IN THE CIRCUIT COURT OF PHILLIPS COUNTY, ARKANSAS CIVIL DIVISION

STATE OF ARKANSAS, ex rel. TIM GRIFFIN, ATTORNEY GENERAL

PLAINTIFF

v. CASE NO. 54CV-24_____

ALPHABET INC., XXVI HOLDINGS INC., GOOGLE LLC, and YOUTUBE, LLC,

DEFENDANTS

COMPLAINT

I. Introduction

- 1. One of the gravest public health threats to teenagers in the United States today is the soaring rate of mental and behavioral health disorders, including depression, self-harm, body dysmorphia, and increased suicidal thoughts and attempts at suicide.
- 2. This increase in mental health problems among children is not an accident, but rather, the result of calculated efforts by social media companies to attract and addict youth to their platforms and to grow revenues without regard for the harmful effects that these companies know exist.
- 3. Alphabet, Google, XXVI Holdings, and YouTube (collectively referred to as "Defendants" or "YouTube") design, market, promote, and operate social-media platforms. Their platforms have grown exponentially over the past decade, particularly among children and teens. They do so through their flagship YouTube product, through their youth product called YouTube Kids, and through their paid subscription services called YouTube Premium and YouTube TV.

- 4. YouTube is a social-media product where users can post, share, comment on, and consume countless hours of video content related to a vast range of topics. Billions of hours of videos are watched on YouTube every day. YouTube is now the most popular social-media platform among adolescents and has over 2.7 billion logged-in users every month.
- 5. The primary metric of success for these social-media giants is engagement.

 Attention equals engagement, and engagement produces advertising revenue.
- 6. In the pursuit of profits and market share, YouTube deliberately designs its platform to attract and addict youth by including specific, carefully calibrated features known to keep users engaged for as long, as frequently, and as intensely as possible. Defendants deliberately employ strategies designed to maximize engagement, including using algorithms to curate video suggestions and play them automatically, and using Intermittent Variable Rewards ("IVRs") to intentionally alter users' behavior, creating habits, addiction, and an overall harmful experience for minors.
- 7. YouTube knows minors are particularly vulnerable to these features as their prefrontal cortices, the part of the brain that plays a central role in self-regulation, are not fully developed. This undeveloped capacity for self-regulation means minors are particularly vulnerable to chasing the stimuli of social media, *e.g.*, YouTube notifications and "likes," which provide an instant reward in the form of dopamine, even when that social-media use becomes harmful.³

¹ YouTube for Press, YouTube, https://blog.youtube/press/ (last visited July 17, 2024).

² *Id*.

³ Nino Gugushvili et al., Facebook Use Intensity and Depressive Symptoms: a Moderated Mediation Model of Problematic Facebook Use, Age, Neuroticism, and Extraversion at 3, BMC Psych. 10, 279 (Nov. 28, 2022), https://doi.org/10.1186/s40359-022-00990-7 (explaining that

- 8. Dangers of the effects of social media on teenagers include: (a) social comparison (when everyone else's life or body looks better online); (b) displacement (social media replacing sleep, exercise, and real interaction); (c) algorithms that prod children toward unhealthy content about eating disorders and the like; and (d) pornography reaching children on social media at younger ages. These dangers disproportionately affect girls.⁴ And most extensive studies show that heavy users of social media are about twice as likely to be depressed than light users.⁵
- 9. YouTube amplifies harmful material, doses users with dopamine hits, and drives youth engagement and advertising revenue. As a result, youth mental health problems have advanced in lockstep with the growth of social media, and in particular, YouTube.
- 10. YouTube's addictive power over Arkansas youth is devastating and has resulted in the State of Arkansas being forced to pour millions of dollars into expanding mental health and other services for young people living here. As of 2020, more than four times as many people died by suicide than in alcohol-related motor vehicle accidents in Arkansas, and suicide is the second

youth are particularly vulnerable because they "use social networking sites for construing their identity, developing a sense of belonging, and for comparison with others").

⁴ Jennifer A. Kingson, *Social Media's Effects on Teen Mental Health Comes Into Focus*, Axios (Jan. 11, 2023), https://www.axios.com/2023/01/11/social-media-children-teenagers-mental-health-tiktok-meta-facebook-snapchat.

⁵ *Id*.

leading cause of death for youth in the State.⁶ Teen suicide in Arkansas exceeds the average in the United States⁷ and has been on the rise in many Arkansas counties.⁸

- 11. The State's claims arise from Defendants' status as designers and marketers of a dangerous social-media product that has injured the health, comfort, and repose of the State's community through unfair, unconscionable, unlawful, and deceptive business practices.
- 12. With this action, the State of Arkansas, by and through its Attorney General, Tim Griffin, seeks to hold Defendants accountable for engaging in deceptive and unconscionable trade practices in violation of the Arkansas Deceptive Trade Practices Act ("ADTPA"), Ark. Code Ann. § 4-88-101, *et seq.*, creating a public nuisance that is negatively impacting the health and safety of the State and its citizens, and unjustly enriching themselves at the expense of the health and wellbeing of Arkansas youth. Arkansas seeks all remedies available, including, but not limited to, injunctive relief, civil penalties, damages, restitution, and abatement.

II. JURISDICTION AND VENUE

13. This Court has jurisdiction over this action under Ark. Code Ann. §§ 4-88-104 and 16-4-101, as well as under the common law of the State of Arkansas.

⁶ Suicide Facts and Figures: Arkansas 2020, https://aws-fetch.s3.amazonaws.com/state-fact-sheets/2020/2020-state-fact-sheets-arkansas.pdf (last visited July 17, 2024).

⁷ *Health of Women and Children Report 2022: Teen Suicide*, America's Health Rankings: United Health Found. (2022), https://www.americashealthrankings.org/.

⁸ Suicide Deaths on the Rise in Kids in Sebastian County, AR, Valley Behav. Health Sys., https://www.valleybehavioral.com/about/news-media/suicide-death-rate/#:~:text=Sabastian%20 County%2C%20Arkansas%20has%20an,by%20suicide%20every%2017%20hours (last visited July 16, 2024); Suicide Deaths on the Rise in Kids in Miller County, Arkansas, Riverview Behav. Health, https://www.riverviewbehavioralhealth.com/about/news-media/suicide-death-rate (last visited July 17, 2024).

- 14. Defendants have purposefully availed themselves of the privilege of doing business in Arkansas. Defendants have targeted Arkansas youth. Defendants marketed, directed, and operated their platforms within Arkansas; solicited the creation of new youth accounts by directing marketing materials within the State; derived substantial revenue by marketing, directing, and operating their platforms to and for youth users within Arkansas; and made material misrepresentations about their products that Defendants knew or should have known would be heard by and relied upon by Arkansans. The consequences of Defendants' conduct have directly and negatively affected the lives and well-being of young Arkansans. Defendants have also interfaced directly with a significant percentage of the youth population in Arkansas by sending messages, notifications, and other communications directed toward and received within Arkansas relating to the use of Defendants' social media platforms.
- 15. Defendants have availed themselves of the financial rewards of operating within the State of Arkansas. Over the past few years, Google has paid employees living in Arkansas millions of dollars in salaries. Moreover, Defendants have collected millions of dollars in revenue from advertising to Arkansans, and Defendants have paid substantial vendor use, consumer use, gross receipts, and local taxes to Arkansas and its political subdivisions.
- 16. Defendants offer products to Arkansans and enter into contracts with Arkansans for services, including YouTube TV. Defendants sell YouTube TV as a service that will deliver "local" news and sports to users based upon their location within Arkansas.
- 17. Defendants also work with Arkansas-based lobbyists to sway Arkansas public servants on legislative matters. Google provides financial support to a nonprofit group called

"ConnectSafely" in exchange for advocacy in matters relating to privacy laws. ConnectSafely markets itself as a specialist in educating parents, youth, and educators regarding, among others, Defendants' online platforms. As a result, Defendants have availed themselves of "communicating directly or soliciting others to communicate with any public servant with the purpose of influencing legislative action or administrative action." Ark. Code Ann. § 21-8-402(10).

- 18. Defendants do not exclude Arkansas from the reach of their products and services. Defendants invite users from Arkansas to use their tools to engage in commerce.¹⁰ There is even a local industry of advertising services in Arkansas specifically designed to support Arkansas-based businesses in targeting local customers through Google-based ads.¹¹
- 19. Defendants actively collect data on their youth users' viewing habits and behaviors. Defendants use that data to sell advertisers access to their youth users and others to allow those companies to promote their products. Defendants target Arkansans as part of their business practice.¹² The ability to specifically reach into Arkansas with their services and influence Arkansans is a selling point Defendants use to increase sales.
- 20. Defendants' products, including YouTube, YouTube Kids, YouTube Premium, and YouTube TV have been activated by users and their devices located in Arkansas hundreds of

⁹ ConnectSafely, https://connectsafely.org/about-us/supporters/ (last visited July 17, 2024).

¹⁰ Reach Your Customers – and Discover New Ones, YouTube Advertising, https://www.youtube.com/intl/en_us/ads/how-it-works/set-up-a-campaign/audience/ (last visited July 17, 2024).

See, e.g., Discosloth, Northwest Arkansas Google Ads, https://www.discosloth.com/northwest-arkansas-marketing/ (last visited July 17, 2024).

See, e.g., Geography Targeting, Google Help Center, https://support.google.com/displayvideo/answer/2705812?hl=en&ref_topic=2726036&sjid=14595785155194099854-NC (last visited July 17, 2024).

thousands of times. Defendants actively solicit and serve content to and collect data from all those Arkansas users and devices to increase profitability and further their ability to continue delivering Arkansas-centric material within the State.

- 21. Defendants use data collected from Arkansas users, including location-based data, to directly serve content to users in Arkansas, including location-specific advertisements—advertisements that "[r]each potential customers where they're watching." The content that Defendants serve to those Arkansas users is informed by those users' presence in or connection with Arkansas, including the ability to filter results to access material specifically tailored to locations within Arkansas.
- 22. YouTube enters into advertising contracts with Arkansas businesses and receives revenue directly from businesses and individuals located in Arkansas who advertise on the YouTube platform or website to other users of YouTube, which include users with Arkansas-based IP addresses. Many Arkansas businesses advertise on YouTube or its related products.
- 23. YouTube advertises that it helps businesses "[r]each potential customers based on demographics like age, gender, and location." 14
- 24. Google Ads, a service of Google, advertises that "[1]ocation targeting helps you focus your advertising to help find the right customers for your business." Google Ads Help

¹³ Grow Your Business with YouTube Ads, YouTube Advertising, https://www.youtube.com/ads/ (last visited July 19, 2024).

Reach Your Customers – and Discover New Ones, YouTube Advertising, https://www.youtube.com/intl/en_us/ads/how-it-works/set-up-a-campaign/audience/ (last visited July 19, 2024).

¹⁵ Target Ads to Geographic Locations, Google Ads Help, https://support.google.com/google-ads/answer/1722043?hl=en&ref_topic=10544033&sjid=6498809163694510276-NC (last visited July 19, 2024).

indicates that "[1]ocation targeting is based on a variety of signals, including users' settings, devices, and behavior on our platform, and is Google's best effort to serve ads to users who meet your location settings." ¹⁶

25. Defendants use location-centric advertising and content to harvest, analyze, and utilize extensive amounts of location-based data that Defendants can collect from users in Arkansas.¹⁷ Specifically, Defendants collect the GPS data of devices that access Defendants' products, IP addresses of users' devices, users' "[a]ctivity on Google services, such as from [users'] searches or places [a user] label[s] like home or work," and even "[i]nformation about things near [a user's] device, such as Wi-Fi access points, cell towers, and Bluetooth-enabled devices."¹⁸

26. Defendants collect unlimited amounts of data from users in Arkansas, including location-data, search history, activity history, and contact list information, even when users are not actively or directly engaged with one of Defendants' products.¹⁹

27. YouTube compensates users in Arkansas for content that they create and post on YouTube through the YouTube Partner Program. To be part of the program, a YouTube Creator

About Targeting Geographic Locations, Google Ads Help, https://support.google.com/google-ads/answer/2453995?hl=en&ref_topic=10544033&sjid=6498809163694510276-NC (last visited July 19, 2024).

¹⁷ Google Privacy Policy, Google Privacy & Terms, https://policies.google.com/privacy?hl=en-US# (last visited July 19, 2024).

¹⁸ *Id*.

¹⁹ *Id*.

must "[g]et 1,000 subscribers with 4,000 valid public watch hours in the last 12 months," or "[g]et 1,000 subscribers with 10 million valid public Shorts views in the last 90 days."²⁰

- 28. YouTube requires Creators to grant YouTube a "worldwide, non-exclusive, royalty-free, sublicensable and transferable license to use" content created and posted on YouTube for the purpose of promoting and redistributing of YouTube services.²¹
- 29. YouTube requires Creators to grant YouTube the right to monetize content posted on the platform, including the rights to display ads on or within the content and to charge users a fee for accessing the content, with no rights to any resulting payments.²²
- 30. Defendants establish on-going contractual relationships with users and creators within Arkansas.
- 31. These causes of action arise from or relate to Defendants' contacts with the State of Arkansas.
- 32. This Court's exercise of personal jurisdiction is reasonable. Defendants substantially profit from Arkansas youth at the expense of their health and wellbeing.
 - 33. Venue is proper in this Court under Ark. Code. Ann. §§ 16-60-101 and 4-88-104.
- 34. Plaintiff does not plead, expressly or implicitly, any cause of action or request any remedy that arises under federal law and explicitly disavows the same.

²⁰ YouTube Partner Program Overview & Eligibility, YouTube Help, https://support.google.com/youtube/answer/72851?hl=en&ref_topic=9153642&sjid=780723353 3954842024-NC (last visited July 19, 2024).

²¹ Terms of Service, YouTube, https://www.youtube.com/t/terms#27dc3bf5d9 (last visited July 19, 2024).

²² *Id*.

III. THE PARTIES

- 35. Plaintiff is the State of Arkansas, *ex rel*. Tim Griffin, Attorney General, who is authorized to enforce the ADTPA under Ark. Code Ann. §§ 4-88-104 and 4-88-113 and actions under common law.
- 36. Defendant Alphabet Inc. ("Alphabet") is a Delaware corporation with its principal place of business in Mountain View, California. Alphabet is the sole stockholder of XXVI Holdings Inc. (defined below).
- 37. Defendant XXVI Holdings Inc. ("XXVI Holdings") is a Delaware corporation with its principal place of business in Mountain View, California. XXVI Holdings is a wholly-owned subsidiary of Alphabet and the managing member of Google LLC (defined below).
- 38. Defendant Google LLC ("Google") is a limited liability company organized under the laws of the State of Delaware, and its principal place of business is in Mountain View, California. Google is a wholly-owned subsidiary of XXVI Holdings and the managing member of YouTube, LLC (defined below). Google transacts or has transacted business in this jurisdiction and throughout the United States. Acting alone or in concert with others, Google has advertised, marketed, and distributed its YouTube video-sharing platform to consumers throughout the United States. Acting alone or in concert with YouTube, LLC, Google formulated, directed, controlled, had the authority to control, or participated in the acts and practices outlined in this Complaint.
- 39. Defendant YouTube, LLC is a limited liability company organized under the laws of the State of Delaware, and its principal place of business is in San Bruno, California. YouTube, LLC is a wholly-owned subsidiary of Google. YouTube, LLC transacts or has transacted business in this jurisdiction and throughout the United States. Acting alone or in concert with Defendant Google, YouTube, LLC has advertised, marketed, and distributed its YouTube

social-media platform to consumers throughout the United States. Acting alone or in concert with Google, YouTube, LLC formulated, directed, controlled, had the authority to control, or participated in the acts and practices outlined in this Complaint.

- 40. YouTube is a mass-produced, mass-marketed good. Defendants place YouTube into the stream of commerce for personal use by consumers, including by youth. Defendants research, design, test, build, and market YouTube as a good.
- 41. Defendants refer to YouTube as a "product," a common synonym for a "good." On its website, YouTube refers to its offerings as "products," notes its "product features," and states its "products help you find what you're looking for." Alphabet's 2015 Annual Report stated its "core products such as. . .YouTube. . .each have over one billion monthly active users." Job descriptions from YouTube also refer to the platform as a product, including duties such as "product management" and "product development." 25
- 42. In his written testimony to the U.S. Senate Committee on Homeland Security and Government Affairs, YouTube's Chief Product Officer said: "[R]esponsibility is our top priority at YouTube and informs every product and policy decision we make."²⁶

²³ Ever Wonder How YouTube Works?, YouTube, https://www.youtube.com/howyoutubeworks/ (last visited July 17, 2024).

²⁴ Alphabet Inc., Annual Report (Form 10-K) (Feb. 2, 2017), https://www.sec.gov/Archives/edgar/data/1652044/000165204417000008/goog10-kq42016.htm.

²⁵ Create and Deliver Products for the World's Largest Global Community, YouTube Jobs, https://www.youtube.com/jobs/product-and-design/ (last visited July 17, 2024).

Social Media's Impact on Homeland Security, Part II: Hearing Before the U.S. S. Comm. on Homeland Sec. and Governmental Affairs (Sept. 14, 2022) (written testimony of Neal Mohan, Chief Product Officer, YouTube and SVP, Google), https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/Testimony-Mohan-2022-09-14.pdf.

43. YouTube also provides services. YouTube offers a paid subscription version of its products, including, but not limited to, YouTube TV and YouTube Premium, for which users must pay a monthly or annual fee. YouTube advertises these products to all its users. YouTube's website refers to its "YouTube paid service terms of service" and "YouTube paid service usage rules."²⁷

IV. FACTUAL ALLEGATIONS

- 44. Today, YouTube is the most popular social-media platform among young users.²⁸
- 45. YouTube designs its products to trigger the release of the neurological chemical dopamine in the brain by prodding users with colorful notifications, sounds, and pulsing vibrations that our brains associate with a "reward." YouTube's notification and social reciprocity features condition its users into using the platform with greater intensity, even as other activities like inperson social interaction, sleep, and school fall by the wayside.
- 46. Google has deliberately designed and marketed YouTube to exploit and addict young users. Around 95% of children aged 13 to 17 have reported using YouTube.²⁹ More than three out of four teens report using YouTube every day.³⁰

²⁷ YouTube Paid Service Usage Rules, YouTube, https://www.youtube.com/t/usage_paycontent (last visited July 17, 2024); YouTube Paid Service Terms of Service, YouTube, https://www.youtube.com/t/terms_paidservice (last visited July 17, 2024).

²⁸ 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/.

²⁹ *Id*.

³⁰ Victoria Rideout et al., *The Common Sense Census: Media Use by Tweens and Teens* at 5, Common Sense Media (2022), https://www.commonsensemedia.org/sites/default/files/research/report/8-18-census-integrated-report-final-web_0.pdf.

- 47. YouTube is particularly problematic because YouTube's recommendation and autoplay features make it "so easy to finish one video" and watch the next, which affects sleep.³¹ In turn, insufficient sleep is associated with poor health outcomes.³² Sleep deprivation in youth is also linked to depressive symptoms and mood disorders.³³
- 48. Defendants disrupt children's sleep by sending push notifications and emails at night when they should be sleeping.³⁴
- 49. Excessive and problematic use of YouTube can disrupt the brain development of children at a critical stage and can follow children into adulthood.

A. YouTube's Social-Media Platform Has Forced the State to Spend Significant Resources to Combat Youth Mental Health Issues

50. YouTube has created a mental health crisis in Arkansas. The need is so great that Arkansas increased funding for outpatient mental health services for children and teens, family based mental health services, mobile crisis teams with a 24-hour call center, telehealth training for first responders, emergency services, dedicated suicide prevention efforts for youth, evidence-

Cara Murez, *One App is Especially Bad for Teens' Sleep*, U.S. News (Sept. 13, 2022), https://www.usnews.com/news/health-news/articles/2022-09-13/one-app-is-especially-bad-forteens-sleep.

Jessica C. Levenson et al., *The Association Between Social Media Use and Sleep Disturbance Among Young Adults*, 85 Preventive Med. 36–41 (Apr. 2016), https://www.sciencedirect.com/science/article/abs/pii/S0091743516000025.

Lynette Vernon, et al., *Tracking Effects of Problematic Social Networking on Adolescent Pychopathy: The Mediating Role of Sleep Disruptions*, J. of Clinical Child & Adolescent Psychology (Aug. 2016), https://www.researchgate.net/publication/305925717_Tracking_ Effects_of_Problematic_Social_Networking_on_Adolescent_Psychopathology_The_Mediating_ Role_of_Sleep_Disruptions.

See, e.g., Beatrice Nolan, Kids are Waking Up in the Night to Check Their Notifications and are Losing about 1 Night's Worth of Sleep a Week, Study Suggests, Bus. Insider (Sept. 19, 2022), https://www.businessinsider.com/social-media-costing-children-one-night-sleep-study-2022-9 (approximately 12.5% of children report waking up to check social media notifications).

based programs for school-aged youth, peer support services, and family support services. The Arkansas Division of Education website hosts a social-media awareness campaign for teachers, parents, and students.³⁵ The State Attorney General's website also hosts additional internet-safety resources on social-media sites, including YouTube.³⁶

- 51. In 2021, the Arkansas General Assembly passed a bill that required a study on mental and behavioral health that would address the suicide rate among school-aged children in the State, provide children with mental health screenings, and institute suicide prevention measures.³⁷ The study revealed that Arkansas Children's Hospital reported seeing a large increase in mental health and behavioral health cases since 2020.³⁸ The Arkansas Chapter of the American Academy of Pediatrics testified that many pediatricians in the State struggle to find access to proper care for their patients.³⁹
- 52. In response to the study, Arkansas announced four new pilot programs designed to better serve children with behavioral and other issues at a cost of \$200 million.

³⁵ SMACtalk, *Social Media Awareness Campaign*, Ark. Div. of Elementary and Secondary Educ., https://dese.ade.arkansas.gov/Offices/District-Operations/cybersecurity/smactalk (last visited July 17, 2024).

Education Programs, Internet Safety, Office of the Att'y Gen., https://arkansasag.gov/education-programs/internet-safety/ (last visited July 17, 2024).

Arkansas Legislative Study on Mental and Behavioral Health, Ark. Gen. Assembly (Nov. 15, 2022) ("Arkansas Legislative Study"), https://www.arkleg.state.ar.us/Home/FTPDocument?path=%2FAssembly%2FMeeting+Attachments%2F000%2F25193%2FExhibit+G.01(a)+-+Public+Health+ALC+-+Mental+and+Behavioral+Health+Report.pdf.

³⁸ *Id.*

³⁹ *Id*.

- 53. One pilot program will restrict mobile devices in schools by providing students with pouches where they can store phones during the school day. The program will also expand mental health services for students, parents, and teachers via telehealth to connect families, students, and school employees to mental and behavioral healthcare, substance abuse care, social services, and to navigate matters involving insurance.⁴⁰
- 54. Despite these State-funded programs and services, Arkansas service providers are struggling to provide enough mental health programs because of the increase in youth seeking these services. Children and adolescents cannot access services in a timely manner due to long wait lists for existing mental health care providers.

B. YouTube's Social-Media Platform Has Substantially Contributed to the Youth Mental Health Crisis in Arkansas

- 55. YouTube is accessible to anyone as the platform lacks any age verification feature or adequate parental controls. Moreover, YouTube comes preinstalled on certain smart TVs, mobile devices, digital media players (like Roku), and numerous video game consoles.
- 56. YouTube was launched and made publicly available in December 2005. Google acquired YouTube just a year later in 2006 for more than \$1.65 billion in Google stock.
- 57. Users with accounts can post their own videos, comment on others, and, since 2010, approve of videos using "likes."⁴¹

Elizabeth Godinez & Rebecca Brown, *Gov. Sanders Invites Arkansas School Leaders to Join Phone-free School Pilot Program*, THV11 (July 3, 2024), https://www.thv11.com/article/news/local/gov-sanders-arkansas-schools-join-mental-health-program/91-18de8ceb-5d10-4a0b-a361-34b10b11ce62.

Josh Lowensohn, *YouTube's Big Redesign Goes Live to Everyone*, CNET (Mar. 31, 2010), https://www.cnet.com/culture/youtubes-big-redesign-goes-live-to-everyone/.

- 58. Since 2008, YouTube has recommended videos to users.⁴² Early on, YouTube recommended the most popular videos across the platform.⁴³ YouTube admits "[n]ot a lot of people watched those videos," at least not based on its recommendation.⁴⁴
- 59. YouTube has since refined its recommendation system using machine-learning algorithms that take into account a user's "likes," time spent watching a video, and other behaviors to tailor its recommendations to each user.⁴⁵
- 60. YouTube plays these personalized recommendations automatically after a user finishes the previous video. YouTube implemented this "autoplay" feature in 2015. YouTube enables autoplay by default, meaning YouTube will feed users a continuous stream of video content until users press stop.⁴⁶

1. YouTube Designs and Markets Its Platform to Appeal to a Youth Audience

61. Advertising is YouTube's primary source of revenue. In 2023, YouTube made \$31.5 billion in advertising revenue.⁴⁷ The more hours of videos its users watch, the more advertisements YouTube can run. Acknowledging this correlation in 2012, YouTube set a

⁴² Cristos Goodrow, *On YouTube's Recommendation System*, YouTube (Sept. 15, 2021), https://blog.youtube/inside-youtube/on-youtubes-recommendation-system/.

⁴³ *Id*.

⁴⁴ *Id*.

⁴⁵ *Id.*

⁴⁶ Autoplay Videos, YouTube Help, https://support.google.com/youtube/answer/6327615?hl= en#:~:text=For%20users%20aged%2013%2D17,turned%20off%20Autoplay%20for%20you (last visited July 17, 2024).

⁴⁷ Alphabet Inc., Annual Report (Form 10-K) at 35 (Jan. 30, 2024), https://www.sec.gov/Archives/edgar/data/1652044/000165204424000022/goog-20231231.htm.

company-wide objective to reach one billion hours of viewing per day.⁴⁸ YouTube's CEO said that the goal of a "billion hours of daily watch time gave our tech people a North Star."⁴⁹

- 62. YouTube realized that "the best way to keep eyes on the site[]" was "recommending videos[] alongside a clip[,] or after one was finished." 50
- 63. YouTube profits by selling advertisements targeted at young users. YouTube uses the data it collects on the viewing habits and behaviors of its users to target ads. YouTube charges a premium to advertisers for targeting ads to specific users, including minor users.
- 64. Young users are central to Defendants' business model because children are more likely than adults to use social media.
- 65. YouTube leveraged its popularity among youth to increase its revenue from advertisements by marketing its platform to popular brands of children's products. YouTube pitched Mattel, the maker of Barbie and other popular children's toys, and told its executives: "YouTube is today's leader in reaching children age 6–11 against top TV channels." When presenting to Hasbro, the maker of Play-Doh, My Little Pony, and other children's toys, YouTube touted: "YouTube is unanimously voted as the favorite website of kids 2–12" and "93% of tweens visit YouTube to watch videos." 52

⁴⁸ Mark Bergen, *YouTube Executive Ignores Warnings, Letting Toxic Videos Run Rampant*, Bloomberg (Apr. 2, 2019), https://www.bloomberg.com/news/features/2019-04-02/youtube-executives-ignored-warnings-letting-toxic-videos-run-rampant?leadSource=uverify%20wall.

⁴⁹ *Id*.

⁵⁰ *Id*.

Complaint for Permanent Injunction, Civil Penalties, and Other Equitable Relief, Exhibits A-C, *FTC v. Google LLC*, No. 1:19-cv-02642-BAH (D.D.C. Sept. 4, 2019), ECF 1-1.

⁵² *Id*.

66. YouTube developed and marketed a version of YouTube specifically for children under the age of 13 called YouTube Kids. Many of YouTube's most-viewed videos are kid focused, and the most-subscribed and highest-paid YouTubers are children. Child creators thus dominate top-earner lists year after year.

2. YouTube Has Defective Age-Verification Measures and Parental Controls

- 67. YouTube is successful in maintaining such large numbers of youth users in part due to its defective age-verification measures and parental controls.
- 68. YouTube requires an account for users to post content, "like" videos, post comments to videos, or subscribe to video channels. However, the age verification requirements in the registration process are defective because YouTube only requires a user to enter an email and birthdate, which YouTube does not verify. Any parental controls are defective for the same reason. After registration, a user can change the birthdate in their account settings.
- 69. YouTube claims that it disables by default its autoplay feature for users aged 13 to 17. This is false given YouTube's defective age verification practices.
- 70. Even if logged in as a minor, the YouTube Kids product still contains harmful and addictive design features, such as IVRs and its recommendation algorithm.
- 71. YouTube's data collection capabilities allow it to determine whether a user is a minor even if that user is not logged in as a minor on the platform. YouTube will continue to collect their data on the platform and will not redirect them to YouTube Kids.⁵³

Tracking Exposed, *Tracking Exposed Special Report: Non-logged-in Children Using YouTube* at 6 (July 1, 2022), https://tracking.exposed/pdf/youtube-non-logged-kids-03July2022.pdf.

72. Moreover, a YouTube account is especially difficult to delete or deactivate because it is linked to a user's Google account. This can present a significant hurdle to users who are general users of Google, which is used to maintain email accounts, store photos or data, or purchase books or games. Because many schools require email accounts and use Google's educational tools, such as Google Classroom, youth users often cannot delete their Google account and continue to be exposed to the YouTube platform.⁵⁴

3. YouTube Intentionally Designs Features to Keep Its Users on Its Platform for as Long as Possible

- 73. Defendants exploit human psychology using complex algorithms driven by advanced artificial intelligence and machine-learning systems.
- 74. Defendants use IVRs such as "likes," "subscribes," "notifications," or other forms of approval that serve as a reward to manipulate users to keep using or coming back to their platforms. The YouTube platform is designed and engineered to deliberately, but unpredictably, distribute dopamine-triggering rewards with dopamine gaps. Like slot machines, users pull a lever with the hope of winning a prize. ⁵⁵ Products using this technique are highly addictive.
- 75. YouTube also manipulates young users by using "social reciprocity," meaning that in response to friendly actions, people respond in a friendly manner.⁵⁶

See, e.g., Where Teaching and Learning Come Together, Google Classroom, https://edu.google.com/intl/ALL_uk/workspace-for-education/classroom/ (last visited July 17, 2024).

See, e.g., Julian Morgans, *The Secret Ways Social Media is Built for Addiction*, Vice (May 17, 2017), https://www.vice.com/en/article/vv5jkb/the-secret-ways-social-media-is-built-for-addiction.

Ernst Fehr & Simon Gächter, *Fairness and Retaliation: The Economics of Reciprocity*, 14(3) J. Econ. Persps. 159-81 (Mar. 2000), https://www.researchgate.net/publication/23756527_Fairness_and_Retaliation_The_Economics_of_Reciprocity.

- 76. For example, Youth content creators who post videos to YouTube can receive "likes" and comments on each video, which provide dopamine hits and reward users for posting more content.
- 77. YouTube also uses IVRs to encourage users to view others' content. YouTube uses subscriber push notifications and emails, which are designed to prompt users to watch YouTube content and encourage excessive use of the platform.
- 78. Another way YouTube maximizes the time users spend on their platforms involves the recommendation algorithm. YouTube recommends videos to users on both the YouTube home page and on every individual video page in an "Up Next" panel.⁵⁷
- 79. Google's former design ethicist, Tristan Harris, explained that this never-ending stream is designed to "keep [users] scrolling, and purposely eliminate any reason for [them] to pause, reconsider or leave." Defendants' feeds take "an experience that was bounded and finite, and turn it into a bottomless flow that keeps going." This "flow state," as psychologists describe it, "fully immerse[s]" users, distorts their perception of time, and "has been shown to be associated with problematic use of social networking sites."

⁵⁷ *Recommended Videos*, YouTube, https://www.youtube.com/howyoutubeworks/product-features/recommendations/ (last visited July 17, 2024).

Von Tristan Harris, *The Slot Machine in Your Pocket*, Spiegel Int'l (July 27, 2016), https://www.spiegel.de/international/zeitgeist/smartphone-addiction-is-part-of-the-design-a-1104237.html.

⁵⁹ *Id*.

⁶⁰ Gugushvili et al., *supra* note 3.

- 80. Prioritizing user engagement also amplifies misinformation on social media platforms.⁶¹ That pattern is "true for a broad range of harms," including hate speech and self-harm content, in addition to misinformation.⁶²
- 81. Youth are especially vulnerable both to the ways in which Defendants manipulate users to maximize their "watch time" and to the resulting harms. Children's brains undergo a fundamental shift around age 10 that makes "preteens extra sensitive to attention and admiration from others." The brain becomes more able to seek out stimuli (*e.g.*, YouTube) that result in a reward and cause dopamine to flood the brain's reward system. 64
- 82. When YouTube manipulates adolescents' brains, the release of dopamine interferes with their brains' development and can have long-term impacts on their memory, affective processing, reasoning, planning, attention, inhibitory control, and risk-reward calibration.
- 83. YouTube profits off users' vulnerability to IVRs. YouTube invites creators who qualify to apply for the YouTube Partner Program. Once in the program, creators earn money through various streams, including advertising revenue ("Earn revenue from Watch Page ads and Shorts Feed ads."); YouTube Premium revenue ("Get part of a YouTube Premium subscriber's

⁶¹ Jeff Allen, *Misinformation Amplification Analysis and Tracking Dashboard*, Integrity Inst. (Oct. 13, 2022), https://integrityinstitute.org/our-ideas/hear-from-our-fellows/misinformation-amplification-tracking-dashboard; *see also* Steven Lee Myers, *How Social Media Amplifies Misinformation More Than Information*, N.Y. Times (Oct. 13, 2022), https://www.nytimes.com/2022/10/13/technology/misinformation-integrity-institute-report.html.

⁶² *Id*.

⁶³ Zara Abrams, *Why Young Brains Are Especially Vulnerable to Social Media*, Am. Psych. Ass'n (Aug. 25, 2022), https://www.apa.org/news/apa/2022/social-media-children-teens.

⁶⁴ See Bryo Adinoff, Neurobiologic Processes in Drug Reward and Addiction, 12(6) Harv. Rev. Psychiatry 305-320 (2004), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1920543/.

subscription fee when they watch your content."); Super Chat and Super Stickers ("Your fans pay to get their messages or animated images highlighted in live chat streams."); and Super Thanks ("Your fans pay to view a fun animation and get their message highlighted in your video or Short's comments section."). 65 YouTube notes: "[B]ecause we want to reward good creators, we need to make sure we have enough context on your channel. This context means we need more content to review." YouTube encourages creators to make more content on its platform to be invited to apply for access to premium rewards without reassurance that the creators will ever get access. YouTube makes money either way.

84. YouTube wants to amass as many viewing hours as possible to mine users for their data. YouTube then uses this data to maximize advertising revenue. Google's current privacy policy, which covers YouTube's data collection policies, shows the extent of the data collected. Specifically, YouTube can collect information about the apps, browsers, and devices used, including settings, operating system and mobile network information, and phone numbers.⁶⁷ YouTube can also collect information on in-app activity, including terms searched, videos watched, content interaction, contacts and communication with other users, and activity on third-party sites.⁶⁸ Finally, YouTube can collect location-based information and information on things near a user's device, such as Wi-fi access points, cell towers, and Bluetooth-enabled devices.⁶⁹

⁶⁵ How to Earn Money on YouTube, YouTube Help, https://support.google.com/youtube/answer/72857 (last visited July 17, 2024).

⁶⁶ *Id*.

⁶⁷ *Information Google Collects*, Google Privacy & Terms, https://policies.google.com/privacy?hl=en#infocollect (last visited July 17, 2024).

⁶⁸ *Id*.

⁶⁹ *Id*.

- 85. These policies allow YouTube to collect substantial information about each individual user, which can be used to offer very specific targeting to potential advertisers. Advertisers can purchase ad space on users' YouTube feeds based on this information.
- 86. YouTube's data policy does not inform users that the more time users spend on YouTube, the more YouTube financially benefits through the delivery of more targeted ads and the ability to learn more about its users. In addition, YouTube does not adequately inform adolescent users and their parents that their data may be sold to third parties.

4. YouTube's Algorithms Are Manipulative and Harmful, Especially to Youth

- 87. YouTube began building its recommendation system in 2008, with the end goal of maximizing the amount of time users spend watching YouTube videos.⁷⁰
- 88. Early on, one of the primary metrics behind YouTube's recommendation algorithm was clicks because "[c]licking on a video provides a strong indication that you will also find it satisfying." However, as YouTube learned, clicking on a video does not mean a user watched it. In 2012, YouTube started tracking the amount of time a user spends watching a video. 72 YouTube

Goodrow, *supra* note 42; *see also* Ben Popken, *As Algorithms Take Over, YouTube's Recommendations Highlight a Human Problem*, NBC (Apr. 19, 2018), https://www.nbcnews.com/tech/social-media/algorithms-take-over-youtube-s-recommendations-highlight- human-problem-n867596.

⁷¹ Goodrow, *supra* note 42.

⁷² *Id*.

made this switch to keep people watching for as long as possible,⁷³ and it was successful.⁷⁴ In 2016, YouTube started to measure "valued watchtime" via user surveys to ensure that viewers are satisfied with their time spent watching videos on YouTube.⁷⁵ YouTube changed its algorithms to ensure that users spend more time watching videos and ads.

- 89. YouTube's current recommendation algorithm is based on deep-learning neural networks that retune its recommendations based on the data it ingests.⁷⁶ The algorithm tracks and measures a user's previous viewing habits and then finds and recommends other videos that the algorithm thinks will hold the consumer's attention.
- 90. YouTube's recommendation system is "constantly evolving, learning every day from over 80 billion pieces of information." The recommendation algorithm delivers recommended videos to users using their watch and search history, channel subscriptions, clicks, watch time, survey responses, shares, likes, dislikes, users' location, and time of day. ⁷⁸

Dave Davies, *How YouTube Became One of the Planet's Most Influential Media Businesses*, NPR (Sept. 8, 2022), https://www.npr.org/2022/09/08/1121703368/how-youtube-became-one-of-the-planets-most-influential-media- businesses.

Eric Meyerson, *YouTube Now: Why We Focus on Watch Time*, YouTube (Aug. 10, 2012), https://blog.youtube/news-and-events/youtube-now-why-we-focus-on-watch-time/.

⁷⁵ Goodrow, *supra*, note 42.

Alexis C. Madrigal, *How YouTube's Algorithm Really Works*, Atl. (Nov. 8, 2018), https://www.theatlantic.com/technology/archive/2018/11/how-youtubes-algorithm-really-works/575212/; Paul Covington et al., *Deep Neural Networks for YouTube Recommendations*, Google (2016), https://storage.googleapis.com/pub-tools-public-publication-data/pdf/45530.pdf.

⁷⁷ Goodrow, *supra*, note 42.

⁷⁸ Recommended Videos, YouTube, https://www.youtube.com/howyoutubeworks/product-features/recommendations/#signals-used-to-recommend-content (last visited July 17, 2024).

- 91. The recommendation algorithm can also determine which "signals" or factors are more important to individual users.⁷⁹
- 92. Google engineers also consistently update YouTube's recommendation and ranking algorithms, making several updates every month.⁸⁰
- 93. Google's algorithms are incredibly successful at getting users to view content based on their recommendations. In fact, YouTube Chief Product Officer Neal Mohan ("Mohan") stated in 2018 that YouTube's AI-driven recommendations are responsible for 70% of the time users spend on YouTube.⁸¹ Mohan also stated that recommendations keep mobile device users watching YouTube for more than 60 minutes at a time on average.⁸²
- 94. Given that people watch more than one billion hours of YouTube videos daily,⁸³ YouTube's recommendation algorithm is responsible for a colossal number of hours that users spend watching videos on YouTube.
- 95. To keep up with the popularity of TikTok, YouTube launched YouTube Shorts in 2021. YouTube describes YouTube Shorts as "the spot to shoot, share, and *binge* short videos"

⁷⁹ *Id*.

Nilay Patel, YouTube Chief Product Officer Neal Mohan on The Algorithm, Monetization, and the Future for Creators, The Verge (Aug. 3, 2021), https://www.theverge.com/22606296/youtube-shorts-fund-neal-mohan-decoder-interview.

Joan E. Solsman, *YouTube's AI is the Puppet Master Over Most of What You Watch*, CNET (Jan. 20, 2018), https://www.cnet.com/tech/services-and-software/youtube-ces-2018-neal-mohan/.

⁸² *Id*.

Shira Ovide, *The YouTube Rabbit Hole is Nuanced*, N.Y. Times (Apr. 21, 2022), https://www.nytimes.com/2022/04/21/technology/youtube-rabbit-hole.html.

that are 60 seconds or less.⁸⁴ It boasts 50 billion views per day. Researchers found that short-form videos like those on YouTube Shorts and TikTok are associated with addictive behavior.⁸⁵

96. Starting in 2016, YouTube also tried to create original programming under the name YouTube Originals. Although YouTube ceased creating such content in 2022, it continues to host older videos on its YouTube Originals site, targeting children and adolescents with this harmful content.

5. YouTube's Algorithms Steers Youth to Adult Content that is Harmful to Youth Mental Health

- 97. YouTube's algorithms push its young users down rabbit holes where they are likely to encounter content that is violent, sexual, or creates harmful body image issues that can manifest as eating disorders, encourage self-harm, or yield other types of harmful conduct.
- 98. Research shows that YouTube Kids fed children content involving drug culture and violence, and beauty and diet tips that could lead to body dysmorphia and eating disorders.⁸⁶ Relevant videos included step-by-step instructions on how to conceal a gun, guides on how to bleach one's face at home, and workout videos emphasizing the importance of burning calories

So, What is YouTube Shorts?, YouTube Creators, https://www.youtube.com/intl/en_th/creators/shorts/#:~:text=So%2C%20what%20is%20 YouTube%20Shorts,ideas%20to%20life%2C%20and%20more (last visited July 17, 2024).

Jian-Hong Ye et al., Effects of Short Video Addiction on the Motivation and Well-Being of Chinese Vocational College Students, Frontiers Pub. Health (May 10, 2022), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9127725/.

Alex Hern, YouTube Kids Shows Videos Promoting Drug Culture and Firearms to Toddlers, Guardian (May 5, 2022), https://www.theguardian.com/technology/2022/may/05/youtube-kids-shows-videos-promoting-drug- culture-firearms-toddlers.

and telling children to "[w]iggle your jiggle." Reports have found that YouTube's recommendation algorithm suggests a wide array of harmful content that violates YouTube's policies. A 2012 study examined communities of "school shooting fans" who congregated on YouTube and shared violent material, often without registering an account. This research shows that YouTube Kids not only lets inappropriate content slip through its algorithmic filters but actively directed such content to children through its recommendation engine.

99. YouTube's algorithms feed content to youth that encourage self-harm. One middle schooler named Olivia compulsively watched YouTube videos every day. 90 Over time she became depressed and started searching for videos on how to commit suicide. Similar videos then gave her the idea of overdosing. Weeks later she was in the hospital after "downing a bottle of Tylenol." Ultimately, she was admitted into rehab for digital addiction because of her compulsive YouTube watching. 92

⁸⁷ Guns, Drugs, and Skin Bleaching: YouTube Kids Poses Risks to Children, Tech Transparency Project (May 5, 2022), https://www.techtransparencyproject.org/articles/guns-drugs-and-skin-bleaching-youtube-kids-still-poses- risks-children.

⁸⁸ Brandy Zadrozny, *YouTube's Recommendations Still Push Harmful Videos, Crowdsourced Study Finds*, NBC News (July 17, 2021), https://www.nbcnews.com/tech/tech-news/youtubes-recommendations-still-push-harmful-videos-crowdsourced-study-rcna1355.

Atte Oksanen et al., *Glamorizing Rampage Online: School Shooting Fan Communities on YouTube*, 39 Tech. in Soc'y 55–67 (Nov. 2014).

⁹⁰ Lesley McClurg, *After Compulsively Watching YouTube, Teenage Girl Lands in Rehab for 'Digital Addiction*,' PBS (May 16, 2017), https://www.pbs.org/newshour/health/compulsively-watching-youtube-teenage-girl-lands-rehab-digital-addiction.

⁹¹ *Id*.

⁹² *Id*.

- 100. YouTube is harming youth brain development through exposure to harmful content and the addictive properties of its algorithms, which leads to compulsive overuse.
- 101. YouTube's harmful content triggers chemical reactions that encourage youth to spend more time watching videos. Former Google engineers told *The Wall Street Journal*: "[t]he algorithm doesn't seek out extreme videos. . .but looks for clips that data show are already drawing high traffic and keeping people on the site. Those videos often tend to be sensationalist." ⁹³
- 102. Experts have warned that YouTube is a growing source of anxiety and inappropriate sexual behavior among children under the age of 13.94

6. YouTube Facilitates the Spread of Child Sexual Abuse Material and Child Exploitation

- 103. YouTube is designed in ways that facilitate the spread of sexually exploitative materials, child sexual abuse material ("CSAM"), sextortion, and other behavior that harms children.
- 104. YouTube does not prevent videos or images of children showing private body parts or oversexualizing of minors from promotion by its algorithms, activity which accrues millions of views. 95 Rather, YouTube profits by recommending and promoting such content and displaying advertisements before, during, and after each video.

The Wall Street Journal, Why is YouTube Suggesting Extreme and Misleading Content, YouTube (Feb. 7, 2018), https://www.youtube.com/watch?v=7AjA3Df6i6o.

⁹⁴ Josephine Bila, *YouTube's Dark Side Could Be Affecting Your Child's Mental Health*, CNBC (Feb. 13, 2018), https://www.cnbc.com/2018/02/13/youtube-is-causing-stress-and-sexualization-in-young-children.html.

⁹⁵ K.G. Orphanides, *On YouTube, A Network of Paedophiles is Hiding in Plain Sight*, WIRED UK (2019), https://www.wired.co.uk/article/youtube-pedophile-videos-advertising.

105. These videos serve to attract child predators who are able to search for such content, "like" and engage with the videos, and share information about how to obtain similar content and CSAM. When users search for images and videos of minors, YouTube's algorithms recommend and promote videos that exclusively feature children, many of which have comments from predators that link to CSAM and opportunities to share CSAM in the corners of the internet.

106. YouTube fails to prevent the spread of CSAM and other child exploitation content, such as sexual grooming and sextortion, on its products. YouTube can collect extensive data about its users to detect, report, and implement appropriate safeguards that would prevent the spread of CSAM and prevent other instances of child exploitation, but it does not do so.

107. YouTube has access to proprietary technology that is supposed to combat child sexual abuse imagery ("CSAI") on its product called "CSAI Match." CSAI Match can identify which portion of the video matches known and previously hashed CSAM and provide a standardized categorization of the CSAM. When a match is detected using CSAI Match, it is supposed to be flagged so YouTube can "responsibly report in accordance to local laws and regulations." Despite these tools, YouTube fails to flag, adequately report, and remove CSAM found on its product.

⁹⁶ Google's Efforts to Combat Online Child Sexual Abuse Material, Google Transparency Report, https://transparencyreport.google.com/child-sexual-abuse-material/reporting (last visited July 17, 2024).

⁹⁷ *Id*.

- 108. Additionally, there is no way for users to effectively report CSAM found on YouTube. 98 YouTube does not offer a simple mechanism for non-logged-in users to specifically report that any content found on its product is CSAM, or to report users who share CSAM via comments or through links shown in posted videos.
- 109. YouTube has failed to communicate to young users of its product that adult predators targeting youth for sexual grooming, sexual exploitation, sextortion, and CSAM are prevalent on YouTube, thereby increasing the risk to youth users of such exploitation.
- 110. YouTube knows, or should have known, that it facilitates the production, possession, distribution, receipt, transportation, and dissemination of millions of materials that depict obscene visual representations of the sexual abuse of children or that violate child pornography laws, each year.
 - 111. YouTube knowingly fails to report massive amounts of CSAM material.

V. CAUSES OF ACTION

- 112. The State expressly disavows any claims or allegations that attempt to hold Defendants liable as the publisher or speaker of any information provided by third parties within the plain meaning of the Communications Decency Act and as interpreted by applicable law. The State's allegations center on the harm caused by YouTube's conduct in designing features meant to addict users and exploit their vulnerabilities.
- 113. The State's claims arise from Defendants' status as designers and marketers of dangerous social-media platforms that have injured the health, comfort, and repose of its youth

 $https://protectchildren.ca/pdfs/C3P_ReviewingCSAMMaterialReporting_en.pdf.$

Canadian Centre for Child Protection, Reviewing Child Sexual Abuse Material Reporting Functions on Popular Platforms, (2020)

community. The nature of Defendants' platforms centers around Defendants' use of algorithms and other design features that encourage users to spend the maximum amount of time on their platforms despite knowing the harm it causes to its adolescent users.

- 114. Defendants are also liable for the content they create. Defendants created original content that they pushed on youth users through their recommendation algorithm, including harmful content. In addition, Defendants continue to send emails and push notifications to youth, which include material they create, and often promote, or amplify harmful content.
- 115. The State's claims are predicated on Defendants' conduct, which has fueled the current youth mental health crisis.
- 116. YouTube also misrepresented through its statements and omissions that its platforms are safe for youth.

COUNT 1

Arkansas Public Nuisance Law (Against All Defendants)

- 117. The State repeats and incorporates by reference each allegation contained in the preceding paragraphs. Ark. R. Civ. P. 10(c).
- 118. The State brings this claim under Arkansas common law for a public nuisance against all Defendants.
- 119. A public nuisance is one that interferes with public health and welfare and creates an imminent risk of public harm.
- 120. Defendants created and maintained a public nuisance that proximately caused injury to the State.
- 121. Defendants created a mental health crisis in Arkansas, injuring the public's health and safety and interfering with their enjoyment of life.

- 122. Defendants have intentionally and unlawfully engaged in conduct that endangers or injures the health and safety of Arkansas's residents by designing, marketing, and operating their respective social-media platforms and targeting youth in Arkansas in a manner that substantially interferes with the functions and operations of the State and impacts the public health, safety, and welfare of the public in Arkansas. ⁹⁹
- 123. This harm to youth mental health and the corresponding impacts to the public health, safety, and welfare of the State's communities outweighs any social utility of Defendants' wrongful conduct.
- 124. The rights, interests, and inconvenience to Arkansas's residents far outweigh the rights, interests, and inconvenience to Defendants, which have profited tremendously from their wrongful conduct.
- 125. Defendants know, and have known, that they caused youth to become addicted to their platforms, harming youth mental health.
- 126. Defendants directly facilitated the widespread, excessive, and habitual use of their platforms and the public nuisance affecting Arkansas.
- 127. Defendants owed the public a duty to exercise reasonable and ordinary care and skill in accordance with the applicable standards of conduct in designing, marketing, and operating platforms directed to youth and adolescents.
- 128. Each Defendant breached its duty to exercise the appropriate degree of care commensurate with designing, marketing, and operating their platforms directed to youth.

See Restatement (Second) of Torts § 821B.

- 129. Defendants' conduct is especially injurious to the State because the State and its residents have sustained and will continue to sustain substantial injuries.
- 130. Each Defendant is liable for creating the public nuisance because the intentional, unreasonable, negligent, and unlawful conduct of each Defendant was a substantial factor in producing the public nuisance and harm to the State.
 - 131. The nuisance created by Defendants' conduct is abatable.
- 132. The State has expended substantial resources and has had to mitigate the harm and disruption caused by Defendants' deceptive and unconscionable practices and will require much more to fully abate the harm.

COUNT 2

Arkansas Deceptive Trade Practices Act Ark. Code Ann. § 4-88-101, et seq. (Against All Defendants)

- 133. The State repeats and incorporates by reference each allegation contained in the preceding paragraphs. Ark. R. Civ. P. 10(c).
- 134. Under Ark. Code Ann. § 4-88-104, the Attorney General brings this action for civil enforcement of the provisions of the ADTPA.
- 135. YouTube knowingly and actively designed their products to be addictive to young users regardless of the harm that the platforms caused to them.
- 136. Despite having internal research detailing the addictive nature of the features being developed and implemented into YouTube's product, Defendants led users and the parents of young users to believe their social media platforms were safe for use by young people, including through the release of the YouTube Kids product.

- 137. YouTube made these statements and crafted this image despite its own data collection, research, and algorithm-based information showing that Arkansas youth are compulsively using YouTube and that such overuse harms youth.
- 138. Despite knowledge of the risks posed by use of its product, YouTube targeted the young users most vulnerable and likely to be affected by the harmful aspects of its product because of the potential profit YouTube sought to gain by capturing more of the child, tween, and teen markets.
- 139. YouTube did not adequately inform users, potential users, and parents of users of the data and research known to YouTube about the dangers posed by use of its product. YouTube actively concealed, omitted, and suppressed these material facts with the intent that users rely upon its concealment, omission, and suppression to continue to add users, specifically youth users, in callous and reckless disregard for the known physical and mental health problems being created for those individuals who were using and continue to use YouTube. YouTube further misled and deceived the public about the addictive, destructive, and harmful effects its product had and has on youth users.
- 140. As described throughout this Complaint, YouTube's deceptive and unconscionable trade practices include knowingly making false representations as to the characteristics—specifically the safety and addictiveness—of YouTube's services and platforms in violation of Ark. Code Ann. § 4-88-107(a)(1).
- 141. Through YouTube's unconscionable and deceptive trade practice of deceiving users and potential users about the truth of the safety and addictiveness of its services, YouTube knowingly took advantage of vulnerable children and adolescent users who were reasonably unable to protect their own interests because of their young age. Children and adolescent users and

their parents are ignorant of the facts YouTube has in its possession and control, and they are unable to understand the addictive and harmful consequences of using YouTube's product, which conduct constitutes a violation of Ark. Code Ann. § 4-88-107(a)(8).

- 142. YouTube uses deception, false pretense, and the concealment, suppression, and omission of material facts regarding the safety and addictiveness of its product and the features permeating its product with intent that others rely upon the concealment, suppression, or omission of those material facts in order to increase the sale of advertisements on its products in violation of Ark. Code Ann. § 4-88-108(a)(1)–(2).
- 143. YouTube concealed, omitted, and suppressed material facts with the intent that others rely upon the concealment, omission, and suppression in order to maintain users, gain additional users, and likewise increase users' screen time and increase frequency of engagement with its products to facilitate the sale and delivery of targeted advertising to users to increase its profits in violation of Ark. Code Ann. § 4-88-108 (a)(2).
- 144. YouTube undertook deceptive and unconscionable practices in furtherance of its business, commerce, or trade and to profit at the cost of the decimated mental health of youth users in violation of Ark. Code Ann. § 4-88-107(a)(10).
- 145. The false representations, fraud, concealments, omissions, and suppressions of damaging information were deceptive and constituted a repeated course of unconscionable conduct contrary to public policy and the public's interest that continues to this day.

COUNT 3

Unjust Enrichment (Against All Defendants)

146. The State repeats and incorporates by reference each allegation contained in the preceding paragraphs. Ark. R. Civ. P. 10(c).

- 147. Under Arkansas law, unjust enrichment occurs when a party has unjustly received something of value to which he or she is not entitled.
- 148. Defendants received a benefit at the expense of Arkansas citizens in the form of subscription payments for YouTube Premium, YouTube TV, and advertising revenue derived from time spent on YouTube.
- 149. Defendants' products are designed to be addictive in nature, which monetizes the screen time of Arkansas's citizens and causes harm. The citizens of Arkansas conferred a financial benefit on Defendants, but Defendants did not provide the expected benefit in return.
- 150. The addictive features and false representations, concealment, omission, and suppression of facts detailed throughout this Complaint were used to generate this ad revenue at the expense of unwary and vulnerable users who YouTube did not inform of the harms and dangers associated with the use of its products and features.
- 151. Through their use of the deceptive, unlawful, and unconscionable practices detailed throughout this Complaint, Defendants readily accepted and retained these benefits at the expense of Arkansans, knowingly benefited from their unjust conduct, and were unjustly enriched.
- 152. It is unjust and inequitable for Defendants to retain these benefits because they were attained by falsely representing, suppressing, and concealing the true nature of their social media platform from the State's citizens, who would not have spent excessive time on Defendants' platform but for Defendants' deception, false representations, manipulations, and concealment.
- 153. Equity cannot in good conscience permit Defendants to retain the benefits derived from the State and at the expense of the health and safety of Arkansas citizens through their unjust and unlawful acts, and therefore restitution or disgorgement of the amount of their unjust enrichment is required.

- 154. There is no valid, legal, and binding contract governing this dispute.
- 155. The State therefore seeks restitution of the sum, to be determined at trial, by which Defendants have been unjustly enriched.

VI. JURY DEMAND

156. The State demands a trial by jury.

VII. PRAYER FOR RELIEF

- 157. Based on the unlawful acts described herein, the State of Arkansas is entitled to an Order from this Court:
- A. Declaring that the conduct alleged herein constitutes a public nuisance under Arkansas law;
- B. Requiring Defendants to abate the public nuisance described herein and to deter and prevent the resumption of such nuisance;
- C. Enjoining Defendants and any agents, successors, assigns, and employees acting directly or through any corporate or business device, from engaging in further actions causing or contributing to the public nuisance as described herein;
 - D. Declaring that Defendants violated the ADTPA;
- E. Enjoining Defendants and any agents, successors, assigns, and employees acting directly or through any corporate or business device, from engaging in acts and practices alleged in this Complaint and any other acts and practices that violate the ADTPA;
- F. Directing Defendants to disgorge and forfeit all profits they have derived as a result of their unfair and deceptive acts and practices;
- G. Awarding equitable relief to fund prevention education and treatment for excessive and problematic use of social media;

- H. Awarding actual and compensatory damages;
- I. Awarding the maximum statutory damages;
- J. Awarding reasonable attorneys' fees and costs;
- K. Awarding pre-judgment and post-judgment interest;
- L. Declaring that Defendants are jointly and severally liable under the law; and,
- M. Granting further just and proper relief.

Respectfully submitted,

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