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Education, Energy, and
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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB0739 - Algorithmic Addiction Fund - Establishment

February 19, 2024

Chairman Beidle, Vice-Chair Klausmeier, and members of the Finance Committee:

Thank you for your consideration of Senate Bill 739, which aims to establish the Algorithmic Addiction Fund as a special, nonlapsing fund to research, prevent, intervene, and treat addictions that have been manufactured by social media companies.

The Algorithmic Addiction Fund is partially a response to the current lawsuit against Meta, in which Maryland and dozens of other states argue that the company has violated the Federal Children’s Online Privacy Protection Act. Maryland attorneys allege that Meta has repeatedly misled the public about the dangers of social media platforms, concealing the ways in which the platform exploits and manipulates children and teenagers and enabling the mental health crisis among our youth. Data from the National Center for Missing and Exploited Children illustrates that the number of child sex images and videos on the internet continues to increase from 32 million in 2022 to a record high of over 36 million in 2023. This rapid increase is especially prominent on major platforms such as Facebook.¹

In 2023, the U.S. Surgeon General released an [advisory regarding social media and youth mental health](#). There were 3 major points I’d like to focus on in the Advisory, which underscore the urgency of Maryland to act.

- There is an exceptionally high use of social media among minors:
 - 95% of children aged 13-17 report use of a social media platform.
 - Nearly 40% of children aged 8-12 report engaging with social media platforms, despite the minimum age being 13 years old throughout the country.²
- Social media’s use by minors has been linked to poor mental health:
 - Social media use predicts online harassment, low self-esteem, poor sleep, higher depressive symptom scores, and poor body image.

¹ <https://www.washingtonpost.com/technology/2024/01/31/senate-hearing-child-safety-tech-ceos-zuckerberg/>

² <https://www.hhs.gov/surgeongeneral/priorities/youth-mental-health/social-media/index.html>

- More than one-third of minority girls reported exposure to racist content and language on social media at least monthly.³
- Social media’s use by minors has been linked to addiction:
 - Those with frequent and problematic social media exposure can experience changes in brain structure similar to changes seen in individuals with substance use or gambling addictions.
 - Over one third of girls aged 11–15 reported feeling “addicted” to a social media platform.

The Surgeon General’s Report urged researchers and policymakers to address the impact of social media on our youth. The Report called for more research on social media use and youth mental health, specifically how social media use affects motivation, reward, and addiction dopamine pathways. The Surgeon General also indicated that policies are needed to strengthen safeguards for children's safety on all social media platforms, create age-appropriate health and safety standards for technology platforms, and support the development, implementation, and evaluation of digital and media literacy curricula in schools and within academic standards.

These distressing findings emphasize the urgency of addressing algorithmic addiction and its adverse effects on mental and physical health.

To begin to tackle this public health crisis, this bill does two things:

- First, it establishes the Algorithmic Addiction Fund as a special, non-lapsing fund held by the State Treasurer and administered by the Department of Health.
 - This fund will include the civil penalties received by the State from a judgment against, or settlement with, technology companies, social media conglomerates, or social media companies.
 - The fund can also be used to receive money from other sources. As the Meta settlement may take years, we cannot wait to take action. This broad fund will allow the State to apply for grants, such as ones offered by the Substance Abuse and Mental Health Services Administration (SAMHSA), or to receive other fees, for example from the establishment of an I-Gaming platform, to begin to tackle the algorithmic addiction epidemic.
- Second, it requires the Secretary of Health to establish goals, objectives, and indicators aimed at meeting the Surgeon General’s Call to Action, including:
 - Conducting a needs assessment to determine where resources are needed and best practices for algorithmic addiction prevention, intervention, and treatment, as well as continuing ongoing research about algorithmic addiction and social media’s relationship with youth mental health.

³ <https://www.hhs.gov/surgeongeneral/priorities/youth-mental-health/social-media/index.html>

- Improving and strengthening access to services proven to treat the mental and physical health impacts associated with algorithmic addiction.
- Creating a robust system of prevention services, including the organization of primary and secondary school education campaigns to prevent algorithmic addiction and promote digital and media literacy.
- Developing a comprehensive system to provide algorithmic addiction intervention services.
- Consult with algorithmic addiction treatment and prevention stakeholders including consumers, providers, families, and advocates annually to ensure that appropriations from the fund are directed appropriately.

This bill is not unlike other restitution funds created in the past. In fact, it is modeled after the Opioid Restitution Fund, created and funded by the State's legal settlements with prescription opioid manufacturers and distributors. This fund has resulted in payments amounting to \$57M in the 2023 Fiscal Year alone.⁴ The Algorithmic Addiction Fund is also similar to the Cigarette Restitution Fund, which was created in 2001 and has funded anti-tobacco and public health programs, amounting to \$2.56 billion for the State as of 2016.⁵

The Algorithmic Addiction Fund outlined in Senate Bill 739 takes a crucial step towards enhancing the well-being of Marylanders, specifically our youth. It is critical we take proactive measures to ensure we are addressing and combatting one of the most prominent public health threats of our time. **For these reasons, I respectfully request a favorable report on SB0739.**

Sincerely,



Senator Katie Fry Hester
Howard and Montgomery Counties

⁴ <https://stopoverdose.maryland.gov/orf-settlement-overview/>

⁵ <https://www.marylandattorneygeneral.gov/Pages/Tobacco/faq.aspx>