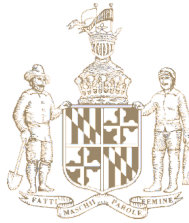


KATIE FRY HESTER
Legislative District 9
Howard and Montgomery Counties

Education, Energy, and
Environment Committee

Chair, Joint Committee on
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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB602- Algorithmic Addiction Fund - Establishment

February 20, 2026

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

Thank you for your consideration of Senate Bill 602, which aims to establish the Algorithmic Addiction Fund as a special, nonlapsing fund to receive settlements from lawsuits against social media companies and invest those funds in research, prevention, intervention, and treatment of addictions that have been manufactured by social media companies.

Maryland’s children are facing a growing public health crisis driven by deliberately engineered social media platforms designed to maximize engagement at any cost. Social media companies have increasingly built business models around attracting, retaining, and monetizing minor users. Features such as infinite scrolling, personalized algorithms, push notifications, and sensationalized content are not accidental, they are engineered to encourage compulsive use.

The consequences are measurable and alarming. According to the Pew Research Center, as of December 2025, over one-third of teens report using at least one social media platform “almost constantly.” In 2025, the University of Michigan found that adolescents and young adults average nearly seven hours of daily screen time. The same study found:

- 60% believe they are addicted to their phone, and 66% believe it negatively impacts their grades;
- 73.8% report worsened sleep due to social media;
- 72.5% report negative effects on their self-esteem; and
- 72.5% believe social media affects them overall negatively.

Jimena Ponte Gasset, a Chicago teen, began using social media compulsively at the age of 15. This constant use snowballed into an addiction that led her to spend as many as 20 hours a day engaging online.¹ Her addiction became so severe that Gasset was forced to enter rehab to begin her path to healing. At 19, she says she still has “troubles and challenges” related to this addiction.

1

<https://www.nbcmiami.com/news/local/for-my-own-good-teen-shares-rehab-journey-amid-battle-with-social-media-addiction/3352948/>

Taylor Little’s addiction to social media began at the age of 12, and was so crippling that Little expressed feeling entirely “trapped” and shut out from an ability to experience teenage life. This addiction led to a severe depression, and eventually multiple suicide attempts. All of this occurred before Little even had the opportunity to graduate from high school.²

While there are countless examples of teens battling with social media addiction, not all are here to tell their story themselves. Lori Schlott, a mother from Colorado, lost her daughter Annalee to suicide that she believes was related to algorithmic addiction. Analee spent countless hours online, with an algorithm curated based on the pain she was struggling with. Her Instagram was flooded with content encouraging self-harm, downplaying the possibility of help, and glorifying suicide as the only way out.³

Major social media companies, including TikTok, Meta, and YouTube, are now facing extensive litigation from individuals and States, including Maryland, who allege they were harmed as minors by deliberately addictive platform features. Plaintiffs report experiencing anxiety, suicidal ideation, body image disorders, and other serious mental health challenges after beginning to use these platforms at very young ages. Many parents involved in these lawsuits state they were unaware of the addictive design mechanisms embedded in these products and would not have permitted access had they understood the risks.

This growing body of evidence and litigation underscores a critical reality: when corporations manufacture addictive digital environments for children, the resulting harms require a coordinated public health response.

Senate Bill 602 provides that response. This framework mirrors Maryland’s successful approach to other large-scale public health harms. The Algorithmic Addiction Fund is modeled after the Opioid Restitution Fund, which directs settlement funds from prescription opioid manufacturers and distributors toward treatment and prevention efforts. As of Fiscal Year 2025, that fund has received over \$192 million and has strengthened Maryland’s response to the opioid crisis by ensuring accountability and dedicating resources to recovery.

SB 602 establishes the Algorithmic Addiction Fund as a special, nonlapsing fund to receive civil penalties and settlement funds resulting from litigation related to harm to children caused by social media platforms and the improper use of algorithms. Rather than allowing these funds to be absorbed into the general budget, this bill ensures they are directly reinvested into prevention, intervention, research, and treatment efforts.

Specifically, SB 602 will:

- Establish the Algorithmic Addiction Fund, held by the State Treasurer and administered by the Department of Health, to receive civil penalties from judgments or settlements concerning harm

² <https://www.bbc.com/news/technology-67443705>

³ <https://www.cpr.org/2026/02/19/social-media-addiction-suicide-lawsuit-annalee-schott/>

to children from social media use. The bill includes clarifying language accepted from the Attorney General to appropriately capture eligible funds.

- Authorize the State to seek and receive additional funding sources, including federal grants such as those offered by the Substance Abuse and Mental Health Services Administration (SAMHSA), to address algorithmic addiction comprehensively.
- Require the Secretary of Health to establish measurable goals, objectives, and indicators aligned with the U.S. Surgeon General's call to action, including:
 - Conducting a statewide needs assessment and supporting ongoing research;
 - Expanding access to evidence-based mental and physical health services;
 - Developing prevention initiatives, including school-based digital literacy campaigns;
 - Creating a comprehensive system of intervention services; and
 - Consulting annually with stakeholders—including consumers, providers, families, and advocates—to ensure responsible and targeted use of funds.

SB 602 ensures that if the State prevails in pending litigation against social media companies, any settlement or judgment funds will be dedicated to addressing the harm those companies caused. When corporations design products that knowingly foster addiction among minors, the financial recoveries should be reinvested in the children and families who have suffered the consequences—not absorbed into general revenue.

With this legislation, you are voting for sound fiscal and public health policy, which ensures that the recovered funds are used effectively to support our youth and families in your districts. For these reasons, I respectfully request a favorable report on Senate Bill 602.

Sincerely,

A handwritten signature in cursive script that reads "Katie Fry Hester".

Senator Katie Fry Hester
Howard and Montgomery Counties