ("The Commission may find 'reason to believe' only if a complaint sets forth sufficient specific facts, which, if proven true, would constitute a violation of the [Act].").

The Complaint vaguely asserts that Reddit failed to "disclose what group is paying for the message" and "disclose the non-publishing or manipulation of messages that were paid for," but does not point to any specific provision of the Act or Commission regulations. Compl. at 3. To the extent that the Complaint is suggesting that alleged disbursements from political committees to Reddit should have been disclosed to the Commission or that communications on Reddit purchased by political committees should have contained disclaimers, those reporting and disclaimer obligations extend to the committees, not the vendor. *See* 52 U.S.C. §§ 30104(a),(b), 30120(a); 11 C.F.R. §§ 104.1, 104.3, 110.11; *see also* Factual & Legal Analysis at 9, MUR 5158 (Brady Campaign to Prevent Gun Violence) ("[C]ommittees, not vendors, are responsible for ensuring that proper disclaimers appear on

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- 1 In conclusion, the available information does not reasonably suggest Reddit engaged in
- 2 any activities for the purpose of influencing a federal election or coordinated with any candidate
- 3 or committee. Therefore, the Commission finds that there is no reason to believe that Reddit,
- 4 Inc. violated 52 U.S.C. § 30118(a) and 11 C.F.R. § 114.2(b) by making prohibited in-kind
- 5 corporate contributions.

communications.") (citing MUR 4759 (Maloof); MUR 4741 (Mary Bono Committee); MUR 3682 (Fox for Congress Committee)). In addition, persons who spend above the threshold amounts on independent expenditures or electioneering communications must file reports with the Commission. *See* 52 U.S.C. § 30104(c), (f); 11 C.F.R. §§ 104.20, 109.10. Reddit is not required to file any reports as it is not a political committee and the Complaint does not describe any activity by Reddit that would constitute an electioneering communication or independent expenditure. *See* 52 U.S.C. §§ 30101(17) (definition of "independent expenditure"), 30104(f)(3)(A) (definition of "electioneering communication"); Advisory Op. 2019-18 (IDF International Technologies, Inc.) at 4 (concluding that online political forum not required to file reports of its spending because it is not a political committee and its advertisements do not constitute electioneering communications or independent expenditures).

The Complaint also alleges that: "Reddit Inc. may be receiving money from the USGovernment in return for manipulation. This may make Reddit.com a public forum." Compl. at 3. At the outset, it is unclear whether the Complaint is alleging a violation of the Act. In any event, there is no factual support for this allegation. Moreover, under 52 U.S.C. § 30101(11) and 11 C.F.R. § 100.10, the United States government is excluded from the definition of "person" and therefore exempt from the definition of contribution. *See* 52 U.S.C. § 30101(8) (defining contribution, in relevant part, as "anything of value made *by any person* for the purpose of influencing any election for Federal office) (emphasis added); 11 C.F.R. § 100.52 (same).