THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

State of New Hampshire

Plaintiff,

v.

Meta Platforms, Inc.,

Serve at: 1 Hacker Way Menlo Park, CA 94025,

and Instagram, LLC,

Serve at: 1 Hacker Way Menlo Park, CA 94025,

Defendants.

Case No.

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COMPLAINT

NOW COMES the State of New Hampshire (the "State"), by and through its attorneys, the Office of the Attorney General, and hereby complains against Defendants Meta Platforms, Inc. and Instagram, LLC (collectively "Meta" or "Defendants") for violations of the State's Consumer Protection Act ("CPA"), RSA § 358-A:1, *et seq.* and for products liability and negligence. In support of its claims, the State alleges as follows:

INTRODUCTION

1. Together with their parents, New Hampshire's children¹ are navigating a world that is new to all of us. They have to deal with all of the usual things—staying safe, making friends, getting good grades, figuring out who they are. But increasingly, New Hampshire's children are having to fight for their own time and attention against the ever-increasing pull of social media apps, like Meta's flagship products Facebook and Instagram.² This fight isn't a fair one: the odds have been stacked against New Hampshire families by Meta's experimental use of psychology, neurology, and manipulative design tactics to build apps that children cannot resist. As the U.S. Surgeon General recently put it:

You have some of the best designers and product developers in the world who have designed these products to make sure people are maximizing the amount of time they spend on these platforms. And if we tell a child, use the force of your willpower to control how much time you're spending, you're pitting a child against the world's greatest product designers.³

2. New Hampshire's children are losing that battle and the consequences are horrifying. Over the past decade, Meta exploded in size and enormously expanded its influence

¹ The term "children" as used herein refers to persons who are under eighteen (18) years of age.

² Together, Facebook and Instagram are referred to as the "Social Media Platforms" or the "Platforms."

³ Allison Gordon & Pamela Brown, *Surgeon General says 13 is 'too early' to join social media*, CNN (Jan. 29, 2023), https://www.cnn.com/2023/01/29/health/surgeon-general-social-media/index.html.

over how children spend their time. According to Meta founder Mark Zuckerberg: "unless you are breaking stuff, you are not moving fast enough." True to that ethos, in its rush to "mov[e] fast enough," Meta has frequently been "breaking" the mental health, well-being, and trust of its youngest users.

- 3. At the same time as Meta's global rise, the mental health of New Hampshire children deteriorated sharply. In 2021, almost half (44.2%) of New Hampshire's high school students self-reported feeling persistently sad or hopeless—a 75% increase from 2011.⁴ Similarly, from 2011 to 2021, the percentage of New Hampshire high school students who reported seriously considering suicide increased by 72%— from 14.3% to 24.7%.⁵ Alarmingly, the percentage of New Hampshire high school students who self-reported actually attempting suicide jumped from 6.1% to 9.8%—a 60% increase.⁶
- 4. While Meta claims to be "[g]iving people the power to build community" and "keeping people safe," it instead misleads consumers, paints a distorted picture of the safety of its Platforms, and cuts children and their parents off from the information that Meta has (and parents need) to make informed decisions about whether and how to use those Platforms. Meta knows that for children, apps like Instagram are "addictive," have "a negative impact on mental health," and are a "recipe for low level mental anxiety that unchecked can ladder to something more serious."

⁴ NEW HAMPSHIRE DEP'T OF EDUC., 2021 YOUTH RISK BEHAVIOR SURVEY RESULTS – 10-YEAR TREND ANALYSIS REPORT 6, chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/2021nhhtrend-report-10-years 0.pdf.

⁵ *Id*.

⁶ *Id*.

- 5. Meta's strategic choices both to exploit children by deploying addictive design features and powerful algorithms, and to lie to the public about the harms, shock the conscience and violate New Hampshire law.
- 6. Since its founding in 2004, Meta has built itself an empire of 3 billion monthly active users, nearly 40% of the world's population. With a market capitalization of \$819 billion, Meta has become wealthier than most countries. It has done so by carefully leveraging powerful technologies to make its Platforms as addictive as possible with one goal in mind: to make money.
- 7. Meta is among the world's leading innovators in experimenting on how to keep users engaged. At its core, Meta is a high-tech advertising business. When users spend time on its Social Media Platforms, Meta harvests the personal data of these users—including their interests, their religion and beliefs, and what they like to watch or even buy. This data allows Meta to sell advertising space at premium rates, because Meta can place targeted advertisements under the eyeballs of specific users who Meta knows are particularly susceptible to each advertiser's message. The formula is simple: the longer a user stays on the Platforms, the more ads they see, the more data Meta collects, the more valuable that data becomes for advertisers, and the more money Meta makes.
- 8. But enough is never enough. To keep users engaged, Meta deploys manipulative design features—some of which mimic the psychological tactics employed by the designers of slot machines—which Meta knows inflicts harm on its youngest and most vulnerable users: children. These features include: (a) dopamine-manipulating personalization algorithms; (b) audiovisual and haptic alerts that incessantly recall children to Meta's Social Media Platforms at all hours of the day, including while at school and during the night; and (c) content-presentation

formats, such as "infinite scroll," "autoplay," short-form videos called "Reels," and ephemeral content designed to defeat children's attempts to self-regulate and disengage with Meta's Platforms.

9. Children are especially vulnerable to Meta's tactics to increase and prolong engagement with its products because their developing brains lack a mature pre-frontal cortex that would help impose limits and disengage from the unhealthy use of Meta's Platforms.

Children are therefore more easily manipulated by design features that deliver "dopamine" hits.

- 10. While refining these addictive features and marketing them to children, Meta deceptively misled parents and consumers regarding: (1) the safety of its Social Media Platforms; (2) the intentional design of features to promote children's prolonged and unhealthy engagement; and (3) the company's routine prioritization of profit over user well-being.
- 11. As part of this deception, Meta routinely downplayed the adverse effects its Platforms have on children. Internal studies that Meta commissioned (which were kept private until they were leaked by a whistleblower and reported by the *Wall Street Journal*) reveal that Meta has known for *years* about the serious harms associated with children's time spent on its Social Media Platforms. By publishing only favorable data and downplaying any harmful effects to the public, Meta deceived consumers, creating the impression that its Social Media Platforms were far safer for children than they actually are.

- 12. Unsurprisingly, Meta's deceptive tactics have worked. In 2022, more than half of teens reported using Instagram and more than a third reported using Facebook. Almost half of teens reported checking Instagram at least once a day, with 27% reporting checking it several times a day and 10% reporting checking it almost constantly. The short-form video format of Reels, known to appeal to children and their short attention spans, now amasses over 200 billion plays per day on Facebook and Instagram.
- 13. Robust research links young peoples' excessive use of social media with negative outcomes, including depression, anxiety, insomnia, and interference with education and daily life. In 2023, the U.S. Surgeon General cautioned that "there are ample indicators that social media can [] have a profound risk of harm to the mental health and well-being of children and adolescents." In fact, "[e]xcessive and problematic social media use, such as compulsive or uncontrollable use, has been linked to sleep problems, attention problems, and feelings of exclusion among adolescents." The Surgeon General specifically warned that the resulting "[p]oor sleep has been linked to altered neurological development in adolescent brains, depressive symptoms, and suicidal thoughts and behaviors."
- 14. Meta designs its Platforms with full knowledge that its design choices are helping to drive today's teenagers into record-high levels of anxiety and depression. Data from the Centers for Disease Control and Prevention show that, in 2021, most adolescent girls reported

⁷ Emily A. Vogels, et al., *Teens, Social Media and Technology 2022*, PEW RSCH. CTR. (Aug. 10, 2022), https://www.pewresearch.org/internet/2022/08/10/teens-social-media-and-technology-2022/.

⁸ *Id*.

⁹ U.S. DEP'T OF HEALTH & HUM. SERVS., SOCIAL MEDIA AND YOUTH MENTAL HEALTH: THE U.S. SURGEON GENERAL'S ADVISORY 4 (2023), https://www.hhs.gov/sites/default/files/sg-youth-mental-health-social-media-advisory.pdf.

feeling "persistent[ly] sad[] or hopeless."¹⁰ Approximately one in four (24%) teenage girls reported that they had made a suicide plan, ¹¹ and 40% of high school students described mental health challenges so dire that "they could not engage in their regular activities for at least two weeks during the previous year."¹²

- 15. As outlined above, New Hampshire specifically has seen a similar and alarming worsening of mental health trends among its high school students since 2011.¹³
- 16. In short, Meta misled the public about the safety of its Social Media Platforms—to devastating effect.
- 17. The Attorney General brings this action to protect New Hampshire's children from Meta's unfair and deceptive conduct and to put an end to Meta's exploitative scheme in New Hampshire.

PARTIES

18. Plaintiff, the State of New Hampshire ("the State"), by and through the Office of the Attorney General, chief law enforcement officer of the State, brings this action on behalf of itself and under its *parens patriae* authority to protect the health and well-being of its residents. The Attorney General is responsible for representing the public interest and is also specifically authorized to enforce the State's consumer protection laws. RSA §§ 21-M:5, 21-M:9, and 358-A:4. The Attorney General is specifically authorized to seek injunctive relief, restitution, and

¹⁰ CTRS. FOR DISEASE CONTROL AND PREVENTION, YOUTH BEHAVIOR RISK SURVEY: DATA SUMMARY & TRENDS REPORT 61 (2023), https://www.cdc.gov/healthyyouth/data/yrbs/pdf/YRBS_Data-Summary-Trends_Report2023_508.pdf.

¹¹ *Id.* at 64.

¹² *Id.* at 2.

¹³ NEW HAMPSHIRE DEP'T OF EDUC., 2021 YOUTH RISK BEHAVIOR SURVEY RESULTS – 10-YEAR TREND ANALYSIS REPORT 6, chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/at 2.https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/2021nhhtrend-report-10-years 0.pdf.

civil penalties against any person who he has reason to believe has engaged in or is about to engage in unfair or deceptive acts or practices in the conduct of trade or commerce in violation of the Consumer Protection Act ("CPA"). RSA § 358-A:4, II(a) and (b). The CPA is administered and enforced by the Consumer Protection and Antitrust Bureau of the New Hampshire Department of Justice. RSA § 358-A:4, I

- 19. Defendant Meta Platforms, Inc. ("Meta Platforms") is a Delaware corporation with its principal place of business at 1601 Willow Road, Menlo Park, CA 94025. As relevant here, Meta Platforms, through itself and/or its subsidiaries, develops, markets, and operates social media platforms and other internet-based platforms and products including Facebook and Instagram. Meta Platforms formerly known as Facebook, Inc. changed its corporate name in October 2021. Meta Platforms is a "person" as defined by the CPA as it is a legal entity. RSA § 358-A:1, I.
- 20. Defendant Meta Platforms owns and operates the social media platform Facebook and owns and operates the social media platform Instagram through its wholly-owned subsidiary Instagram, LLC. Facebook is a social network that allows users to share and view content including "statuses," photographs, and videos; join groups; buy and sell products; and message others.
- 21. Defendant Instagram, LLC operates the social media platform Instagram.

 Instagram, LLC is a limited liability company incorporated in Delaware with its principal place of business at 1601 Willow Road, Menlo Park, CA 94025. Meta Platforms purchased Instagram, LLC in 2013 for over one billion dollars. Instagram, LLC is currently a wholly-owned subsidiary of Meta Platforms. Meta Platforms asserts complete control over Instagram, LLC, and there is

heavy overlap in the operations and personnel between Meta Platforms and Instagram, LLC. Instagram, LLC is a "person" as defined by the CPA as it is a legal entity. RSA § 358-A:1, I.

22. Meta Platforms acting on its own, and through and/or in concert with other wholly-owned subsidiaries, engaged in the unlawful conduct alleged herein. Meta Platforms is heavily involved in and has final say over the design and marketing of its Social Media Platforms operated by itself and its subsidiaries including Instagram, LLC. Defendants are collectively referred to throughout this Complaint as "Meta."

JURISDICTION AND META'S CONTACTS WITH NEW HAMPSHIRE

- 23. Venue is proper in Merrimack County as Meta is a nonresident and has no place of business within this State. RSA § 358:4, III(a). This Court has subject matter jurisdiction of the claims in this Complaint pursuant to RSA § 491:7.
- 24. This Court has personal jurisdiction over both Defendants pursuant to RSA § 510:4, I, because Meta, among other acts, transacts business within the State and committed a tortious act within the State.
- 25. Meta engages in substantial trade and commerce in New Hampshire, which includes "the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible . . . or thing of value . . . directly or indirectly affecting the people of this state." RSA § 358-A:1, II. At all times material to this Complaint, Meta has advertised, marketed, and distributed the Social Media Platforms and related services to consumers throughout the State and makes a substantial profit selling user data and time to advertisers. Additionally, Meta's Social Media Platforms are themselves a sophisticated mechanism of "advertising . . . of any services and any property" within the meaning of the CPA: the Platforms capture and manipulate user attention to advertise the products and services of the companies to whom Meta sells ads.

- 26. For instance, Meta enters into contracts with each of its users in the State to provide them with online social networking services, including through Facebook and Instagram. Meta provides users with mobile phone applications, readily available on smartphone devices, throughout the entire State.
 - 27. In 2023,

- 28. Meta encourages children, including tens of thousands of teenagers in the State, to use its products by viewing, liking, commenting on, and uploading videos, photos, and posts on Meta's Social Media Platforms.
- 29. Meta also sells advertising space to marketers and allows them to tailor their advertisements to specific audiences via features such as Meta's "[a]udience ad targeting." These custom audience offerings allow marketers to target new customers by refining their audience to specific categories like location, demographics, interests, and behaviors.
- 30. Meta allows advertisers to target their ads in "[d]esignated market areas," which specifically include Manchester, New Hampshire as part of a target market on Meta's Business Help Center.
- 31. For years, these ad-targeting features have allowed marketers to target children aged thirteen to seventeen with immense granularity in New Hampshire. Until February 2023, Meta allowed marketers to target teenagers by gender and zip code, and until August 2021, Meta

allowed marketers to target teens using personal details Meta collected, such as their specific interests, behaviors, and even their activity on other apps and websites.

32. Meta's deceptive and unfair practices in violation of the CPA and its tortious conduct have been targeted toward, and impacted, New Hampshire consumers. Meta is not only aware it has users in New Hampshire but has actively marketed its New Hampshire users to potential advertisers and has profited directly from its exploitation of children in New Hampshire.

FACTUAL ALLEGATIONS

33. Meta's monetization is centered on maximizing the amount of time spent and the amount of data collected from its users—in particular children. Meta intentionally designs its Platforms to maximize user engagement, and thus maximize its profits, by using manipulative and addictive design features on its Platforms. It does so knowing that these design features are particularly effective and harmful to children's developing brains. Meta then misleads the public, including children and their parents, about the safety of the Platforms, the Platforms' addictive designs, and the company's prioritization of user well-being to make the Platforms seem safer than they actually are.

I. Meta's monetization centers on youth engagement.

34. Meta's core business model rests on monetizing a user's personal data harvested while the user is engaged on its Platforms. Meta monetizes user data both by (1) selling targeted advertising and (2) feeding the personalization algorithms to maximize user time-spent.

35. In order to fully access and use Meta's Social Media Platforms, users must enter into a contract with Meta agreeing to comply with Meta's Terms of Use. By agreeing to the

Terms of Use, consumers are agreeing that Meta can collect and use their data both for monetization and to feed Meta's personalization algorithms.

- 36. Meta's content personalization algorithms were designed to increase Meta's profits. Meta makes money by selling advertisements to a highly targeted audience which it curates by collecting data from its users. Personalized algorithms capture users' attention and keep them engaged. The more time spent on the Platforms, the higher volume of user data collected.
- 37. These algorithms are not designed to promote any specific message for Meta. Rather, the algorithms function on a user-by-user basis, operating to detect which types of content each individual is likely to engage with and then displaying more of that type of content to maximize time spent (and volume of user data collected). Users are spoon-fed highly personalized content designed to keep them hooked. As a result, users often find themselves unwittingly and infinitely scrolling.
- 38. The longer a consumer stays on the Platforms, the more information Meta collects about the user and the more ads the user sees. The effective delivery of targeted ads is central to Meta's ability to generate revenue.

 39.

 Meta can then apply its personalization algorithms to track ads users engage with and

tailor an individual user's feed with even more targeted advertising. The result is a very lucrative

business of farming users' data by capturing their attention, and then harvesting it into sales of

highly effective and highly targeted advertising.
40.
41. Only recently did Meta stop targeting ads to under-eighteen users. However, it
still utilizes the same strategies to collect data and keep children engaged through its
personalization algorithm.
42.
43.
44.
77.
45.
46. Externally, Meta has deceptively denied that it places a monetary value on
children. In 2021, Senator Amy Klobuchar asked Antigone Davis, Meta's Global Head of Safety

what Meta believed the lifetime monetary value of children who use Meta products was; Davis responded, "that's just not the way we think about it" and "[t]hat's just not how we think about building products . . . for young people."

47. In 2013, shortly after it acquired Instagram, Meta introduced the ability to create "sponsored posts." This transformed Instagram from a pure social network into an advertising platform: advertisers could pay to put their advertisements in front of Instagram users' eyes. But many advertisers looked beyond paying Meta to advertise, and instead went directly to "content creators," including children, paying these Instagram users to promote their products in their regular posts on the Platform. Even what looked like an ordinary post could be a commercial that capitalized off the Instagram user's existing following in an attempt to sell them a product. Instagram advertising soon became pervasive.

48.

49. Both Facebook and Instagram have consumed the time and attention of a large percentage of the population nationally and in New Hampshire specifically.

50. Instagram exhibits even higher engagement with children.

- 51. In 2022, 62% of teens reported using Instagram.¹⁴ This rate is higher for teen girls with 69% reporting using Instagram.¹⁵ Almost half of teens reported checking Instagram at least once a day, with 27% reporting checking it several times a day and 10% reporting checking it almost constantly.¹⁶
 - 52. Instagram is extremely popular with teens in New Hampshire.

- 53. Building on its success, to increase user engagement, Meta intentionally includes manipulative design features in its Social Media Platforms that it knows are particularly effective in increasing compulsive and excessive use in teens.
 - II. Meta has contributed to a teen mental health epidemic by intentionally designing its Platforms to ensure children's attention.
- 54. Research has confirmed that compulsive and excessive use of Platforms like Facebook and Instagram is linked to significant negative outcomes. Despite Meta's knowledge of the negative consequences associated with the compulsive use of its Social Media Platforms, Meta intentionally includes manipulative design features to keep users engaged for as long as possible.

¹⁴ Emily A. Vogels & Risa Gelles-Watnick, *Teens and social media: Key findings from Pew Research Center surveys*, PEW RSCH. CTR. (Apr. 24, 2023), https://www.pewresearch.org/short-reads/2023/04/24/teens-and-social-media-key-findings-from-pew-research-center-surveys/. ¹⁵ *Id.*

¹⁶ *Id*.

55. This section sets forth (1) Meta's intentional design and implementation of addictive features on its Platforms that promote excessive and compulsive use by children; (2) the known harms that excessive and compulsive use of social media causes children; and (3) Meta's knowledge and reckless disregard of these harms.

A. Meta intentionally includes manipulative features and algorithms to override consumer choice and endlessly consume the time and attention of teenagers.

56. Meta develops and implements features intended to trick children into spending as much time as possible on its Social Media Platforms in order to maximize profits. Meta's suite of manipulative tools largely overlaps with ones the U.S. Surgeon General identified as harmful, including, personalization algorithms, alerts, infinite scroll, autoplay, and Reels.

i. <u>Personalization Algorithms</u>

- 57. Meta employs personalization algorithms universally across its Social Media Platforms, including in the Instagram Platform's Main Feed (the scrolling presentation of content immediately visible upon opening the app) and Explore Feed (another scrolling presentation of algorithmically curated content that can be optionally guided by a user's text input in a search field).
- 58. Meta changed Instagram's user feeds in 2016 to incorporate these personalization algorithms. Prior to 2016, Instagram user feeds were simply in reverse chronological order.
- 59. Meta's goal is to use its personalization algorithms to consume as much user attention and time as possible. To achieve that goal, Meta's personalization algorithms serve users categories of content based on a sequencing method referred to by psychologists as "variable reinforcement schedules" or "variable reward schedules."
- 60. These variable reward schedules work by periodically—but not always, and not in a predictable pattern—delivering types of content that trigger a release of dopamine, a

neurotransmitter released by the brain in response to certain stimuli. Dopamine, commonly "seen to be the 'pleasure chemical," is released in anticipation of a potential reward. However, dopamine neurons fire for only a relatively short period of time, and after dopamine is released, an "individual can become disheartened and disengaged."

- 61. By algorithmically serving content to children according to variable reward schedules, Meta manipulates dopamine releases in its child users, inducing them to engage repeatedly with its products—much like a gambler at a slot machine. The gambler pulls the lever repeatedly, receiving pleasure from anticipating that this pull might lead to a reward—or the next one, or the next one.
- 62. Meta utilizes the same random reward method to keep users on its Platforms by intentionally creating a randomized schedule for "rewarding" the user. However, Meta's use of randomized rewards is more insidious than that of a slot machine. A slot machine is truly random, indifferent to the gambler's profile or previous conduct. In contrast, Meta's personalization algorithms are optimized to withhold and provide rewards according to a schedule tailored to ensure that the user craves more content and continues using the Platforms. Each new post or notification stirs up pleasure in the user as they anticipate receiving a reward.
- 63. This is particularly effective on—and dangerous for—children. Developmentally, children have incomplete brain maturation, lack of impulse control, and reduced executive functions, making them particularly susceptible to psychological manipulation. There is a reason that children are not permitted to gamble.
- 64. As one person described, "in a social media scrolling context, dopamine is motivating us to continue to consume content that we think will bring us pleasure, without [it]

necessarily paying off. It keeps us stuck on the social media treadmill that continu[ally] retriggers a state of desire in what quickly becomes a self-defeating loop." 65. 66. Personalization algorithms can fixate on a particular interest that user has resulting in the interest showing up in all their recommendation feeds and Reels—becoming more and more extreme, and isolating the user from other thoughts or opinions. A user interested in healthy eating, for example, may fall into a rabbit hole of photos and videos so intensely focused on fad diets or restrictive eating that the user develops an obsessive, disordered focus on food. Meta knows about this phenomenon. 67. 68.

	ii. <u>Alerts</u>	
70.	Instagram employs a range of alerts when the application is installed on a	
smartphone.		
71.		
72.		
	Researchers have documented how these notifications impact	
the brain simi	larly to stimulating drugs.	
73.	By default, Meta notifies users when other users they follow take any of the	
following actions:		
_	• following the user;	
	• "Going Live" (<i>i.e.</i> , starting a live broadcast);	
	 liking or commenting on the user's posts; 	
	• mentioning the user in a comment or tagging the user in a post; and	
_	sending the user a message.	
74.		

- 75. Notifications prompt users to develop a compulsion to re-open and re-engage with Meta's Platforms repeatedly throughout the day and at night when prompted.
- 76. These notifications are extremely effective. A recent study showed teens checked their phones on average fifty-one times per day, with some teens checking their phone over 400 times a day. During that same period, the teens in the study received a median of 237 notifications on their smart phones per day, with some users receiving as many as 4,500 in a single day. On average 23% of those notifications arrived during school hours and 5% during sleeping hours on school nights. The study concluded that smartphone app developers could do a better job of eliminating notifications during times of day that are more disruptive to young people.
- 77. While users can disable notifications, the addictive elements of these Platforms are a substantial barrier for children taking the steps needed to disable them. By designing its default settings with notifications on, Meta makes users take affirmative action to turn the notifications off, making it more likely that a user will leave the settings on.

iii. <u>Infinite Scroll and Autoplay</u>

78. Meta is keenly aware that teens are particularly susceptible to the infinite scroll and autoplay features.

"Infinite scroll" is characterized by the partial display of additional content at the bottom

of the user's screen, such that the user is typically unable to look at a single post in isolation (without seeing the top portion of the next post in their feed). The "teasing" of yet-to-be-viewed content continues indefinitely; as the user scrolls down the feed, new content is automatically loaded and "teased."

- 79. The "infinite scroll" format makes it difficult for children to disengage because there is no natural end point for the display of new information. The Platforms do not stop displaying new information when a user has viewed all new posts from their peers. Instead, the Platforms display new social content and suggest relevant information that has yet to be viewed, provoking the children's FOMO.
- 80. Meta does not allow users to turn off infinite scroll; so long as they choose to use Facebook or Instagram, they are stuck with it.
- 81. Meta also deploys the "autoplay" feature to keep children on its Platforms. Much like "infinite scroll," the "autoplay" feature of Instagram's "Stories" encourages children to continuously engage on the Platform because once one story has been viewed, the user is automatically moved to the next story. The default programing keeps the user watching unless the user takes affirmative action to disengage.
- 82. While Facebook allows users to turn off autoplay, the setting is "on" by default. Autoplay is also on by default on Instagram, and disabling the feature is difficult for users.

83.	Meta knows that these features are manipulative for users.

iv. Ephemeral Content

- 84. FOMO has been shown to be a strong motivator to keep children checking Social Media Platforms. In 2016, Meta also started implementing ephemeral content features in its Social Media Platforms to further induce a sense of FOMO in children, in order to keep them checking the Platforms.
- 85. Ephemeral content is made only temporarily available to users with notifications and visual design cues indicating that the content will soon disappear forever, encouraging users to frequently check their social media accounts.
 - 86. One example of ephemeral content is the "Stories" feature
- 87. The "Stories" feature was designed to show content for only a short amount of time before disappearing from the feed. This causes children to frequently open Meta's Social Media Platforms so they do not "miss out" on any new content.
- 88. Another example of ephemeral content is Instagram Live, also introduced in 2016, where content creators can live-stream content that users can watch and react to in real time. Unlike content delivery systems which permit a user to view existing posts on a schedule convenient for the user, content released through "Live" is only available in real time, such that a user's failure to quickly join the live stream when it begins means that the user will miss out on the chance to view the content entirely.
- 89. Meta makes sure that its users are notified of the potential to miss new live content, sending a push notification to interested users that reads, "[@user] started a live video. Watch it before it ends!"

90.

91. But Meta does not have to make these videos disappear. Rather, Meta chooses to use ephemeral content to induce a sense of urgency in children, so they feel a need to return to the Platforms—or miss out forever.

v. <u>Reels</u>

- 92. In 2020 and 2021, Meta upped the addictive design of its Social Media Platforms with the introduction of "Reels." Reels uses Meta's algorithms to present short-form videos based on data collected from each user to gauge their level of engagement. Reels then spoonfeeds users an infinite stream of short videos perfectly suited to monopolize the shorter attention spans of children.
- 93. Like infinite scrolling, Reels automatically and perpetually play as the user swipes the screen up to the next video. The short-form nature of Reels (between fifteen to ninety seconds, as of April 2023), and the frameless way it fills a user's screen, ensure that the user will not get bored and navigate away or close the app.
- 94. Meta deployed Reels to compete with competitors like TikTok, which offer similar features and were growing in popularity.
- 95. As the inventor of the infinite scroll feature, Aza Raskin, retrospectively reasoned in 2018:

It's as if they're taking behavioral cocaine and just sprinkling it all over your interface . . . [b]ehind every screen on your phone, there are generally like literally a thousand engineers that have worked on this thing to try to make it maximally addicting In order to get the next round of funding, in order to get your stock

price up, the amount of time that people spend on your app has to go up . . . [s]o, when you put that much pressure on that one number, you're going to start trying to invent new ways of getting people to stay hooked.

96. As the U.S. Surgeon General recently explained, children's attempt to resist social media is an unfair fight:

You have some of the best designers and product developers in the world who have designed these products to make sure people are maximizing the amount of time they spend on these platforms. And if we tell a child, use the force of your willpower to control how much time you're spending, you're pitting a child against the world's greatest product designers.¹⁷

97. Meta knows that children are particularly susceptible to the manipulations of the foregoing features and algorithms. Meta knows that compulsive and excessive use of its Platforms harms its users. And Meta knows that a foreseeable result of implementing those features was an increase in compulsive and excessive use among children. But Meta implemented those features and algorithms anyway.

B. <u>Compulsive and excessive use of Meta's Social Media Platforms harms children.</u>

- 98. In the United States, the use of social media among children, teens, and young adults began to dramatically increase in 2012. Meta acquired Instagram in 2012. Instagram went from 50 million users in 2012 to over 600 million users by 2016.
- 99. Increased use of Social Media Platforms, including those operated by Meta, results in psychological and health harms among children, including increased rates of major depressive episodes, anxiety, sleep disturbances, suicide, and other mental health concerns.

23

¹⁷ Allison Gordon & Pamela Brown, *Surgeon General says 13 is 'too early' to join social media*, CNN (Jan. 29, 2023), https://www.cnn.com/2023/01/29/health/surgeon-general-social-media/index html

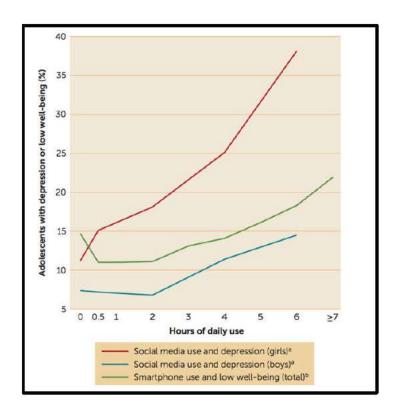


Figure 118

100.

20190015.

101. These harms are particularly acute in children.

102. During adolescence, risk-taking behavior is at its peak and self-esteem is at its most vulnerable. Brain regions associated with a desire for risk-taking, attention, peer feedback, and reinforcement become particularly sensitive in adolescence, while the regions associated with maturity and impulse control are not fully developed until adulthood. Because identities and

¹⁸ Jean M. Twenge, *Increases in Depression, Self-Harm, and Suicide Among U.S. Adolescents After 2012 and Links to Technology Use: Possible Mechanisms*, 2 PSYCHIATRIC RSCH. AND CLINICAL PRAC. 19, 22 (2020), https://prcp.psychiatryonline.org/doi/10.1176/appi.prcp.

24

sense of self are not yet fully formed, teens are more susceptible than anyone else to the danger, misinformation, peer pressure, and false images that abound on social media.

- 103. The brain goes through massive changes during adolescence, both maturing and even changing its actual structure. These changes are what help teenagers turn—eventually—into functioning adults—self-motivated, emotionally mature, less impulsive, and able to manage their own needs, and eventually those of a household. At the same time the brain is developing its impulse control and emotional stability, the area of the brain that feels pleasure in response to rewards is at peak activity. This is the system that controls dopamine, a chemical the brain releases in response to "rewards," emitting a feeling of pleasure. This mismatch in brain maturation means that children are highly susceptible to risky behaviors and temptations that can prove damaging to their development and well-being.
- Media Platforms unreasonably dangerous. Whatever benefits Meta's Social Media Platforms may provide, those benefits could be achieved without these addictive design features. The harms that excessive and compulsive use of Meta's Social Media Platforms cause New Hampshire children, which Meta promotes through these design features, far outweigh the benefits of those Platforms. As the U.S. Surgeon General advisory recognized, "the current body of evidence indicates that while social media may have benefits for some children and adolescents, there are ample indicators that social media can also have a profound risk of harm to the mental health and well-being of children and adolescents." ¹⁹

¹⁹ U.S. DEP'T OF HEALTH & HUM. SVCS., SOCIAL MEDIA AND YOUTH MENTAL HEALTH: THE U.S. SURGEON GENERAL'S ADVISORY 4 (2023), https://www.hhs.gov/sites/default/files/sg-youth-mental-health-social-media-advisory.pdf.

	105.	Moreover, any benefits of the Platforms to users could be maintained without the
manip	ulative	features they utilize to prolong time spent.
	_	

- 106. Children who use social media for at least five hours per day are many times more likely to have clinically relevant symptoms of depression than non-users. Heavy users of social media may emerge from puberty stunted or otherwise damaged, perhaps permanently. Indeed, frequent social media use has been associated with distinct changes in the developing brain in the amygdala, which is vitally important for impulse control and emotional regulation and could increase adolescent sensitivity to reward and punishment.
- 107. Those changes in brain structure largely track the changes experienced by people who become addicted to gambling or using drugs, activities that New Hampshire and federal law prevent minors from engaging in.
- 108. Young people have also been shown to be particularly susceptible to developing a fear of missing events or experiences when they are not online, known commonly as FOMO, and may feel an extra need to be connected at night by checking social media. Unsurprisingly, many teens frequently wake up at night specifically to check social media notifications.
- 109. Excessive and compulsive social media use has been shown to disrupt children's sleep. Heavy social media use is associated with poorer sleep patterns (*e.g.*, later sleep and wake times on school days and trouble falling back asleep after nighttime awakening) and poorer sleep quality.

110. This interference with sleep causes or exacerbates symptoms of depression and anxiety. Lack of sleep also has negative physical effects such as lowering the body's immune response.

111.

Yet Meta still continues

to use notifications and other practices that disrupt sleep.

- 112. A recent study showed that teens received a median of 237 notifications on their smart phones per day, with some users receiving as many as 4,500 in a single day. On average 23% of those notifications arrived during school hours and 5% during sleeping hours on school nights. As the study concluded, app developers, such as Meta, could eliminate notifications during times of day that are more disruptive to young people, but choose not to.
- 113. In 2021, more than 75% of New Hampshire teens reported getting fewer than eight hours of sleep on an average school night, with more than 20% reporting getting five or fewer hours of sleep. During that same period, over 37% of New Hampshire high schoolers reported five hours or more of screen time on an average school day.
- 114. Habitual social media use also affects how children's brains mature, and habitual social media users' brains develop differently than non-habitual-users in many key areas.
- 115. Researchers have identified a feedback loop: those who use social media habitually are less able to regulate their behavior. That habitual use, in turn, can lead back to more social media use. And restarting the cycle, that additional use makes it even harder to regulate the problematic behavior.
- 116. The harms associated with habitual or prolonged use are by no means hypothetical. Young people in the U.S. are in a mental health crisis. During the same time period

social media use increased, young people also began suffering severe mental health harms in greater numbers. Data from the Centers for Disease Control and Prevention show that the percentage of high school students "who experienced persistent feelings of sadness or hopelessness" skyrocketed between 2013 and 2021.²⁰

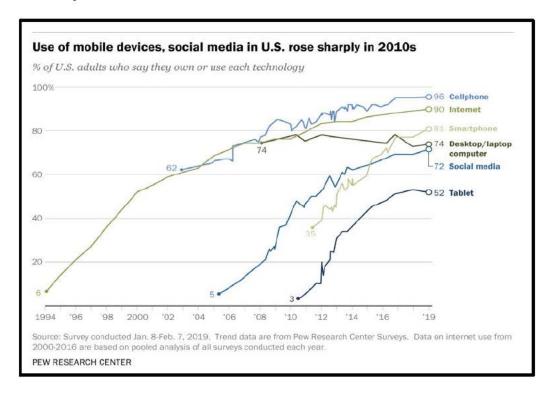


Figure 2²¹

²⁰ CTRS. FOR DISEASE CONTROL AND PREVENTION, YOUTH BEHAVIOR RISK SURVEY: DATA SUMMARY & TRENDS REPORT 61 (2023), https://www.cdc.gov/healthyyouth/data/yrbs/pdf/YRBS Data-Summary-Trends Report2023 508.pdf.

²¹ Katherine Schaeffer, *U.S. has changed in key ways in the past decade, from tech use to demographics*, PEW RSCH. CTR (Dec. 20, 2019), https://www.pewresearch.org/short-reads/2019/12/20/key-ways-us-changed-in-past-decade.

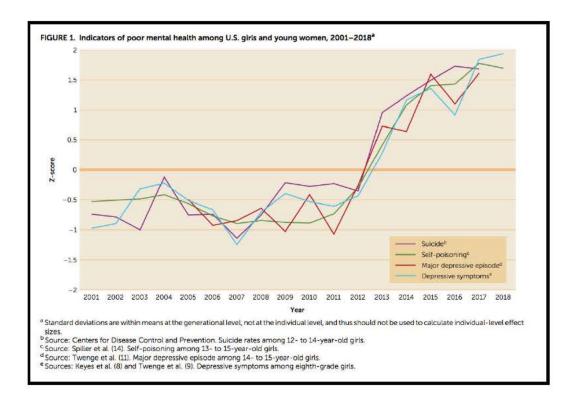


Figure 3²²

- 117. Risk of suicide is up too. In 2011, 19% of high school girls seriously considered attempting suicide. By 2021, that figure reached 30%. Adolescent girls aged twelve to seventeen saw the greatest increases in suicidal ideation and attempts in the same time period. Indeed, in 2013 alone, the suicide rate for thirteen-year-old girls jumped by 50%.
- 118. The mental health crisis among youth nationally is also affecting New Hampshire, which has witnessed an alarming worsening of mental health trends among teens since 2011.
- 119. In 2021, 44.2% of New Hampshire high schoolers reported feeling sad or hopeless almost every day for more than two weeks in a row, a 75% increase from levels

²² Jean M. Twenge, *Increases in Depression, Self-Harm, and Suicide Among U.S. Adolescents After 2012 and Links to Technology Use: Possible Mechanisms*, 2 PSYCHIATRIC RSCH. AND CLINICAL PRAC. 19, 20 (2020), https://prcp.psychiatryonline.org/doi/10.1176/appi.prcp. 20190015.

reported in 2011.²³ Similarly, the percentage of high school students who seriously considered suicide jumped from 14.3% in 2011 to 24.7% in 2021, a 72% increase; and suicide attempts increased from 6.1% to 9.8%, a 60% increase.²⁴

- 120. Due to the prevalence of serious mental health concerns for youth in New Hampshire and research linking excessive social media use to these harms, the Governor issued Executive Order 2023-04, diverting important State resources to studying and developing educational resources and public outreach to better understand the impacts of social media platforms on New Hampshire youth.
- 121. Notwithstanding Meta's knowledge of the harms excessive and compulsive use of its Social Media Platforms cause children, it continues to implement addictive features to induce prolonged use for its own profit.

C. Meta knows that children compulsively and excessively use its Social Media

	<u>Platforms</u> , to their detriment, but refuses to address the problem.
122.	
123.	
120.	

30

²³ NEW HAMPSHIRE DEP'T OF EDUC., 2021 YOUTH RISK BEHAVIOR SURVEY RESULTS – 10-YEAR TREND ANALYSIS REPORT 6, chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.education.nh.gov/sites/g/files/ehbemt326/files/inline-documents/sonh/2021nhhtrend-report-10-years_0.pdf.

²⁴ *Id.*

124.	
125.	Meta is well aware that
126.	
120.	
127.	

128.	Meta designs its Platforms to increase engagement by manipulating children's
dopamine lev	els.
129.	
130.	Meta researchers noted that teens "talk about the amount of time they spend on
Instagram as	one of the 'worst' aspects of their relationship to the app." Meta researchers
observed that	in conversations, teens had "an addicts' narrative about their use" and "wish[ed]
they could spe	end less time caring about it, but they can't help themselves."
131.	
132.	
152.	
122	
133.	
134.	Meta actively promotes compulsive and excessive social media use to the
detriment of c	children for its own profits. Meta also knows that children are facing a mental
health crisis.	

135.	
136.	
137.	Excessive passive social media use comes with significant opportunity costs.
Teens spend h	ours every day scrolling on Meta's Social Media Platforms, when they could be
actively engag	ing with their peers or the physical world.
138.	
139.	
	As users
passively scrol	ll through their personalized feeds, they are viewing more advertisements and
more of their o	lata is being collected to further inform the personalization algorithm.
140.	Social media platforms could offer tools and settings that remind or force users to
stop after spen	ding too long on the platform. Since 2018 Meta has touted so-called "time-
management to	ools" on its Social Media Platforms which are nothing more than notifications and
reminders to s	top scrolling that most users dismiss.

5

- 142. Rather than acknowledging that it has harmed children and working to rectify the harms it has caused, Meta has indicated that it is replicating the acts and practices alleged herein into Meta's other existing and under-development products.
 - III. Meta misrepresents the safety of its Social Media Platforms, addictive design features, and its prioritization of user well-being.
- 143. Rather than taking responsibility for the harm it has caused New Hampshire youth and modifying its manipulative features and algorithms, Meta chose a path of deception—claiming that it prioritizes its users' well-being and thereby misleading children, their parents, and the public at large about the harms it knows its Social Media Platforms cause.

144.

But while Meta constantly reassures parents, lawmakers, and users that its Social Media Platforms are suitable for children and designed to promote their well-being, it continues to conceal information, omit material facts, and misstate the truth about its Platforms.

Specifically, Meta has unlawfully deceived consumers and the public regarding: (1) the safety of

its Social Media Platforms; (2) design features that induce prolonged use of the Platforms; and (3) the company's prioritization of profits over the well-being of users.

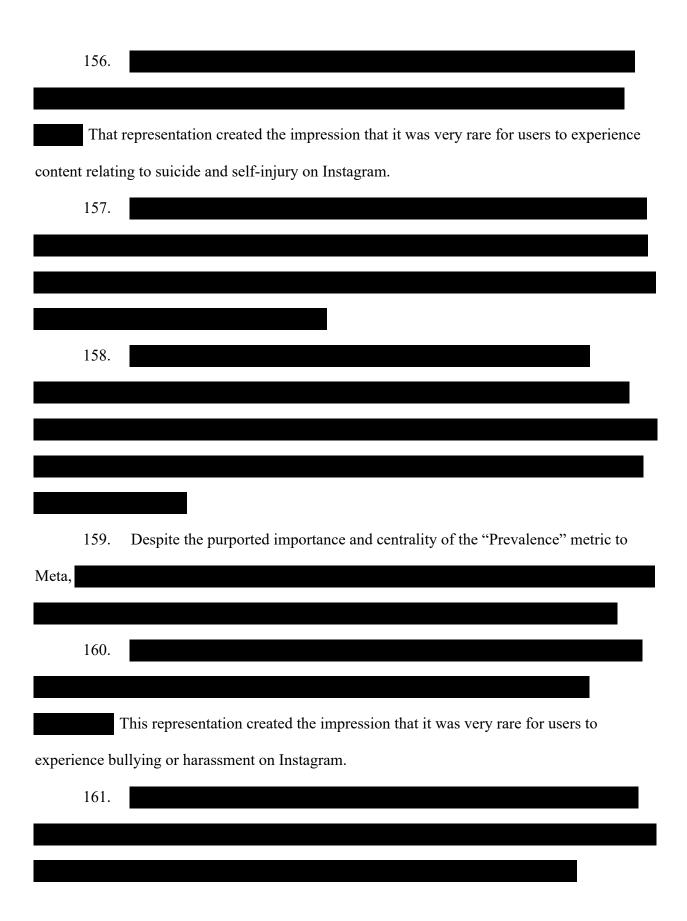
A. Meta misrepresents the safety of its Social Media Platforms.

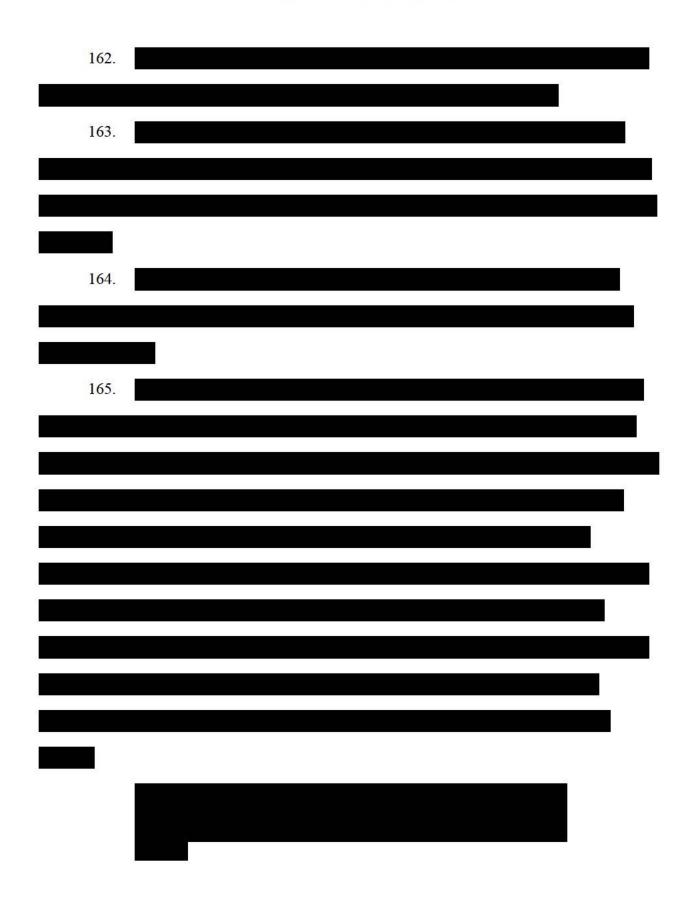
- 145. Meta's Social Media Platforms' public-facing community guidelines stress that Meta works to keep its Social Media Platforms safe for users. Meta's website stresses that "[w]e're committed to keeping people safe and making a positive impact."
- 146. While publicly Meta represents that it takes measures to keep its users safe and that it prioritizes safety, it knows of significant harms that users face on its Platforms that it fails to disclose and, in some instances, actively conceals. Examples of these deceptive practices include: presenting misleading statistics to the public; concealing negative internal research; failing to disclose the prevalence of adult-predatory contact; and misrepresenting children's exposure to inappropriate and harmful content.
 - i. Meta publishes safety data it knows is misleading.

147	Meta regularly publishes public Community Standard Enforcement Reports (the
"Reports"	or "CSER") that boast very low rates of its Community Standards being violated,
148	3.

149. The Reports, published quarterly, describe the percentage of content posted on Instagram that Meta removes for violating Instagram's Community Standards. Meta often refers

to that percentage as its "Prevalence" metric.
150. Meta has publicly represented that the "Prevalence" statistics in the Reports are a
reliable measure of the safety of its Social Media Platforms, even going so far as to assert that
the CSER "Prevalence" numbers were "the internet's equivalent" of scientific measurements
utilized by environmental regulators to assess the levels of harmful pollutants in the air.
151. The Reports are used by Meta to imply that, because Meta aggressively enforces
its Community Standards—thereby reducing the "Prevalence" of Community-Standards-
violating content—Meta's Social Media Platforms are safe products that only rarely expose users
(including children) to harmful content and harmful experiences.
152. However, that representation is false. In reality, bullying and harassing content is
rampant on Meta's Social Meta Platforms; most of it just does not violate Meta's Community
Standards, which a reasonable consumer would not know.
153.
154.
155.

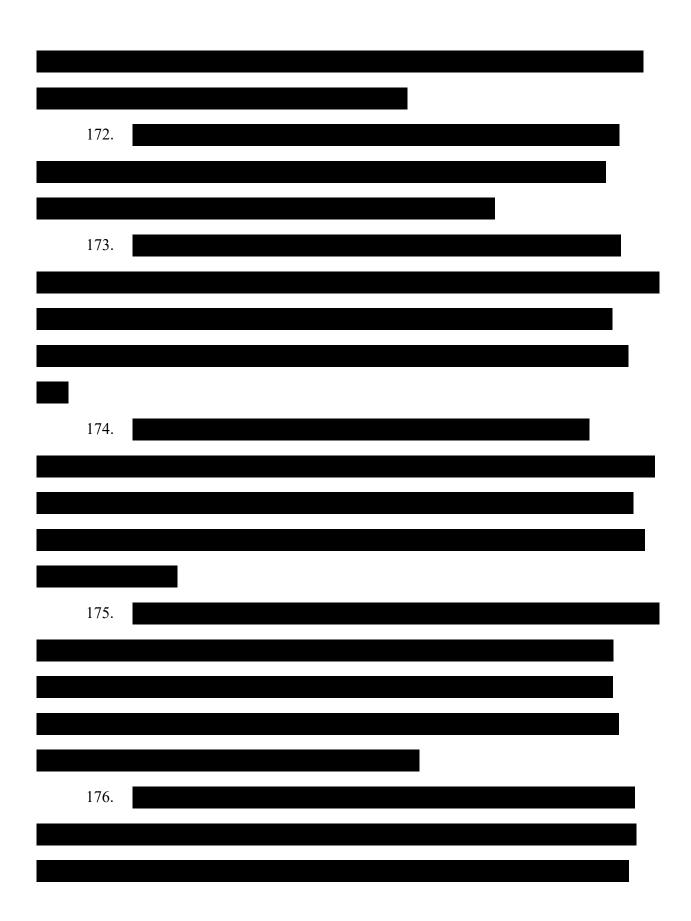




- ii. <u>Meta promotes its Platforms as safe while concealing negative internal research from researchers and the public.</u>
- 166. Meta has also taken steps to hide its internal knowledge of the harms its users experience on its Platforms. As regulators, researchers, and the public at large began to scrutinize the harmful effects of social media more closely, Meta adopted a false veneer of transparency while concealing its own knowledge about its Platforms' harms.
- 167. Meta carefully shields the inner workings of its Social Media Platforms—and their harms—from the public eye. Meta has a history of denying access to researchers to stymic negative research on its Social Media Platforms.
- 168. As part of the effort to conceal its internal findings, Meta has misled external researchers, regulators, and the public about the existence of research documenting the Social Media Platforms' harms.

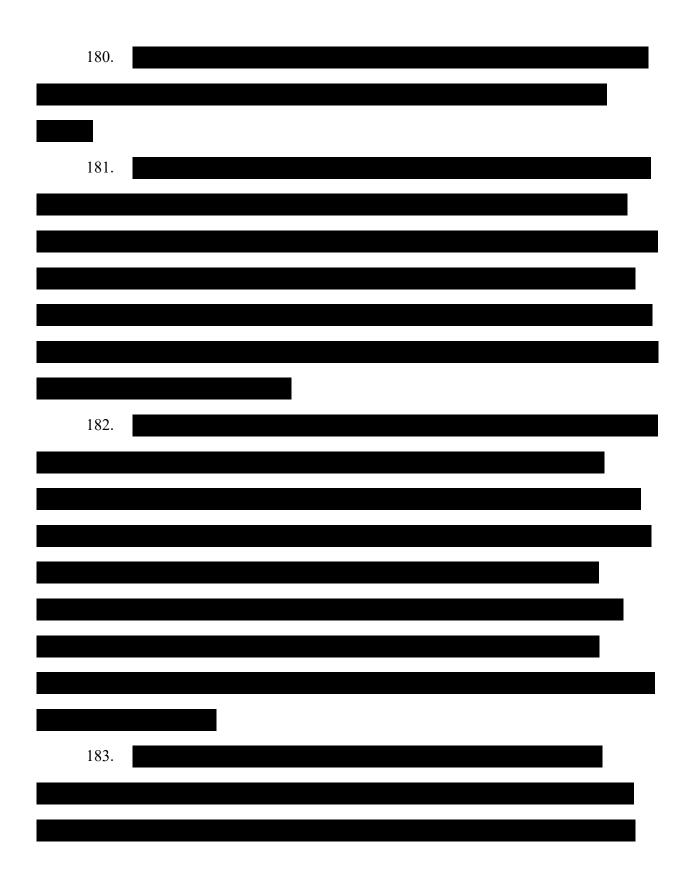
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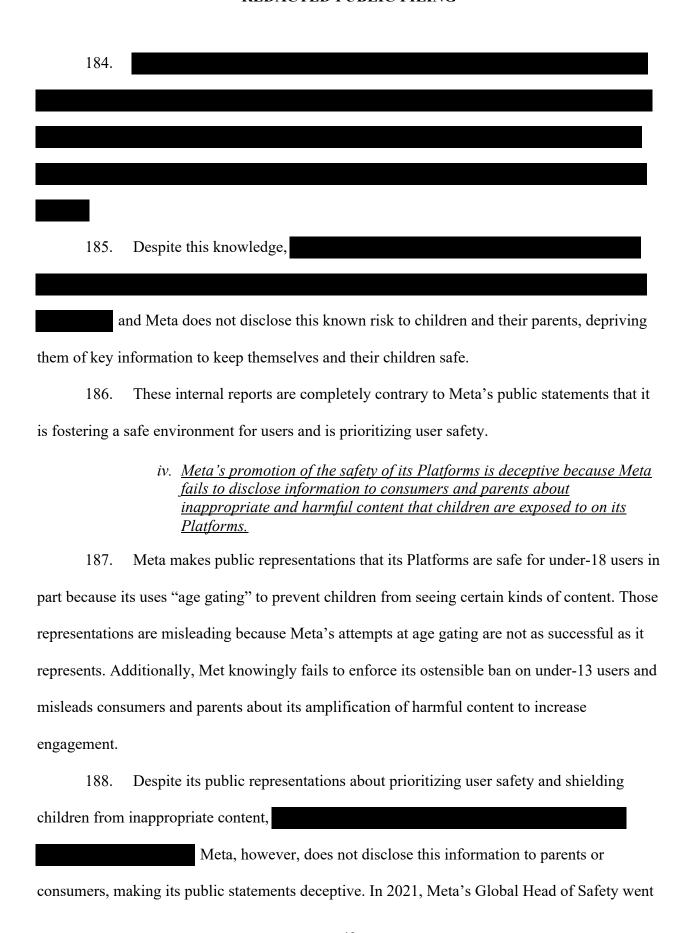
 170.



177. On information and belief, this is just a small subset of the research that Meta ha
conducted on the harms of its Social Media Platforms. Meta has not released the information
from the studies referenced in this Complaint or taken steps to disclose the harms Meta learned
from its internal research.
178.

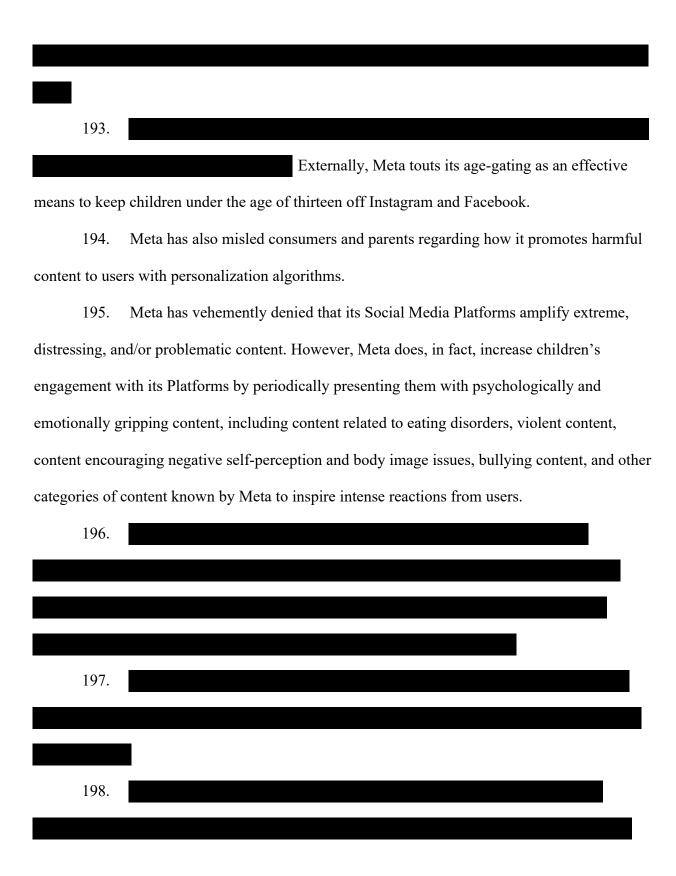
- iii. Meta promoting its Platforms as safe is deceptive because Meta knows and fails to disclose the prevalence of adult-predatory contact on its <u>Platforms.</u>
- 179. Meta has been aware for years that adult-predatory contact is an issue on its Social Media Platforms, and it has failed to effectively counteract the problem. Because it fails to disclose these known risks to children and their parents, Meta's representations regarding the safety of its Platforms are deceptive.





so far as to testify to Congress that "we don't allow young people to see certain types of content. And we have age gating around certain types of content." She also testified: "When it comes to those between 13 and 17, [w]e consult with experts to ensure that our policies properly account for their presence, for example, by age-gating content."

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100
199.
200. Meta has the means to remove or, at the very least, not actively promote content
that it knows is harmful for children.

- 201. Even though Meta knows that its products are harmful to teenagers' mental health, Meta externally characterizes Instagram as a source of support for teens struggling with thoughts of suicide and self-harm and mental health issues generally.
- 202. Meta knows that its personalization algorithms lead children to inappropriate and harmful content, but it has not disclosed that information to consumers or the public or taken actions that could alleviate those harms.
- 203. Meta's deception regarding the appropriateness of content for children and its personalization algorithms' promotion and amplification of harmful content deprives child users (and their parents) of informed decision-making regarding whether or not (and how) to engage with Meta's Social Media Platforms.

В.	<u>Meta misrepresents that its Social Media Platforms are not designed to ho</u>	<u>ok</u>
	children.	

204.	For years, Meta has misled the public by claiming that is does not prioritize time
spent on its Pl	atforms. But one of Meta's key goals is to induce all users, including children, to
spend ever inc	creasing amounts of time on its Social Media Platforms. And Meta's internal
communication	ons reveal that it does, in fact, consciously design its Platforms to increase user time
spent.	
205.	
	In October 2019, Mark
Zuckerberg pu	ablicly stated that Meta does not allow Meta "teams [to] set goals around increasing
time spent on	[Meta's] services."
206.	
207.	The reality is that Meta closely tracks several data points about its teen users that
are very close	ly related to, and, in effect, proxies for, time spent, including users' average daily
use and numb	er of sessions per day.

208.
209.
210. Sean Parker, founding president of Meta, explicitly acknowledged that the
purpose behind Meta's Social Media Platforms was consuming children's time:
The thought process that went into building these applications, Facebook being the first of them was all about: "How do we consume as much of your time and conscious attention as possible?" That means that we need to sort of give you a little dopamine hit every once in a while, because someone liked or commented on a photo or a post or whatever. And that's going to get you to contribute more content and that's going to get you more likes and comments It's a social-validation feedback loop exactly the kind of thing that a hacker like myself would come up with, because you're exploiting a vulnerability in human psychology. The inventors, creators—me, Mark [Zuckerberg], Kevin Systrom on Instagram, all of these people—understood this consciously. And we did it anyway.
C. Meta misrepresents that it prioritizes the well-being of its users when in factit implements features that it knows increase harm.
211. For years, Meta has publicly claimed that its top priority is well-being, and that
Instagram is a safe and age-appropriate Platform for children. However, Meta knows these

claims are misleading. Meta continually chooses profits over the health and safety of its users

when making decisions regarding the design and management of its Social Media Platforms.

212.

Meta's public statements create the deceptive impression that, when faced with a choice between features that promote addictive user engagement and features that promote user well-being, Meta would choose the latter, but in reality, Meta consistently chooses the former.

- 213. One key example was Meta's choice to not implement Project Daisy.
- 214. In 2020, Meta ran a test program called "Project Daisy," where the "like" counts on Instagram posts were hidden.

215. While the pilot project was underway, Meta publicly touted the program as an example of the company's prioritization of user well-being. As early as 2019, Mark Zuckerberg publicly announced that Meta was "testing removing like counts on Instagram and Facebook. We do this because we know that if we help people have meaningful interactions, they'll find our services more valuable." Throughout 2019 and 2020, Instagram publicly promoted Project Daisy as Instagram's move to address the "potentially corrosive impact of social media" and used it as an example of how Instagram is "[w]illing to make changes that will reduce the amount of time people spend on Instagram if it makes them safer."



Figure 4²⁵

	* *
216.	
217.	
	Meta did not remove the
"likes" featur	e for children on Instagram or any of its Platforms. Instead, Meta required each
individual use	er to opt in if they wished to hide "like" counts from their feed.
218.	

²⁵ Amy Chozick, *This is the Guy Who's Taking Away the Instagram Likes*, N.Y. TIMES (Jan 17, 2020), https://www.nytimes.com/2020/01/17/business/instagram-likes.html.

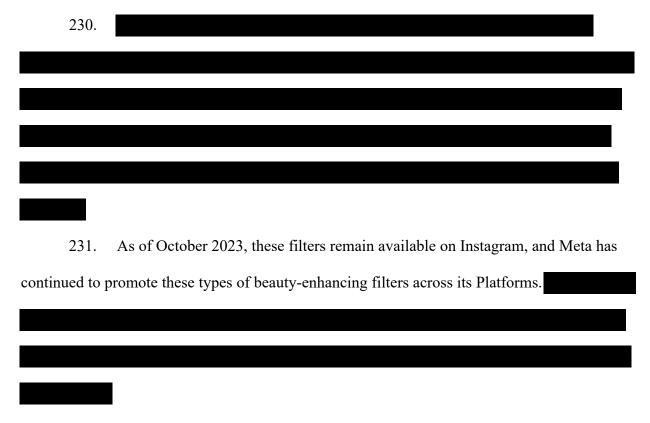
219. When releasing the new "opt-in" version of Daisy, Instagram downplayed its failure to launch Daisy as promised, instead touting the new version of Daisy as a way Meta was giving users "more control on Instagram and Facebook." Meta told consumers: "What we heard from people and experts was that not seeing like counts was beneficial for some, and annoying to others, particularly because people use like counts to get a sense for what's trending or popular, so we're giving you the choice."

220. Rather than own its decision to not implement Daisy,

221.

- 222. Another key example is Meta's decision to maintain plastic surgery camera filters.
- 223. Meta tells parents that it takes steps to combat body dissatisfaction and eating disorder content on its Platforms. Meta claimed in its "Parent's Guide" that it published on its website for "parents with teens who use Instagram" that it "work[s] with experts to help inform our product and policies" around eating disorders. Similarly, in 2021, Meta's Global Head of Safety testified before Congress that Meta removes content promoting eating disorders from its Platforms, including by using AI.

224.	However, Meta deploys and makes available visual selfie camera filters that
simulate facial	plastic surgery on its Social Media Platforms,
225.	After public backlash in 2019, Meta's initial response was to institute a temporary
ban on the cam	era filters.
226.	
227.	
228.	
229.	



232. In short, contrary to Meta's public statements touting the company's commitment to user well-being, where there is a conflict between well-being and profit, Meta consistently chooses profit.

COUNT I VIOLATIONS OF THE CONSUMER PROTECTION ACT RSA § 358-A:2 (Unfair Acts or Practices-Manipulative and Addictive Design Features)

- 233. The State realleges and incorporates by reference each of the allegations contained in the preceding paragraphs as if set forth fully herein.
 - 234. The CPA is a comprehensive statute, and its terms should be broadly applied.
- 235. The CPA makes it unlawful for any person to use any unfair act or practice in the conduct of trade and commerce within the State.
- 236. Defendants at all relevant times are engaged in trade and commerce through advertising and distributing their Social Media Platforms in the State and by using their

Platforms to advertise third-party products and services in the State, thus directly and/or indirectly affecting the people of this State.

- 237. Defendants continue to commit unfair acts in violation of the CPA that (1) offend public policy and are within the penumbra of an established concept of unfairness, including, without limitation, youth addiction, (2) are immoral, unethical, oppressive, and/or unscrupulous, and (3) cause substantial injury to consumers in the State.
- 238. As described in detail in the Complaint, Defendants, at all relevant times, intentionally incorporate addictive design features and algorithms into their Social Media Platforms notwithstanding a thorough understanding of the harms suffered by children who use their Platforms and the role their Platforms play in exacerbating existing harms. Instead of taking measures to mitigate these damaging effects, Defendants turn a blind eye to these damaging effects and persist in exploiting children's psychological vulnerabilities. Defendants' acts and omissions constitute knowing decisions causing unnecessary and unjustified harm to children for Defendants' financial gain.
- 239. Defendants' acts and omissions alleged herein have caused and continue to cause substantial injury to consumers that could not be reasonably avoided. Children cannot reasonably avoid injuries resulting from Defendants' acts and omissions, including because Defendants misrepresent and fail to disclose the dangerous nature of their Social Media Platforms and because Defendants utilize psychologically manipulative, engagement-inducing features, knowing that children are especially susceptible to those psychologically manipulative tactics.
- 240. Meta's unfair acts and practices include its choice to target its Social Media Platforms to children while knowingly designing its Platforms to include features known to promote compulsive, prolonged, and unhealthy use by children.

- 241. Such unfair and addictive design features that Meta incorporates into its Social Media Platforms include: (1) personalization algorithms; (2) push notifications and alerts; (3) infinite scroll and autoplay; (4) ephemeral content; and (5) Reels.
- 242. Disruptive alerts, infinite scroll, autoplay, features promoting ephemeral content, and Reels are unfairly utilized by Defendants to extract additional time and attention from children whose developing brains are not equipped to resist those manipulative tactics.
- 243. Defendants design, develop, and deploy disruptive audiovisual and vibrating notifications, alerts, and ephemeral content features in a way that exploit children's psychological vulnerabilities and cultivate a sense of "fear of missing out" to induce children to spend more time on Meta's Platforms than they would otherwise.
- 244. By algorithmically serving content to children according to "variable reward schedules," Defendants manipulate dopamine releases in children who use their Platforms, unfairly inducing them to engage repeatedly with their products—much like a child gambling at a slot machine.
- 245. The unfair conduct alleged herein is not based on the content posted, but rather the manipulative and addictive design features that Defendants intentionally incorporate into their Platforms.
- 246. Thus, in numerous instances, Defendants engage in unfair practices by taking actions to facilitate children's unhealthy use of their Social Media Platforms. Defendants' choices to expose children to each of the features described above, individually and in combination, constitute unfair acts or practices, in part because those exposures cause substantial injury to children that they cannot reasonably avoid, especially in view of those users' psychological and developmental vulnerabilities.

- 247. Meta's conduct, as described in this Complaint, meets and exceeds a level of rascality that would raise an eyebrow of someone inured to the rough and tumble of the world of commerce.
- 248. New Hampshire consumers have suffered and continue to suffer substantial injury as described above by reason of Meta's conduct. They suffer substantial injury because Meta's conduct unreasonably creates obstacles to the free exercise of consumer decision-making and induces users to spend significant time on the Platforms, including time the users themselves report that they do not want to spend on the Platforms. The addictive design features of Meta's Social Media Platforms negatively impact children's brain development, sleep, and overall mental health and well-being, and cause serious harm to youth in New Hampshire. Meta also uses the addictive design features to collect more data about the users, which is itself an injury to the users.
- 249. While users may also suffer other harms from third-party content on Meta's Social Media Platforms, the harms to children in New Hampshire listed above: unreasonable obstacles to the free exercise of consumer decision-making; a compulsion to spend significant time, including unwanted time, on the Platforms; and negative impacts to brain development, sleep, and overall mental health and well-being result, at least in part, from Meta's intentionally addictive design choices, and not from third-party content on the Platforms.
- 250. As a direct result of the unfair practices described above, Meta obtained income, profits, and other benefits that it would not otherwise have obtained.
- 251. Each instance in which Defendants engage in an unfair act or practice as recited above constitutes a separate violation of the CPA.

- 252. Defendants' violations present a continuing harm, and the unfair acts and practices complained of here affect the public interest.
- 253. Pursuant to RSA § 358-A:4, III, the State requests an order permanently enjoining Meta from engaging in these unfair acts and practices.
- 254. Pursuant to RSA § 358-A:4, III(a), the State requests an order directing restitution to consumers.
- 255. Pursuant to RSA § 358-A:4, III(b), the State requests an order assessing civil penalties in the amount of \$10,000 against Meta for each violation of the CPA.
- 256. Pursuant to RSA § 358-A:6, IV, the State requests an order awarding to the State all legal costs and expenses.

COUNT II VIOLATIONS OF THE CONSUMER PROTECTION ACT RSA § 358-A:2 (Deceptive Practices)

- 257. The State realleges and incorporates by reference each of the allegations contained in the preceding paragraphs as if set forth fully herein.
 - 258. The CPA is a comprehensive statute, and its terms should be broadly applied.
- 259. The CPA makes it unlawful for any person to use any deceptive act or practice in the conduct of trade and commerce within the State.
- 260. Defendants at all relevant times are engaged in trade and commerce through advertising and distributing their Social Media Platforms in the State and by using their Platforms to advertise third-party products and services in the State, thus directly and/or indirectly affecting the people of this State.
- 261. By engaging in the acts and practices alleged herein, Defendants are engaged in deceptive acts or practices affecting State consumers, including by making or causing to be made

to State consumers, directly or indirectly, explicitly or by implication, misrepresentations as to material facts which have a tendency to mislead consumers and by omitting material facts such that the statements Defendants make are likely to confuse and/or mislead consumers regarding the nature and safety of Defendants' Social Media Platforms, in violation of RSA § 358-A:2.

- 262. In numerous instances in connection with the advertising, marketing, promotion, and other representations regarding their products, including through the actions described herein, Defendants use deceptive practices, directly or indirectly, expressly or by implication, with the intent that consumers rely on Meta's deceptive practices, including but not limited to the following: (a) deceptively representing that Meta's Platforms are safe, and failing to disclose and/or actively concealing information that shows that Meta's Platforms are not safe; (b) misrepresenting that Meta's Social Media Platforms are not designed to hook children; and (c) misrepresenting that Meta prioritizes user well-being over profits.
- 263. Each of the above misrepresentations and instances of misleading conduct individually and in combination constitutes a deceptive act or practice within the meaning of the CPA.
- 264. In addition to Meta's misleading statements, Meta's omissions of material fact rendered even seemingly truthful statements about Meta's Social Media Platforms false and misleading.
- 265. At the times Meta made or disseminated its false and misleading statements, or caused these statements to be made or disseminated, Meta knew or recklessly disregarded that the statements were false or misleading and therefore likely to deceive consumers and the public.

- 266. Meta knew or recklessly disregarded that its deceptive practices, including its misrepresentations and omissions, created a false or misleading impression of the risks associated with the use of its Social Media Platforms.
- 267. Meta's conduct, as described in this Complaint, meets and exceeds a level of rascality that would raise an eyebrow of someone inured to the rough and tumble of the world of commerce.
- 268. As a direct result of the deceptive practices described above, Meta obtained income, profits, and other benefits that it would not otherwise have obtained.
- 269. Each instance in which Defendants engages in a deceptive act or practice as recited above constitutes a separate violation of the CPA.
- 270. Defendants' violations present a continuing harm, and the unlawful acts and practices complained of here affect the public interest.
- 271. Pursuant to RSA § 358-A:4, III, the State requests an order permanently enjoining Meta from engaging in these deceptive acts and practices.
- 272. Pursuant to RSA § 358-A:4, III(a), the State requests an order directing restitution to consumers.
- 273. Pursuant to RSA § 358-A:4, III(b), the State requests an order assessing civil penalties in the amount of \$10,000 against Meta for each violation of the CPA.
- 274. Pursuant to RSA § 358-A:6, IV, the State requests an order awarding to the State all legal costs and expenses.

COUNT III STRICT PRODUCTS LIABILITY (Defective Design)

275. The State realleges and incorporates by reference each of the allegations contained in the preceding paragraphs as if set forth fully herein.

- 276. Meta's Social Media Platforms and their features are products and Meta is in the business of, and generates a profit from, supplying its Social Media Platforms to consumers.
- 277. Meta sells the use of its Social Media Platforms to consumers in an in-kind transaction in exchange for the consumers' time, attention, and data, as memorialized in the contracts that Meta enters into with users of Facebook and Instagram.
- 278. Defendants consistently refer to their Social Media Platforms and their features as "products."

Meta builds technologies and services that enable people to connect with each other, build communities, and grow businesses. These Terms govern your use of Facebook, Messenger, and the other products, features, apps, services, technologies, and software we offer (the Meta Products or Products), except where we expressly state that separate terms (and not these) apply. These Products are provided to you by Meta Platforms, Inc.

Figure 5²⁶

- 279. Defendants are engaged in the business of designing, developing, programming, marketing, distributing, and profiting from their Social Media Platforms.
- 280. Defendants have complete control over the design of their Social Media Platforms.
- 281. The manipulative design features and algorithms that Defendants intentionally include in their Social Media Platforms create defective conditions that are unreasonably dangerous to children.

²⁶ Facebook Terms of Service, https://www.facebook.com/legal/terms?paipv=0&eav=AfZ0dpJ _MJ6X54KkbqqGVL8JgvZoGYSzWadeSHtYjqPxlpu2mnDFCAD5MZPIr9ajzKE&_rdr (last visited Oct. 23, 2023).

- 282. Defendants intentionally designed their Social Media Platforms to manipulate children into excessively and compulsively them.
- 283. Defendants profit from children's use of the products and profit more when children use the products more.
- 284. Meta's Social Media Platforms were defective at the time the products left

 Defendants' control and reached the user or consumer without substantial change in condition.
- 285. Children's compulsive and excessive use of the products was reasonably foreseeable by Defendants.
- 286. A great portion of those children suffer severe psychological and other harms, as alleged throughout this Complaint.
- 287. Defendants' Social Media Platforms are defective products because: (a) the risks of Defendants' Social Media Platforms, including the risks of addiction or compulsive use, outweigh the benefits of those Platforms; and (b) the foreseeable risks of harm could have been reduced or avoided by adopting reasonable alternative designs that would not have diminished any benefits of the Platforms—omitting the alternative designs render Defendants' Social Media Platforms not reasonably safe.
- 288. The following design features, among others, render Defendants' Social Media Platforms unreasonably dangerous because they disrupt sleep and promote problematic and compulsive use: (1) the personalization algorithm; (2) push notifications and alerts; (3) infinite scroll and autoplay; (4) ephemeral content; and (5) Reels.
- 289. Defendants could have feasibly made Meta's Social Media Platforms less dangerous by omitting or modifying its harmful features like autoplay, infinite scroll, features

promoting ephemeral content, and alerts. Those design elements could be modified without substantially affecting the products' cost or effectiveness.

- 290. Additionally, Meta's Social Media Platforms are defectively designed in that they fail to perform as safely as an ordinary consumer or user would reasonably expect when put to their foreseeable or intended use.
- 291. Defendants' defective design of their Social Media Platforms causes children serious harm as set forth throughout this Complaint. The addictive design features of their Social Media Platforms negatively impact children's brain development, sleep, and overall mental health and well-being, and have caused serious harm to youth in New Hampshire.
- 292. The State and its citizens have suffered and will continue to suffer substantial injury as a result of Defendants' defective products and the unlawful acts and practices complained of here, which affect the public interest.
- 293. The State, on behalf of itself and its citizens, has suffered damages in an amount to be proven at trial.
- 294. The wrongful acts of Defendants as described throughout this Complaint were committed intentionally, wantonly, maliciously, and/or oppressively. The State, therefore, is entitled to enhanced compensatory damages.

COUNT IV STRICT PRODUCTS LIABILITY (Failure to Warn)

- 295. The State realleges and incorporates by reference each of the allegations contained in the preceding paragraphs as if set forth fully herein.
- 296. Meta's Social Media Platforms and their features are products and Meta is in the business of, and generates a profit from, supplying its Social Media Platforms to consumers.

- 297. Meta sells the use of its Social Media Platforms to consumers in an in-kind transaction in exchange for the consumers' time, attention, and data, as memorialized in the contracts that Meta enters into with users of Facebook and Instagram.
- 298. Defendants consistently refer to their Social Media Platforms and their features as "products."

Meta builds technologies and services that enable people to connect with each other, build communities, and grow businesses. These Terms govern your use of Facebook, Messenger, and the other products, features, apps, services, technologies, and software we offer (the Meta Products or Products), except where we expressly state that separate terms (and not these) apply. These Products are provided to you by Meta Platforms, Inc.

Figure 6²⁷

- 299. Defendants are engaged in the business of designing, developing, programming, marketing, distributing, and profiting from their Social Media Platforms.
- 300. Defendants have complete control over the design of their Social Media Platforms.
- 301. The manipulative design features and algorithms that Defendants intentionally include in their Social Media Platforms create defective conditions that are unreasonably dangerous to children.
- 302. Defendants intentionally designed their Social Media Platforms to addict children or otherwise cause them to compulsively use their Social Media Platforms.
- 303. Defendants profit from children's use of the products and profit more when children use the products more.

²⁷ Id.

- 304. Meta's Social Media Platforms are more dangerous than an ordinary user, with ordinary knowledge available in the community, would anticipate.
- 305. Meta's Social Media Platforms are defective products because the instructions and warnings Meta supplies are inadequate and not sufficiently understandable to warn users of the dangers of the Social Media Platforms that are not readily apparent.
- 306. While Defendants know of these foreseeable risks, the existence and magnitude of these risks are not readily apparent and not reasonably known to ordinary users, and the Social Media Platforms are not obviously inherently dangerous.
- 307. The foreseeable harms could have been reduced or avoided by providing reasonable instructions or warnings.
- 308. The omissions of those instructions or warnings render Defendants' Social Media Platforms not reasonably safe.
- 309. Defendants' failure to warn of the risks associated with the use of their Social Media Platforms has caused children serious harm as set forth throughout this Complaint. Meta's Social Media Platforms negatively impact children's brain development, sleep, and overall mental health and well-being, and have caused serious harm to youth in New Hampshire.
- 310. The State and its citizens will continue to suffer substantial injury as a result of Defendants' defective products, and the unlawful acts and practices complained of here affect the public interest.
- 311. The State, on behalf of itself and its citizens, has suffered damages in an amount to be proven at trial.

312. The wrongful acts of Defendants as described throughout this Complaint were committed intentionally, wantonly, maliciously, and/or oppressively. The State, therefore, is entitled to enhanced compensatory damages.

COUNT V NEGLIGENCE

- 313. The State realleges and incorporates by reference each of the allegations contained in the preceding paragraphs as if set forth fully herein.
- 314. Defendants have a duty to exercise due care in the design, manufacture, marketing, distribution, and labeling of their Social Media Platforms and to make their Social Media Platforms reasonably safe for all foreseeable users of the Platforms. Children are intended and foreseeable users of Defendants' Social Media Platforms.
- 315. Defendants breached that duty by including addictive design features that caused children to compulsively and excessively use Defendants' Social Media Platforms and by failing to warn children and their parents of the risks of using their Social Media Platforms.
- 316. Defendants' negligence is both the proximate and actual cause of harm to the State and the State's children.
- 317. Defendants' negligence causes children serious harm as set forth throughout this Complaint. The addictive design features of their Social Media Platforms negatively impact children's brain development, sleep, and overall mental health and well-being, and have caused serious harm to youth in New Hampshire.
- 318. The State and its citizens have suffered and will continue to suffer substantial injury as a result of Defendants' negligence and the unlawful acts and practices complained of here affect the public interest.

319. The State, on behalf of itself and its citizens, has suffered damages in an amount

to be proven at trial.

320. The wrongful acts of Defendants as described throughout this Complaint were

committed intentionally, wantonly, maliciously, and/or oppressively. The State, therefore, is

entitled to enhanced compensatory damages.

PRAYER FOR RELIEF

WHEREFORE, the State requests this Court enter a judgment in its favor and grant relief

against Defendants as follows:

(a) Permanently enjoin Defendants from engaging in the unlawful acts alleged in the

Complaint including the deceptive and unfair acts and practices;

(b) Order Defendants to pay restitution to impacted consumers in the amount to be

proven at trial;

(c) Award civil penalties of \$10,000 per violation of the CPA;

(d) Award the State compensatory and consequential damages in an amount to be

proven at trial;

(e) Award the State enhanced compensatory damages in an amount to be proven at

trial;

(f) Award the State all legal costs and expenses, including reasonable attorneys'

fees, as permitted by law;

(g) Award the State such further relief as the Court deems just and proper.

JURY DEMAND

The State demands a trial by jury.

Dated: October 24, 2023

Respectfully submitted,

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THE STATE OF NEW HAMPSHIRE

JOHN M. FORMELLA ATTORNEY GENERAL

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^{*}Pro Hac Vice applications forthcoming