

24-CV-1763
CAUSE NO. _____

STATE OF TEXAS,)	
<i>Plaintiff,</i>)	
)	
v.)	IN THE DISTRICT COURT OF
)	
TIKTOK LTD., TIKTOK INC., TIKTOK)	GALVESTON COUNTY,
PTE. LTD., AND TIKTOK U.S. DATA)	TEXAS
SECURITY INC.)	Galveston County - 56th District Court
<i>Defendants.</i>)	
)	_____ JUDICIAL DISTRICT
)	
)	JURY TRIAL DEMANDED

PLAINTIFF’S ORIGINAL PETITION

Plaintiff, STATE OF TEXAS (“Plaintiff” or the “State”), acting by and through the Attorney General of Texas, Ken Paxton, brings this action against Defendant TIKTOK LTD., Defendant TIKTOK INC., Defendant TIKTOK PTE. LTD., and Defendant TIKTOK U.S. DATA SECURITY INC. (collectively, “Defendants”), for collectively operating their digital service, TikTok, in a manner that violates the Securing Children Online through Parental Empowerment (“SCOPE”) Act, Tex. Bus. & Com. Code Ann. §§ 509.001–.002, 509.051–.059, 509.101–.104, and 509.151–.152.

INTRODUCTION

1. Defendants collectively operate TikTok, one of the world's largest online social media platforms, which allows users to create, edit, watch, share, post, "like," and comment on short-form videos.

2. Defendants allow individuals under the age of 18 ("minors"), including those residing in the State of Texas, to create an account and use TikTok.

3. Defendants collect, store, and process personal identifying information about minors whenever a minor interacts with TikTok. The data Defendants collect from users includes date of birth, email, phone number, and device settings, such as device type, language preference, and country setting, as well as data about a user's interaction with TikTok, such as videos viewed, "liked" or shared, accounts followed, comments, content created, video captions, sounds, and hashtags.

4. To protect minors from the harmful, deceptive, or unfair trade practices of certain digital services, the Securing Children Online through Parental Empowerment ("SCOPE") Act prohibits digital service providers, like Defendants, from sharing, disclosing, or selling a minor's personal identifying information unless the minor's parent or guardian permits otherwise. The SCOPE Act further requires that a digital service provider provide tools for a known minor's parent to manage and control a minor's privacy and account settings, such as controlling Defendants' ability to share, disclose, and sell a known minor's personal identifying information and Defendants' ability to display targeted advertising to a known minor.

5. In contravention of the SCOPE Act, Defendants have failed, and continue to fail, to create and provide parents and guardians with the tools legally required to protect minors' privacy and safety. Defendants have failed to develop a commercially reasonable method for a known minor's parent or guardian to verify their identity and relationship to a known minor.

Further, Defendants share and disclose the personal identifying information of minors without permission from a known minor's verified parent.

6. Accordingly, the State of Texas contends that this proceeding is in the public interest and brings this action to end and penalize Defendants' unlawful conduct.

DEFENDANTS

7. **Defendant TikTok Inc.** is a California corporation with its principal place of business at 5800 Bristol Parkway, Suite 100, Culver City, CA 90230. TikTok Inc. transacts or has transacted business in Galveston County and throughout the State of Texas. At the time of filing, Defendant's agent for service of process in Texas is the Corporation Services Company, 211 East 7th Street, Austin, TX 78701.

8. **Defendant TikTok U.S. Data Security Inc.** is a Delaware corporation with its principal place of business shared with TikTok Inc. TikTok U.S. Data Security Inc. transacts or has transacted business in Galveston County and throughout the State of Texas. At the time of filing, Defendant's agent for service of process in Texas is the Corporation Services Company, 211 East 7th Street, Austin, TX 78701.

9. **Defendant TikTok Pte. Ltd.** is a Singapore company with its principal place of business at 8 Marina View Level 43 Asia Square Tower 1, Singapore, 018960. TikTok Pte. Ltd. serves as the U.S. distributor of TikTok through the Apple App Store and Google Play Store, and identifies itself as the developer of TikTok in the Google Play Store. Defendant has done business in the State of Texas but is not registered to conduct business in the State of Texas, nor has it designated an agent for service of process in the State of Texas. This suit arises out of Defendant's business in Texas as more specifically described below. Pursuant to Section 17.044 of the Texas Civil Practices and Remedies Code, Defendant can be served through certified mail, return receipt

requested, when directed to Defendant through the Texas Secretary of State as an agent for service of process at the following address: Citations Section, 1019 Brazos, Austin, TX 78701.

10. **Defendant TikTok Ltd.** is a Cayman Islands company with its principal place of business in Singapore or Beijing, China. TikTok Ltd. identifies itself as the developer of TikTok in the Apple App Store. The tiktok.com domain is registered to TikTok Ltd. Defendant has done business in the State of Texas but is not registered to conduct business in the State of Texas, nor has it designated an agent for service of process in the State of Texas. This suit arises out of Defendant's business in this state as more specifically described below. Pursuant to Section 17.044 of the Texas Civil Practices and Remedies Code, Defendant can be served through certified mail, return receipt requested, when directed to Defendant through the Texas Secretary of State as an agent for service of process at the following address: Citations Section, 1019 Brazos, Austin, TX 78701.

TRADE AND COMMERCE

11. At all times described below, Defendants and their agents have collectively engaged in conduct that constitutes "trade" and "commerce" as defined in Section 17.45(6) of the Texas Deceptive Trade Practices Act ("DTPA").

JURISDICTION

12. This action is brought by the Texas Attorney General's Office through its Consumer Protection Division in the name of the State of Texas ("Plaintiff" or the "State"), pursuant to the authority granted by Section 17.47 of the DTPA and Section 509.151 of the SCOPE Act. Section 509.151 of SCOPE Act provides that a violation of the SCOPE Act constitutes a deceptive act or practice under the DTPA and may be pursued as an enforcement action by the Consumer Protection Division of the Texas Attorney General's Office. The State brings this action

on the grounds that Defendants have engaged in trade and commerce in the State of Texas in a manner that violates the SCOPE Act, including but not limited to Sections 509.052, 509.054, and 509.101 of the SCOPE Act.¹

13. In enforcement actions filed pursuant to Section 17.47 of the DTPA, the Attorney General may seek civil penalties, redress for consumers, and injunctive relief. In addition, the Attorney General may pursue reasonable attorney's fees and litigation expenses in connection with the prosecution of the instant action, in accord with Texas Government Code Section 402.006(c).

VENUE

14. Venue of this suit lies in Galveston County, Texas, pursuant to Section 17.47(b) of the DTPA because Defendants have done business in Galveston County, and because transactions at issue in this suit have occurred in Galveston County.

DISCOVERY

15. The discovery in this case should be conducted under Level 3 pursuant to Texas Rule of Civil Procedure 190.4. Restrictions concerning expedited discovery under Texas Rule of Civil Procedure 169 do not apply because the State seeks non-monetary injunctive relief as part of its claims.

16. In addition to injunctive relief, the State claims entitlement to monetary relief in an amount greater than \$1,000,000.00, including civil penalties, reasonable attorney's fees, litigation expenses, and any other general, equitable, and/or further relief this Court deems just and proper.

¹ On August 30, 2024, the court in *Computer & Communications Industry Association v. Paxton*, No. 1:24-CV-849-RP (W.D. Tex. Aug. 30, 2024), preliminarily enjoined Sections 509.053 and 509.056(1) of the SCOPE Act. This petition does not allege violations of either section.

PUBLIC INTEREST

17. The State has reason to believe that Defendants are engaging in or have engaged in the unlawful acts or practices set forth below. Therefore, the Consumer Protection Division of the Office of the Attorney General initiates this proceeding in the public interest. *See* DTPA § 17.47.

FACTUAL ALLEGATIONS

18. Defendants collectively own and operate TikTok, a video-based social media platform that consumers of all ages can access and use through the TikTok website (www.tiktok.com) on the internet or by downloading the internet-connected TikTok app. On information and belief, Defendants currently have millions of users located in the State of Texas, including in Galveston County, and have continuously sought to increase their Texas user-base through various means, including by hosting a parent-teacher association event with the parents and guardians of minors in Austin, Texas. Defendants also currently employ numerous individuals in Texas, advertise numerous jobs located in Texas, and maintain at least one office in the State of Texas, which is located at 300 Colorado St., Austin, TX 78701.

19. Defendants use TikTok to continuously collect, process, and transmit data to and from millions of users located in the State of Texas. Defendants' TikTok platform also includes "TikTok Shop," a TikTok feature that Defendants use to advertise, sell, and distribute their products and services, and the products and service of other companies, to users located in the State of Texas.

20. To use or access TikTok's website, Defendants generally do not require consumers to create an account. Rather, any individual can use the TikTok website to search for and access account information about a TikTok user, including any "public" videos posted by a user.

21. To use or access TikTok's app, Defendants require consumers to create an account. To create an account, Defendants generally require consumers over the age of 12 to provide their date of birth, an email or phone number, and to create a username and password. For consumers aged 12 and under, Defendants generally only require them to provide their date of birth and to create a username and password.

22. After creating and signing into their TikTok account, users can generally create, edit, upload, and share shortform videos, as well as live stream. Users can also search for, view, comment on, and "like" the shortform videos posted by other users, and send direct messages to other users. Defendants also process the data collected from and about TikTok users to provide a user with a personalized "For You" feed that selects and plays user shortform videos shared by other users.

23. According to Defendants, they collect several types of personal identifying information and data about TikTok users, including their name, age, username, password, language, email, phone number, address, "approximate" location, device information (e.g., IP address, user agent, mobile carrier, time zone settings, identifiers for advertising purposes, device model, device system, network type, device IDs, screen resolution and operating system, app and file names and types, keystroke patterns or rhythms, battery state, audio settings and connected audio devices), social media account information, profile image, phone and social media contacts, user content (e.g., comments, photographs, livestreams, audio recordings, videos, text, hashtags, and virtual item videos that users choose to create with or upload to TikTok) and the associated metadata (e.g., when, where, and by whom the content was created), data related to messages sent to and received from other TikTok users and the contents thereof, information in the clipboard of a user's device, and payment card numbers or other third-party payment information.

24. In addition, according to Defendants, they share TikTok users' personal identifying information and data with third parties, such as "service providers and business partners," for a variety of reasons, including for "research, payment processing and transaction fulfillment, database maintenance, administering contests and special offers, technology services, deliveries, sending communications, advertising and marketing services, analytics, measurement, data storage and hosting, disaster recovery, search engine optimization, and data processing." Defendants also sell data to advertisers, which regularly use users' location-based data to target advertising within the app towards users in specific locations.

25. Defendants restrict some of the functions and features of TikTok for users that have provided Defendants with a date of birth indicating that they are under the age of 18. According to Defendants, these restrictions include:

- (a) Prohibiting users under the age of 16 from sending and receiving direct messages with other users; and
- (b) Prohibiting users under the age of 18 from live streaming (i.e., live broadcasting videos from their device).

26. Defendants offer certain limited protections for users known to be minors; none of which comply with the SCOPE Act. According to Defendants, these limited protections for minors include:

- (a) Setting their account to "private" by default, but permitting them to change their account to "public" at any time;
- (b) For users under the age of 16 with public accounts, not displaying the content they post in the "For You" feed of users with which they are not "friends"; and

(c) Setting the amount of time they can use TikTok to 60 minutes per day by default, but permitting them to change the time limit at any time.

27. When a TikTok account is set to “private,” Defendants share limited information about the user associated with that account, such as a user’s name and username, with both users that have TikTok accounts and users without TikTok accounts. In addition, a user whose account is set to private can approve specific users with which Defendants can share or disclose their account information, such as their profile or videos posted.

28. When a TikTok account is set to “public,” Defendants share or disclose the information of the user associated with that account to, and allow it to be accessed by, all other TikTok users. Defendants also share, disclose, or otherwise make available the personal identifying information of accounts set to public with third parties such as “search engines,” as well as anyone that uses TikTok, even if that person does not have a TikTok account.

29. For users known to be 13 to 17 years old, Defendants permit them to enroll in “Family Pairing,” which, according to Defendants, is intended to allow “parents or guardians [to] link their TikTok accounts to their teens’ to manage a variety of content, privacy, and well-being settings.” Family Pairing purports to provide parents with limited tools, such as the ability to monitor and limit the amount of time a known minor can use TikTok.

30. To access and use the limited Family Pairing tools, Defendants require a known minor’s parent or guardian to create their own TikTok account, request to pair their account to that of the account of the known minor, and have their pairing request accepted by the known minor.

31. However, Defendants do not provide the parents or guardians of users known to be 13 to 17 years old with parental tools that allow them to control or limit most of a known minor’s privacy and account settings. For example, parents or guardians do not have the ability to control

Defendants' sharing, disclosing, and selling of a known minor's personal identifying information, nor control Defendants' ability to display targeted advertising to a known minor.

32. For users known to be under the age of 13, Defendants provide a more restricted version of TikTok. To create an account, a consumer under the age of 13 is not required to provide a phone number or email address, only a date of birth, username, and password. After creating an account, users under the age of 13 can then view the "For You" feed, view the "Discover" feed, "like" posts, and create but not post shortform videos.

33. On information and belief, Defendants do not provide the "Family Pairing" tools for the parents or guardians of users known to be under the age of 13, nor do Defendants provide verified parents with parental tools that allow them to control Defendants' sharing, disclosing, and selling of a known minor's personal identifying information, nor control Defendants' ability to display targeted advertising to a known minor.

VIOLATIONS OF THE SECURING CHILDREN ONLINE THROUGH PARENTAL EMPOWERMENT ACT

34. The State incorporates and adopts by reference the factual allegations contained in each and every preceding paragraph of this Petition, as if fully set forth herein.

35. The Securing Children Online through Parental Empowerment ("SCOPE") Act requires "digital service providers," like Defendants, to implement specific safety and privacy features to protect users under the age of 18. Defendants have violated the SCOPE Act, including Sections 509.052, 509.101, and 509.054. Pursuant to Section 509.051 of the SCOPE Act, a violation of the SCOPE Act is a deceptive act or practice actionable by the Attorney General under Subchapter E, Chapter 17, Texas Business and Commerce Code.

Count I: Failing to Use a Commercially Reasonable Method for a Parent or Guardian to Verify Their Identity

36. The SCOPE Act defines a “verified parent” as a “parent or guardian of a known minor whose identity and relationship to the minor have been verified by a digital service provider.” To establish that a person is a verified parent, Section 509.101 of the SCOPE Act requires that a digital service provider use a “commercially reasonable method” that verifies a parent or guardian’s identity and relationship to a known minor. Defendants fail to comply with their obligations in several ways.

37. Defendants’ Family Pairing method does not verify a parent or guardian’s identity and relationship to a known minor. As explained *supra*, Defendants do not request, nor verify, any information related to a purported parent or guardian’s identity or relationship to a known minor.

38. Even if Defendants verified a parent’s identity and relationship with a known minor, Defendants’ pairing method would still not be commercially reasonable. Specifically, Defendants’ Family Pairing method gives a known minor sole discretion to accept or deny their parent or guardian access to the parental tools. Defendants’ Family Pairing method also unnecessarily requires a parent or guardian to create an account before being able to access or use the limited Family Pairing tools.

39. This violation of the SCOPE Act is a per se violation of Section 17.46(a) of the DTPA.

Count II: Unlawfully Sharing, Disclosing, and Selling Known Minors’ Personal Identifying Information

40. Section 509.052 of the SCOPE Act prohibits digital service providers from “shar[ing], disclos[ing], or sell[ing] [a] known minor’s personal identifying information” “[u]nless a verified parent provides otherwise.” Defendants violate the SCOPE Act by sharing, disclosing,

and selling known minors' personal identifying information without obtaining permission from their verified parent.

41. As explained *supra* para. 24, Defendants unlawfully share, disclose, and sell known minors' personal identifying information to several third parties, such as business partners, including advertisers, and search engines.

42. Defendants also unlawfully share and disclose known minors' personal identifying information to other TikTok users. If a person uses TikTok to search for the account of a known minor whose account is set to "private," Defendants will share and disclose the known minor's personal identifying information, such as their name and username. If a person uses TikTok to search for the account of a known minor whose account is set to "public," Defendants will share and disclose the known minor's personal identifying information, such as their name, username, profile image, social media contacts, and user content (e.g., comments, photographs, livestreams, audio recordings, videos, text, hashtags, and virtual item videos that users choose to create with or upload to TikTok). For a known minor aged 16 or 17 whose account is set to public, Defendants share and disclose their personal identifying information, such as any content posted, through TikTok's For You feed.

43. This violation of the SCOPE Act is a *per se* violation of Section 17.46(a) of the DTPA.

Count III: Failing to Create and Provide Parental Tools for the Accounts of Known Minors

44. Section 509.054 of the SCOPE Act requires digital service providers to create and provide "parental tools" that allow a verified parent to "supervise the verified parent's known minor's use of a digital service." These tools must include, among other things, the ability for a verified parent to control or limit a known minor's privacy and account settings.

45. Defendants fail to provide verified parents with the tools required by Section 509.054, such as tools to limit Defendants' sharing, disclosing, and selling of a minor's personal identifying information and tools to control Defendants' ability to display targeted advertising to a known minor.

46. This violation of the SCOPE Act is a per se violation of Section 17.46(a) of the DTPA.

TRIAL BY JURY

47. The State demands a jury trial and tenders the appropriate fee with this petition.

PRAYER FOR RELIEF

48. The State of Texas respectfully requests that this Honorable Court impose civil penalties on Defendants pursuant to Section 17.47(c) of the DTPA, which authorizes the Office of the Texas Attorney General's Consumer Protection Division to request a civil penalty to be paid to the State of Texas in an amount of not more than \$10,000 per violation.

49. The State of Texas further respectfully requests that this Honorable Court award the Office of the Texas Attorney General attorney's fees and costs of court pursuant to Texas Government Code Section 402.006(c), under which attorney's fees and costs of court are recoverable by the Office of the Texas Attorney General.

50. Lastly, the State of Texas respectfully requests that this Honorable Court enjoin any further violation of the SCOPE Act by Defendants, and grant any other general, equitable, and/or further relief this Court deems just and proper.

Respectfully submitted,

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Dated: October 3, 2024

**ATTORNEYS FOR THE STATE OF
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Hannah Campus on behalf of Tyler Bridegan

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Envelope ID: 92756853

Filing Code Description: Original Petition - OCA (1-10 plaintiffs)

Filing Description: Plaintiffs Original Petition & JURY DEMAND. No request nor fee paid for service at this time.

Status as of 10/3/2024 3:34 PM CST

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