

The Reintroduction of AICOA Threatens American Innovation, Small Businesses, and Consumers

Despite previous bipartisan rejection in 2021 and 2023, Congress is once again considering the American Innovation and Choice Online Act (AICOA), a recycled piece of legislation that threatens to disrupt the popular online tools and interconnected platforms Americans use daily.

This bill would import rigid European-style tech mandates – modeled after the EU's highly restrictive Digital Markets Act (DMA) – into the United States. AICOA would create an aggressive regulatory framework that penalizes successful American companies based on corporate scale. If passed, the bill would restrict standard product features and cross-service configurations, degrading the widely accessible online utilities that help everyday users compare costs, communicate, and navigate their daily tasks efficiently.

AICOA would create significant legal uncertainty for businesses using critical built-in security features that shield users from harmful software, protect sensitive financial transactions, and preserve hardware-level defense systems. By replacing the U.S. antitrust enforcement principles grounded in decades of established legal precedent with a foreign regulatory system, this legislation risks stifling domestic marketplace breakthroughs, increasing operational friction for independent merchants, and ultimately compromising America's global technological advantage against international adversaries.

At a time when Americans are struggling with rising costs, AICOA risks creating additional financial burdens for consumers, stripping away convenient features, and harming domestic competitiveness. Congress should once again reject AICOA's attempt to replicate an EU-style regulatory system in the U.S.

Below is a sample of expert commentary on the risks posed by AICOA:

- [Matthew Schruers, Computer and Communications Industry Association](#)
 - “The pandemic-era idea of putting governments in charge of business strategy has grown stale. AICOA's approach has floundered when tried overseas, which helps explain why it has seen declining support in Congress since it was first proposed.”

- [Chris Mohr, Software and Information Industry Association](#)
 - “AICOA puts popular free and low-cost services at risk, from device-level cybersecurity tools to seamless e-commerce logistics and integrated mapping and search. If Congress breaks those services apart, consumers will bear the burden in the form of higher costs and weaker privacy and security protections.”
- [Josh Withrow, R Street Institute](#)
 - “AICOA is a copy of some of Europe’s most regressive regulations aimed at America’s leading tech platforms, and it’s unfortunate to see it resurrected in Congress. The common business practices that AICOA condemns as anticompetitive are actually the sort of [product integrations](#) that make search engines, online shopping, and all our mobile devices better and more convenient.”
- [Jessica Melugin, Competitive Enterprise Institute](#)
 - “The American digital platform model is one of the most successful business innovations of all time. The European Union’s AICOA-like Digital Markets Act (DMA) has produced nearly the dead opposite results across the Atlantic. American policymakers should take this as a cautionary tale. Rather than adopting DMA-like legislation, the U.S. should pursue policies that continue to promote valuable services for consumers and maintain the country’s global leadership in tech.”
- [Linda Moore, TechNet](#)
 - “Consumers use integrated digital services because they are convenient, affordable, and useful. Small businesses rely on them to reach customers, run operations, advertise effectively, and compete with larger companies. This bill would undermine the marketplace model that gives sellers more ways to reach customers, and consumers more places to compare prices and find value.”
- [Michael Petricone, Sr., Consumer Technology Association](#)
 - “[AICOA] also moves America toward the same regulatory approach that left Europe trailing the world in technology innovation and investment. Copying Europe’s playbook is the last thing Congress should do amid a race between the U.S. and China for leadership in artificial intelligence and other technologies of the future.”
- [David McGarry, Taxpayer Protection Alliance](#)
 - “Consumers benefit from conduct AICOA would ban. Self-preferencing puts popular products and services at the top of search queues, saving consumers from lengthy searches. The restrictions some app stores impose on sideloading insulate consumers from malware and other cybersecurity risks. Centralized payment mechanisms preserve the privacy of financial information. The simple

lesson: Most Americans do not want to traverse a digital Wild West. The safeguards and sorting mechanisms created by platforms are indispensable to an orderly, pro-consumer online experience.”

- **Trade Association Coalition Letter**

- “The competitive concerns [AICOA] aims to address can be analyzed through the existing antitrust framework, which already provides authority to challenge anticompetitive conduct if it harms competition and consumers. What AICOA offers in its place is a heavy-handed regime that selects firms by size instead of market power, generally presumes conduct is harmful without proof, and replicates a foreign competition model the United States is otherwise working to contain.”