Pressure mounts on Amazon and App Store discrimination in new bill

After months of hearings and negotiations, pressure is growing in the Senate to pass new laws banning online platforms from giving preference to their own products and services over those of their competitors. On Thursday, a bipartisan group of senators announced plans to introduce a nondiscrimination bill that could reshape Amazon's online marketplace.

The American Choice and Innovation Online Act, led by Sens. Amy Klobuchar (D-MN) and Chuck Grassley (R-IA), would prevent platforms like Amazon, Apple, and Google from using their dominance to disadvantage other companies and competitors that use their platforms. In June, House lawmakers voted out a bill sharing the same name from the Judiciary Committee. Klobuchar's Senate version isn't identical to the House's, but shares similar language.

This announcement follows a Wednesday *Reuters* report claiming that Amazon used marketplace search data to copy popular products and manipulate results favoring the company's own knockoff products. A Thursday investigation from *The Markup* also showed that the company places its products ahead of its competitors.

For years, third-party sellers have accused Amazon of similar behavior. These accusations were part of a yearslong House antitrust investigation into Amazon and other tech giants by lawmakers, spurring the original bipartisan bill in the House.

"When dominant tech companies exclude rivals & kill

competition, it hurts small businesses and can increase costs for YOU," Klobuchar said in a tweet on Thursday. "My new bipartisan legislation with [Grassley] will establish new rules of the road to prevent large companies from boxing out their smaller competitors."

Outside of Amazon, the bill could also change how Apple and Google run their app stores, banning the companies from giving preference to their own first-party apps and software. Earlier this year, Apple was ordered to allow app developers to send iOS users to payment options outside of those offered by the iPhone manufacturer in a case brought by Epic Games. Google is facing a similar suit by the *Fortnite* company.

As of publication, Rep. Ken Buck (R-CO) said that at least five Senate Republicans have signed onto the legislation, including Sens. Cynthia Lummis (WY), Josh Hawley (MO), Lindsey Graham (SC), and John Kennedy (LA). This bipartisan support marks a significant step forward for lawmakers seeking to regulate online marketplaces, showing that both Republicans and Democrats are willing to work together to spur competition in the industry.

"Many 'critics' called our bipartisan antitrust bils 'Democrat bills,'" Buck said in a tweet. "That was false then, and it's false now."

Despite the measure's broad congressional support, trade groups like Chamber of Progress issued statements Thursday suggesting that the bill will hurt customer experiences online, not enhance them.

"Preventing Amazon from selling Amazon Basics and banning Google's maps from its search results isn't going to do anything to make the Internet better for families," Adam Kovacevich, founder and CEO of Chamber of Progress said in a Thursday statement. "This is like calling a car mechanic to fix your laptop."

The Chamber of Progress coalition partners with tech companies like Amazon, Facebook, and Google.

Pressure is mounting for Congress to act on online marketplaces and counterfeit products as well. Last week, House lawmakers introduced the INFORM Act, which would require platforms like Amazon to verify the identities of high-volume sellers in order to curb the sale of knockoff products.

Amazon did not immediately respond to a request for comment.

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