Fund IRL State Policy Recommendations

All states should adopt the following core principles in any legislation addressing settlement dollars from social media and technology harms to children. Meta has already settled with 51 jurisdictions, and more settlements are likely as other digital platforms face similar lawsuits. The Tobacco Master Settlement Agreement, from which relatively little funding ultimately supported public health programs, demonstrates how easily settlement dollars can be redirected from their intended purpose. These principles are designed to help ensure that social media settlement funds remain focused on the children and young people they are intended to benefit.

What should the legislation fund? Settlement funds should reduce and prevent harms associated with social media and other digital technologies by investing across a continuum of **treatment, prevention, and healthy alternatives to digital media**.

- **In Real Life Alternatives** — Before-, after-school, and summer programs; outdoor learning; sports, arts, and mentoring; and safe third spaces that give kids real alternatives to screen time.
- **Safe Digital Engagement** — Digital citizenship, safety, and literacy education for youth, caregivers, and youth-serving staff, and youth-led advocacy for safer platform design.
- **Mental Health Services and Supports** — Clinical and non-clinical care across the continuum, including early detection and screening, peer and near-peer workforce models, school- and community-based treatment, and crisis response such as 988 and mobile crisis supports.

How should legislation be structured? The funding priorities must be protected with a structure that prevents diversion of funds, provides accountability for decision-making, and allows the legislation to hold up over time.

- **Protected and Inclusive Governance** — A formal oversight body could include an advisory council, commission, governing board, or other entity established by the

legislature or executive branch, to oversee how funds are used and protect them over the long term.

- **A Data-Driven Investment Plan** — The legislation should set a multi-year strategic plan grounded in a statewide needs assessment and public input, so spending follows evidence and documented need rather than ad hoc decisions.
- **Long-Term Stewardship** — Establish a dedicated, non-lapsing fund and multi-year planning process so that investments can extend beyond a single budget or legislative cycle and reflect the full life of the settlement.

What safeguards should be woven throughout the legislation?

- **Supplement, Not Supplant** — Settlement dollars should add capacity and expand opportunities for children and young people, not replace funding that states, schools, insurers, or other entities are already responsible for providing.
- **Transparency and Accountability** — Require public reporting on revenues, expenditures, grant awards, geographic distribution, outcomes, and administrative costs, along with open decision-making and independent financial oversight.
- **Settlement Compliance** — Maintain segregated accounting and ensure expenditures comply with the specific terms and permissible uses established by each settlement agreement.
- **Protect the Purpose Over Time** — Include appropriate statutory safeguards—including severability, conflict-of-interest protections, audits, and limits on administrative spending—to help preserve the legislation's purpose and integrity over the life of the settlement.

The central principle is simple: resources obtained in response to harms experienced by children and young people should be protected and reinvested in their health, well-being, and opportunities to thrive.

Related Legislation: *This section will be updated with examples of legislation that include Fund IRL state policy recommendations as they are introduced.*