1	H.797
2	Introduced by Representatives Arsenault of Williston, Anthony of Barre City,
3	Berbeco of Winooski, Burrows of West Windsor, Buss of
4	Woodstock, Carpenter of Hyde Park, Carroll of Bennington,
5	Chapin of East Montpelier, Chesnut-Tangerman of Middletown
6	Springs, Cole of Hartford, Dodge of Essex, Dolan of Waitsfield,
7	Graning of Jericho, Headrick of Burlington, Hooper of
8	Randolph, Jerome of Brandon, LaBounty of Lyndon, Lalley of
9	Shelburne, Logan of Burlington, McGill of Bridport, Mrowicki
10	of Putney, Mulvaney-Stanak of Burlington, Nugent of South
11	Burlington, Stebbins of Burlington, Torre of Moretown, and
12	Williams of Barre City
13	Referred to Committee on
14	Date:
15	Subject: Commerce; consumer protection; public health; social media
16	platforms; child users; addiction
17	Statement of purpose of bill as introduced: This bill proposes to enhance the
18	authority of the Attorney General to regulate social media platforms in
19	Vermont for the purpose of protecting the health and safety of child users. In
20	addition, it provides a financial structure to support additional resources
21	needed by the Attorney General to administer and implement its provisions.

1 2	An act relating to the regulation of social media platforms for the protection of child users
3	It is hereby enacted by the General Assembly of the State of Vermont:
4	Sec. 1. 9 V.S.A. chapter 63, subchapter 12 is added to read:
5	Subchapter 12. Social Media Platforms
6	<u>§ 2497. TITLE</u>
7	This subchapter shall be known and may be cited as "the Vermont Social
8	Media Safety Act".
9	<u>§ 2497a. PURPOSE</u>
10	The purpose of this subchapter is to enhance the authority of the Attorney
11	General to regulate social media platforms in Vermont for the purpose of
12	protecting the health and safety of child users.
13	<u>§ 2497b. FINDINGS; INTENT</u>
14	(a) The General Assembly finds:
15	(1) In May 2023, U.S. Surgeon General Dr. Vivek Murthy issued an
16	Advisory on Social Media and Youth Mental Health. Surgeon General
17	Advisories are reserved for significant public health challenges that require the
18	nation's immediate awareness and action.
19	(2) The Advisory notes that social media use by youth is nearly
20	universal. Studies show that up to 95 percent of youth 13-17 years of age use
21	social media platforms: two-thirds of whom report daily use, while one-third
22	report using social media "almost constantly." Although 13 years of age is

1	commonly the required minimum age used by social media platforms in the
2	United States, nearly 40 percent of children 8-12 years of age use social
3	<u>media.</u>
4	(3) A 2023 Gallup survey found that the average teen in the United
5	States spends 4.8 hours on social media per day, and 22 percent of 10th grade
6	girls spend seven or more hours on social media per day.
7	(4) The Advisory cautions that, "excessive and problematic use of social
8	media can harm children and adolescents," and that, "social media platforms
9	are often designed to maximize user engagement, which has the potential to
10	encourage excessive use and behavioral dysregulation."
11	(5) The percentage of U.S. teen girls 12–17 years of age who had major
12	depression in the past year increased 145 percent between 2010 and 2021. For
13	teen boys, the increase during the same time period was 161 percent. This
14	time period aligns with the steady rise of social media use among teens.
15	(6) The 2021 Vermont Youth Risk Behavior Survey, which surveys
16	middle and high school students in Vermont, found that 35 percent of high
17	school students experienced poor mental health "most of the time" or
18	"always." The same was true for 22 percent of middle school students. In
19	addition, 18 percent of middle school students had "seriously thought about
20	suicide," and one in five high school students had hurt themselves without

1	wanting to die in the past 12 months. A full seven percent of high school
2	students in Vermont had attempted suicide.
3	(7) Social media platforms manipulate brain chemistry through the use
4	of such features as "likes," infinite scroll, and ephemeral content, effectively
5	"drugifying" their products. As explained by psychiatrist and addiction expert
6	Dr. Anna Lembke: "Technology and innovation (have) allowed us to drugify
7	almost every human behavior The rising rates of depression, anxiety, and
8	suicide are due in part to the fact that we are overloading our brain's
9	reward pathway with too much dopamine In our brain's effort to
10	compensate for too much pleasure, we are essentially individually and
11	collectively downregulating our own dopamine production and transmission,
12	not just to baseline levels, but actually below baseline levels. So we are in a
13	dopamine deficit state. Which means that we're all unhappier, more anxious,
14	more depressed, more irritable, less able to take joy in the things that used to
15	give us joy or that have given people joy for generations, and also more
16	susceptible to pain."
17	(8) The harmful effects of such design features are particularly
18	problematic for the most vulnerable among us – our children.
19	(9) Social media addiction is a type of behavioral addiction that is
20	characterized by an urge to constantly use social media.

1	(10) Children who compulsively use social media may be at risk of
2	developing serious physical and mental health problems, including suicidal
3	thoughts, self-harm, depression, eating disorders, ADD/ADHD, distorted self-
4	image and, in some cases, death.
5	(11) Many design features are specifically intended to promote and
6	prolong user engagement on a social media platform to maximize company
7	profit from targeted advertising and data harvesting, despite causing child users
8	significant physical and mental harm.
9	(12) This business model must be subject to public health and regulatory
10	oversight in a manner that promotes accountability and fairness as well as
11	innovation and quality. In other words, regulations must strike an appropriate
12	balance between preserving the potential benefits of social media use among
13	child users and mitigating the potential risk of harm from excessive and
14	problematic use.
15	(13) In the unfortunate absence of federal action, 35 states and Puerto
16	Rico have legislation pending that would regulate one or more aspect of social
17	media platforms. Eleven states have enacted laws or adopted resolutions on
18	the subject.
19	(14) Vermont, similarly, has a compelling governmental interest in
20	exercising its consumer protection authority to protect unsuspecting child users
21	from developing and suffering the tragic effects of social media addiction.

1	(b) Through this subchapter, it is the intent of the General Assembly to
2	apply long-standing consumer protection principles to social media companies
3	and in so doing explicitly recognize the intangible forms of injury associated
4	with the use of social media platforms, as well as the appropriateness of
5	applying such principles to the company-consumer relationship established by
6	the provision and use of a social media platform. It is not the intent of the
7	General Assembly to establish requirements that are more burdensome than
8	reasonably necessary to accomplish the subchapter's purpose or that
9	unconstitutionally infringe upon rights protected by the First Amendment to
10	the U.S. Constitution, or Chapter I, Article 13 of the Vermont Constitution.
11	<u>§ 2497c. DEFINITIONS</u>
12	As used in this subchapter:
13	(1) "Addiction" means the use of one or more social media platforms,
14	the use of which:
15	(A) indicates preoccupation or obsession with, or withdrawal or
16	difficulty to cease or reduce the use of, a social media platform despite the
17	child user's desire to cease or reduce such use; and
18	(B) causes physical, mental, emotional, developmental, or material
19	harm to the child user.
20	(2) "Child user" means a person who is under 18 years of age and uses
21	one or more social media platforms.

1	(3) "Content" means any statements, materials, documents, photographs,
2	graphics, or other information that is created, posted, shared, or otherwise
3	transmitted on a social media platform.
4	(4) "Design feature" means any practice, affordance, algorithm, or other
5	technology related to a user's experience on a social media platform.
6	(5) "Harmful" means causes or contributes to or has the potential to
7	cause or contribute to social media addiction among child users of a social
8	media platform.
9	(6) "Public or semipublic internet-based service or application" excludes
10	any internet-based service or application that is used to facilitate
11	communication within a business or enterprise among employees or affiliates
12	of the business or enterprise, provided that access to the service or application
13	is restricted to employees or affiliates of the business or enterprise using the
14	service or application.
15	(7) "Social media company" or "company" means a person that
16	provides a social media platform.
17	(8)(A) "Social media platform" or "platform" means a public or
18	semipublic internet-based service or application that:
19	(i) allows users to construct a public or semipublic profile for the
20	purposes of using the platform, populate a list of other users with whom the

1	user shares a social connection through the platform, and post content viewable
2	by other users of the platform;
3	(ii) is designed to connect users in order to allow users to interact
4	socially with each other within the service or application; and
5	(iii) has a monthly average of at least 25,000 active users in
6	Vermont.
7	(B) A social media platform does not include a service or application
8	if the primary or exclusive function of the platform is to provide electronic
9	mail or direct messaging services or to enable users to play video games.
10	§ 2497d. PROHIBITED PRACTICES
11	(a) It shall be an unfair or deceptive act or practice in commerce in
12	violation of section 2453 of this chapter for a social media company to use any
13	design feature on a social media platform that the company knew, or by the
14	exercise of reasonable care should have known, is harmful.
15	(b) The Attorney General may adopt by rule specific design features that
16	constitute unfair or deceptive conduct under this section, including with respect
17	to algorithmic recommendation systems, infinite scrolling, status metrics, push
18	notifications, ephemeral content, and autoplay features.
19	(c) A social media company shall not be deemed to have violated
20	subsection (a) of this section if the Attorney General finds that the company:

1	(1) demonstrates that it conducts quarterly audits of the design features
2	of its social media platform to determine whether they are harmful and hires an
3	independent third party to conduct an annual audit of the design features of its
4	social media platform to determine whether they are harmful; and
5	(2) if an audit determines that a design feature is harmful, the company
6	has corrected the design feature within 30 days after the completion of the
7	audit.
8	(d) Nothing in this section shall be construed to impose liability on a social
9	media company for:
10	(1) content that is generated, uploaded, or shared on its social media
11	platform by a user of the platform;
12	(2) content that is created solely by a third party and passively displayed
13	by the social media platform;
14	(3) information or content for which the social media platform was not,
15	in whole or in part, responsible for creating or developing; or
16	(4) conduct involving child users that would otherwise be protected
17	under 47 U.S.C. § 230, the First Amendment to the U.S. Constitution, or
18	Chapter I, Article 13 of the Vermont Constitution.
19	<u>§ 2497e. CERTIFICATE OF COMPLIANCE; COMPANY REGISTRY</u>
20	(a) A social media company shall not operate a social media platform in
21	Vermont without a valid certificate of social media safety compliance. The

1	Attorney General shall develop and maintain on a publicly available, easily
2	accessible website a registry comprising all companies certified under this
3	section.
4	(b) The Attorney General shall develop a process by which a social media
5	company may certify its compliance with the social media safety requirements
6	of this subchapter.
7	§ 2497f. CONSUMER COMPLAINTS; RECORDS
8	(a) For the purpose of creating a single location within State government
9	for the receipt and tracking of consumer complaints regarding social media
10	platforms and any harmful effects on child users, the Attorney General, in
11	consultation with the Commissioners of Health and of Mental Health, shall
12	establish and implement a protocol for handling such complaints. The protocol
13	shall include a process for maintaining a database that aggregates and tracks
14	the number, nature, disposition status, and resolution time of complaints
15	received directly by State government or indirectly from records submitted to
16	the Attorney General under subsection (b) of this section. A summary of the
17	complaints received shall be reported to the General Assembly in the annual
18	supervision report required by section 2497m of this subchapter.
19	(b) Beginning on January 1, 2025, a social media company shall maintain a
20	complete record of any consumer complaints received regarding the design
21	features of its social media platform and any harmful effects on child users.

1	The record shall include the total number of complaints received, the nature of
2	each complaint, the disposition of each complaint, the time it took to process
3	and resolve each complaint, and any other relevant information requested by
4	the Attorney General. Beginning on or before January 1, 2026, a company
5	shall include in its annual report required by subsection 2497g(b) of this
6	subchapter a copy of the record of complaints for the preceding year.
7	(c) As used in this section, "complaint" means any communication
8	primarily expressing a grievance.
9	<u>§ 2497g. MONITORING; COMPANY REPORT</u>
10	(a) The Attorney General, with input from the Commissioners of Health
11	and of Mental Health, shall research and routinely monitor the design features
12	of social media platforms and assess their effect, positive or negative, on child
13	users. In addition, the Attorney General shall monitor the degree of
14	competition among social media companies in Vermont and how it effects
15	users of social media platforms, particularly with respect to user-engagement
16	options, as well as growth and innovation in the industry, generally.
17	(b) To assist the Attorney General with carrying out the purpose of this
18	section, on or before January 1, 2025, and annually thereafter, a social media
19	company shall submit a report to the Attorney General that includes company
20	audits and third-party audits for the preceding calendar year that pertain to the
21	design features of its social media platform and whether they are harmful. In

1	addition, the company shall provide material information regarding its policies
2	and procedures for identifying, managing, and mitigating harmful design
3	features.
4	§ 2497h. TRANSPARENCY; INFORMED CONSUMER CHOICES
5	(a) On a public website maintained by the Office of the Attorney General,
6	the Attorney General, with input from the Commissioners of Health and of
7	Mental Health, shall provide information for consumers regarding any risk of
8	harmful effects caused or exacerbated by the use of social media platforms,
9	particularly for child users, as well as recommendations for mitigating such
10	<u>risks.</u>
11	(b) If deemed appropriate by the Attorney General for the purpose of
12	protecting the public welfare, the Attorney General may adopt by rule a
13	requirement that a social media company provides notice to consumers of the
14	potential harmful effects of social media platforms with respect to child users.
15	The notice shall be in a form and manner prescribed by rule. In addition, the
16	rule may also include a requirement that a company provide to consumers a
17	description of its content moderation standards, including content
18	recommendation algorithms, enforcement processes, complaint procedures,
19	information on social media addiction and treatment resources, and any other
20	disclosures deemed appropriate by the Attorney General.

1	<u>§ 2497i. INVESTIGATIONS; ENFORCEMENT; PENALTIES</u>
2	(a) The Attorney General may investigate the business practices of a social
3	media company pursuant to the investigatory powers established under this
4	chapter.
5	(b) A person who violates a provision of this subchapter, or a rule adopted
6	pursuant to this subchapter, commits an unlawful act under section 2453 of this
7	chapter.
8	(c) A person who intentionally violates section 2497d of this subchapter
9	shall be subject to a civil penalty of not more than \$100,000.00 for each day
10	the unfair or deceptive act or practice is committed.
11	(d) A person who negligently violates section 2497d of this subchapter
12	shall be subject to a civil penalty of not more than \$25,000.00 for each day the
13	unfair or deceptive act or practice is committed.
14	<u>§ 2497j. INFORMATION AND MONITORING COSTS</u>
15	To the extent deemed necessary and appropriate by the Attorney General,
16	the costs incurred by the Office of the Attorney General in implementing this
17	subchapter may be assessed on an equitable and practicable basis against all
18	social media companies doing business in Vermont and deposited into the
19	Social Media Safety Fund established in section 2497k of this subchapter. The
20	Attorney General shall adopt the assessment rate by rule.

1	<u>§ 2497k. SOCIAL MEDIA SAFETY FUND</u>
2	(a) There is created pursuant to 32 V.S.A. chapter 7, subchapter 5 a special
3	fund to be known as the Social Media Safety Fund. The Fund shall be
4	administered by the Attorney General to implement and effectuate the policies
5	and purposes established in this subchapter.
6	(b) The Fund shall comprise any monies from time to time appropriated to
7	the Fund by the General Assembly, transferred to the Fund pursuant to sections
8	2497i (civil penalties) and 2497j (information and monitoring costs) of this
9	subchapter, or received from any other source, private or public, subject to the
10	provisions of 32 V.S.A. § 5.
11	(c) Unexpended balances and any earnings shall remain in the Fund for use
12	in accord with the purposes of this subchapter.
13	<u>§ 24971. CONFIDENTIALITY</u>
14	The Attorney General shall maintain the confidentiality of any information
15	received under this subchapter that the Attorney General determines is exempt
16	from public inspection and copying under the Public Records Act or other
17	applicable law unless disclosure is ordered by a court.
18	<u>§ 2497m. ANNUAL SUPERVISION REPORT</u>
19	On or before January 15 of each year and notwithstanding 2 V.S.A. § 20(d),
20	the Attorney General shall submit a report to the General Assembly, which
21	shall include the Attorney General's findings and recommendations related to

1	the use of social media platforms in Vermont and measures for mitigating any
2	potential harmful effects on child users. In particular, the Attorney General
3	shall assess the availability and efficacy of any content-neutral interventions
4	companies could implement to reduce social media addiction. In addition, the
5	report shall include the amount and purpose of expenditures from the Social
6	Media Safety Fund for the prior fiscal year and may include a recommended
7	appropriation to the Fund, as needed and consistent with the purpose of the
8	Fund.
9	§ 2497n. RULES; FINDINGS OF UNLAWFUL CONDUCT
10	(a) In addition to the rules otherwise required by this subchapter, the
11	Attorney General may adopt any other rule the Attorney General deems
12	necessary to implement the purpose and policies of this subchapter.
13	(b) The rules, as well as any finding of unlawful conduct under this
14	subchapter, shall be consistent with the rules, regulations, and decisions of the
15	Federal Trade Commission and the Federal Communications Commission and
16	with federal court interpretations of the Federal Trade Commission Act, as
17	amended, and the Communications Act of 1934, as amended.
18	§ 24970. EFFECT ON OTHER LAWS
19	This subchapter shall not limit other statutory rights of a consumer or
20	statutory obligations of a social media company under Vermont law.

1	<u>§ 2497p. STATUTORY CONSTRUCTION; SEVERABILITY</u>
2	(a) It is the intent of the General Assembly that the provisions of this
3	subchapter are liberally construed to accomplish its purposes.
4	(b) As provided in 1 V.S.A. § 215, the provisions of this subchapter are
5	severable. If any provision of this subchapter is invalid, or if application
6	thereof to any person or circumstance is invalid, the invalidity shall not affect
7	other provisions or applications that can be given effect without the invalid
8	provision or application.
9	<u>§ 2497q. STATE AUTHORITY</u>
10	Vermont enacts this subchapter pursuant to all inherent State authority
11	under the 10th Amendment to the U.S. Constitution and all relevant authority
12	granted and reserved to the states by Title 15 and Title 47 of the U.S. Code,
13	including the authority to impose requirements necessary to protect public
14	safety and welfare and safeguard the rights of consumers.
15	Sec. 2. EFFECTIVE DATE
16	This act shall take effect on July 1, 2024.