ATTORNEY GENERAL
RUSSELL COLEMAN

The Meta Consent Judgment

What Kentucky Secured, What It Is Worth, and What Comes Next

In re: Social Media Adolescent Addiction/Personal Injury Products Liability Litigation
MDL No. 3047 (N.D. Cal.) · Case Nos. 4:22-md-03047-YGR; 4:23-cv-05448-YGR
Consent Judgment entered August 26, 2026 (Dkt. 3451) · Effective Date August 27, 2026

Briefing prepared for the Kentucky General Assembly

Prepared from the Consent Judgment (Dkt. 3451) and the Settlement Agreement (Dkt. 3451-1, Ex. A). Section and exhibit citations throughout are to those documents.

What This Briefing Covers

01 **Where the case came from**
Investigation through trial and entry of judgment; Kentucky's role and the coalition.

02 **What Meta must now do**
The injunctive terms on Facebook and Instagram, and the auditor who checks them.

03 **How it compares**
The multistate consent judgment measured against the New Mexico trial judgment.

04 **What Kentucky is paid**
$358.16M guaranteed, $154.37M contingent, plus a share of the $75M cost fund.

05 **Where the General Assembly comes in**
The contingency trigger, and the appropriation decision under KRS 48.005.

How We Got Here

From a bipartisan investigation to an entered federal consent judgment

Nov. 18, 2021 — Bipartisan nationwide investigation of the social media industry opens; nearly every attorney general participates. Coalition co-led by California, Florida, Kentucky, Massachusetts, Nebraska, New Jersey, Tennessee, and Vermont.

Oct. 24, 2023 — Kentucky and other states file the consolidated federal complaint against Meta in the Northern District of California. Fifteen states proceed in their own courts (Satellite AG Actions, § I.ZZ).

2023 – 2026 — Discovery, motion practice, and expert work. Kentucky staffs the case continuously for nearly five years.

Aug. 12, 2026 — Trial begins in Oakland before Chief Judge Gonzalez Rogers. It was expected to run six to eight weeks.

One week in — The parties reach agreement. Kentucky serves on the settlement negotiation committee.

Aug. 26, 2026 — Consent Judgment entered (Dkt. 3451). All claims in the MDL Action fully and finally resolved; appeal rights waived (CJ § XI.B).

Aug. 27, 2026 — Effective Date — first business day after entry (§ I.Y). The 10-year Agreement Term begins (§ X.B).

~Feb. 27, 2027 — Compliance Date — six months after the Effective Date. Sections II and III obligations take effect (§§ I.R, X.A).

The Coalition

Who is bound, who led, and who is not participating

The 53 Settling States and territories

Alabama · Alaska · Arizona · Arkansas · California · Colorado · Connecticut · Delaware · Georgia · Hawaii · Idaho · Illinois · Indiana · Iowa · Kansas · **KENTUCKY** · Louisiana · Maine · Maryland · Massachusetts · Michigan · Minnesota · Mississippi · Missouri · Montana · Nebraska · Nevada · New Hampshire · New Jersey · New York · North Carolina · North Dakota · Northern Mariana Islands · Ohio · Oklahoma · Oregon · Pennsylvania · Rhode Island South Carolina · South Dakota · Tennessee · Texas* · Utah · Vermont · Virginia · Washington · West Virginia · Wisconsin · Wyoming· District of Columbia · American Samoa · Guam · Puerto Rico

Eligible but not settling

Florida
U.S. Virgin Islands

Both appear on the Eligible States list at Exhibit D. Non-participating states receive no payment under the agreement (§ X.K).

Texas* and Guam have since joined. Their allocations are added to Exhibit B by amendment (§ VI.A.2).

Trial states — federal

California, Colorado, Kentucky, New Jersey

Trial state — separate

Tennessee, in Davidson County Chancery Court

State Committee

No more than six AG offices, bipartisan (§ I.EEE)

Minimum participation

The monetary parity clause required at least 40 (§ I.KK)

One consequence worth flagging: Section I.I and Exhibit B as filed name 51 settling states. Texas and Guam joined after the Effective Date, and § VI.A.2 provides that Exhibit B is amended to add any such state together with its guaranteed and contingency installment amounts. Kentucky's own allocation is unaffected — but every national total in the filed exhibit is now understated, and the office should obtain the amended Exhibit B before citing any nationwide figure.

*Texas has joined through a side deal that substantially adopts this agreements terms

The Kentucky Team

Consumer & Senior Protection Division, Office of the Attorney General

Trial team — Oakland

Chris Lewis, Division Chief

Zachary Richards, Asst. AG

Daniel I. Keiser, Asst. AG

At Counsel Table in trial and conducting motion practice, research, trial compliance, witness coordination and logistics.

Litigation support - Kentucky

Philip Heleringer, Consumer Chief

Matthew Cocanougher, Asst. AG

Gary W. Thompson, Asst. AG

Provided critical litigation support from Frankfort throughout trial for research, drafting, witness coordination and logistics.

Leadership

Attorney General Russell Coleman

Rob Duncan, Deputy Attorney General

Justin Clark, Civil Chief

Duncan, Clark, and Lewis handled the settlement negotiations for the Commonwealth.

This was a sustained institutional effort, not a windfall.
The same small group carried the matter from the opening of the investigation through discovery, trial preparation, a week of trial in California, and the negotiations that produced the judgment. Kentucky's recovery reflects work the Commonwealth actually performed, and the Cost Fund exists precisely to reimburse states for that investigatory and litigation cost (§ VI.B.1).

Kentucky's Role

One of four states that carried the federal case into trial

In the courtroom in Oakland

California · Colorado · Kentucky · New Jersey

Four states tried the consolidated federal case. Tennessee tried its own case separately in Davidson County Chancery Court.

Kentucky sat at counsel table for the duration of the trial.

At the negotiating table

Kentucky held a seat on the settlement negotiation committee that produced the agreement.

The State Committee — a bipartisan group of no more than six attorney general offices — administers the agreement going forward and directs the Cost Fund.

53
States and territories in the final resolution

5
States that took Meta to trial

~5 yrs
From investigation to resolution

10 yrs
Term of the injunctive obligations

Why the leadership role matters. The four MDL trial states and ten others negotiated the injunctive terms that every settling state now receives. Kentucky participated as both a lead trial and negotiating state. The Office did not adopt a deal made elsewhere; it helped write the terms. That same posture is what positions the Commonwealth to pursue the contingent payment discussed later in this briefing. As a result of the Office's leadership role, Kentucky's share was increased by 44%.

What Meta Must Do

Seven obligation areas on Facebook and Instagram, plus independent audit (§§ II–III)

Age Assurance
§ II.A

Assess every user; tested false-positive ceilings; under-13 detection.

Time Management
§ II.B

Night access mode, daily limit, school mode, productive pauses.

Feed Options
§ II.C

A non-personalized home feed, offered and re-offered.

Social Comparison
§ II.D

Like and reaction counts off; cosmetic procedure filters disabled.

Teen Content Safety
§ II.E

Age-inappropriate and sensitive aggregate content; no backsliding.

Harmful People
§ II.F

Suspicious-contact warnings to teens and to supervising parents.

Parental Supervision
§ II.G

Time data, contacts, and harmful-search notifications to parents.

Independent Auditor
§ III

Five reports with public summaries; corrective action plans; Meta pays.

Scope and duration. Obligations attach to Facebook and Instagram (and Meta spin-off apps) as to Teen Users aged 13–17, take effect on the Compliance Date roughly February 27, 2027, and run 10 years (§§ I.GGG, X.A, X.B). The agreement is a floor: it does not relieve Meta of any higher obligation under other law (§ VII.A).

Age Assurance

The provision everything else depends on (§ II.A)

- **Within one year of the Effective Date, Meta must apply an age assurance method to every user of Facebook and Instagram in the settling states.**
  - Methods may be commercially available or proprietary; either way they must be tested annually by an accredited third party under real-world conditions, across demographic groups, and not on training data (§ II.A.2).
  - Any user not age-assessed within 14 days receives the teen default protections (§§ II.A.1, II.A.10).
- **Meta must hit numeric accuracy floors — this is what makes the obligation enforceable rather than aspirational.**
  - Commercially available methods, within one year: no more than a 10% false-positive rate for 16–17-year-olds and 3% for 13–15-year-olds (§ II.A.6.a.i).
  - Proprietary methods get a longer runway — 14% / 7% at year one, tightening to 10% / 5% at year two (§ II.A.6.a.ii).
- **Within six months, Meta must maintain or implement methods to detect users under 13, including soft-matching to find their other accounts (§ II.A.6.b).**
- **Meta must incorporate reliable age signals shared by the Apple and Google operating systems and app stores (§ II.A.5).**
- **Meta must make best efforts to improve the framework and must annually document any industry development it declines to adopt, and why (§ II.A.11).**

Note for the committee: a "false positive" here means a minor wrongly assessed as an adult — the error that strips a child of the protections. The ceilings are ceilings on failure, not guarantees of accuracy.

Time Management: Two Phases

Phase I applies now. Phase II is the lever this body can pull (§ II.B)

PHASE I — in effect from the Compliance Date

Night access mode
Teens blocked from feeds and non-messaging surfaces 12 a.m.–6 a.m., local device time. Push notifications off 10 p.m.–7 a.m. (§ II.B.2.a).

Daily limit
2 hours per day, cumulative across Facebook and Instagram and across linked and soft-matched accounts. Messaging and long-form content are excluded (§ II.B.3.a).

Duration
Five years, unless Phase II takes over (§ II.B.1.a).

PHASE II — on Industry-Wide Adoption

Night access mode
The block widens to 10 p.m.–7 a.m. — three additional hours every night (§ II.B.2.b).

Daily limit
60 minutes per app and no more than 120 minutes cumulatively, applied across linked and soft-matched accounts (§ II.B.3.b).

Duration
Runs for the full 10-year term (§ II.B.1.b).

These two provisions are the "Contingent Time Management Obligations" (§ I.V) — and they are what unlocks Kentucky's $154.4 million.

In both phases, the restrictions are defaults. A teen may make them stricter. Only a Supervising Parent — an adult formally linked through parental supervision controls (§ I.FFF) — can make them looser.

School Hours, Pauses, and Circumvention

The remaining time-management obligations (§§ II.B.4–II.B.6)

School Mode (§ II.B.4)

Push notifications disabled 8 a.m.–3 p.m., Monday through Friday, between August 15 and June 15 (§ I.AAA).

Messaging, account-security, and platform-integrity notifications still come through.

A supervising parent may adjust the hours or restrict everything but messaging.

Productive Pauses (§ II.B.5)

Within four months of the Effective Date: pauses at 60 and 90 minutes of cumulative daily use, and a notice after any 15 minutes of continuous use.

Pauses must escalate in length or prominence, and must be as prominent as the examples at Exhibit G.

Anti-Circumvention (§ II.B.6)

Meta must use and keep improving its soft-matching models — SUMA and similar — using device IDs, phone numbers, and email addresses.

Where a teen has multiple accounts, linked or soft-matched, the daily limit applies cumulatively across all of them.

The candid limit on the pauses provision.
Meta must research the efficacy of the pauses, consider auditor and expert recommendations, and implement changes to achieve the design objective. But Meta retains discretion over what to change, and it is presumptively compliant so long as it conducts and documents the assessment (§ II.B.5.d). This is a process obligation, not an outcome guarantee. A member may fairly ask what happens if pauses simply do not work — the answer is that the auditor will say so publicly, and the states may raise it, but the agreement does not specify a numeric result Meta must hit.

Feeds and Social Comparison

Design changes a court declined to order (§§ II.C, II.D)

Non-Personalized Feed (§ II.C)

Within four months, teens must have a reasonably accessible option to set a non-personalized feed as their home feed.

Meta must prompt each new teen account within 10 days, and every 90 days after, unless the teen turns reminders off. Meta may not preselect an answer or bury the choice among other settings.

A supervising parent may set the non-personalized feed, and once set, reverting requires the parent's approval.

Social Comparison (§ II.D)

Like and reaction counts are disabled for teens by default. The default cannot be loosened without a supervising parent's approval.

Cosmetic Procedure Filters are disabled for teens outright — no parental override.

The definition is narrow and deliberate (§ I.X): it reaches filters that sculpt facial structure in ways surgery would be required to achieve, and expressly excludes fantasy and character effects, ordinary makeup and smoothing, and parody distortions. The states must send Meta illustrative examples within two months of the Effective Date.

Why this is worth flagging.
In the New Mexico trial, the court denied every request touching the recommendation algorithm, holding that relief close to content presentation ran into Section 230 and the First Amendment, and that ordering a redesign against a single defendant was "equivalent to putting the factory in receivership." A negotiated agreement reaches what a contested judgment could not. Kentucky obtained a chronological-feed option by agreement that a court refused to order after a full trial on the merits.

Content, Contacts, and Parents

Sections II.E, II.F, and II.G

- **Teen Content Safety (§ II.E). Meta must maintain measures at least as effective as those it represents are already in place, and continuously improve them.**
  - Policies limiting exposure to age-inappropriate content and to bullying and harassment aimed at teens.
  - Interventions that interrupt repeated exposure to Sensitive Aggregate Content — defined at § I.BBB to include nutrition and weight discussion, body idealization, non-invasive cosmetic procedures, and personal accounts of mental or emotional distress. This is the eating-disorder and self-image provision.
  - Rapid feedback on user reports, with an appeal where Meta finds no violation.
- **Exposure to Harmful Experiences and People (§ II.F). Directed at child sexual exploitation, abuse, and nudity as defined by Meta's Community Standards (§ I.AA).**
  - Teens receive prompt, clear warnings when a message thread opens with a Potentially Suspicious Account.
  - Supervising parents are separately notified about contacts Meta identifies as likely to attempt financial sextortion, or likely to engage in Inappropriate Interactions with Children (§ I.BB), together with resources and suggested actions.
  - Meta must regularly measure prevalence of teen exposure and take steps to reduce it over time.
- **Parental Supervision (§ II.G). Parents receive time-spent data broken out by activity, information on their teen's social connections, and notification when a teen repeatedly searches for self-harm or eating-disorder content.**
  - Meta must improve the systems that stop an adult who is not a parent or guardian from claiming supervision over a teen.

Sections II.E and II.F are largely "maintain and improve" obligations anchored to Meta's existing practices, with a no-backsliding floor and an express carve-out permitting reasonable, limited-duration safety testing (§ II.F.2). Enforcement runs through the auditor and § VIII, not through a numeric standard.

Who Checks the Work

The Independent Auditor (§ III)

1	**Within 60 days**	The State Committee and Meta jointly select a qualified independent third-party auditor. Disagreement goes to the § VIII dispute process.
2	**Within 90 days of appointment**	Auditor, State Committee, and Meta agree a work plan setting scope, methodology, metrics, and cost. If they cannot agree, the auditor sets a fair and reasonable plan.
3	**Five reporting periods**	Five annual Final Reports to the attorneys general, with Meta given a chance to comment on drafts.
4	**Each report, publicly**	The auditor publishes an executive summary describing Meta's implementation and any recommendations, and whether Meta adopted them.
5	**On a finding of a material gap**	Meta must have a corrective action plan approved within 90 days and must begin implementing it within 90 days. The next report states whether it was completed.

Meta pays all reasonable auditor fees and costs (§ III.L). The MDL Court retains jurisdiction to enforce and modify (§ XI.F).

What Kentucky Gave Up — and What It Kept

The release and its carve-outs (§ IV)

RELEASED

All claims, known or unknown, accrued or unaccrued, that were asserted in the Actions or that could be asserted on the acts, practices, facts, and omissions alleged in them (§ IV.A).

Kentucky also waived the protection of statutes like California Civil Code § 1542 — meaning later-discovered facts do not reopen the release (§§ IV.D, IV.E).

Appeal rights are waived and pending appeals must be withdrawn within five business days (CJ § XI.B).

EXPRESSLY PRESERVED (§ IV.C.1)

Criminal liability
Securities violations tied to share ownership
State and federal tax violations
Antitrust liability
Environmental liability
Claims of private individuals
Claims of school districts, municipalities, tribes, and other governmental-unit plaintiffs in the JCCP, the MDL, or other courts
Claims arising from the investigation identified in the Colorado Attorney General's August 25, 2026 letter
Enforcement of the agreement itself

Note the boundaries: the environmental carve-out does not preserve public nuisance claims on the same facts, and the private-claims carve-out does not permit parens patriae claims.

Parity and Most-Favored-Nation Terms

Two clauses that protect Kentucky — and one that constrains it (§ V)

§ V.A **Monetary parity**	For 24 months, if Meta gives another state a better per-person guaranteed or contingent payment, Meta pays the settling states the per-person excess across their populations. Requires at least 40 participants.	**Protects**
§ V.B **Injunctive parity**	For 24 months, if Meta gives another state a lower daily limit, a more restrictive night access mode, or tighter school-hour limits, Kentucky receives the same term within 30 days.	**Protects**
§ V.C **Notice**	Either party entering a settlement within this section must furnish a copy within 10 calendar days.	**Neutral**
§ V.D **Meta injunctive MFN**	If Kentucky settles with Snapchat, TikTok, or YouTube on terms more favorable to that company than §§ II.A, II.B, or III, Kentucky must consent to modify the corresponding Meta term to match.	**Constrains**

The point of § V.D for this body: A weak resolution with another platform does not merely fail to help — it can pull the Meta protections down to match. By its terms § V.D is triggered by "a settlement agreement or resolution with any Core Industry Member," which on its face does not reach a duly enacted statute. That reading should be confirmed by the office before it is relied upon in drafting.

The New Mexico Trial

State ex rel. Torrez v. Meta Platforms, Inc. — judgment entered August 6, 2026

- **New Mexico tried its own case to judgment and won both phases. Total exposure of $942 million: a $375 million Phase 1 penalty under the Unfair Practices Act and a $567 million Phase 2 abatement fund.**
  - The jury found 75,000 violations and imposed the $5,000 statutory maximum on each. Instruction 16 counted one violation per New Mexico minor who used the platform without proper disclosure of risk, or who would not have used it had they been informed — a per-consumer theory, not per-transaction.
  - The abatement fund was built on public nuisance. New Mexico's statute permits abatement only, so the fund is restricted-purpose money on a five-year drawdown, with administration deferred to separate orders.
  - The court cut the plan twice — from 15 years to five as reaching beyond present harm, then again for Meta's market share.
- **The injunction runs five years from entry, is tolled on appeal with a supersedeas bond, and reaches Facebook and Instagram only. WhatsApp was excluded entirely.**
- **The organizing idea was a polluting-factory analogy borrowed from Meta and turned around. Relief framed as abating pollution was granted; relief read as closing the factory or dictating what it makes was denied.**
  - Content proximity was the operative screen. The court reached notifications and like counts because they sit furthest from content presentation, and refused autoplay, infinite scroll, and ranking on Section 230 and First Amendment grounds.

Injunctive Relief Compared

New Mexico judgment vs. the multistate consent judgment

Protection	New Mexico judgment	Kentucky consent judgment
Nighttime use	No access restriction. A notification curfew only, 10 p.m.–7 a.m. A minor may still open the app at 2 a.m.	Access blocked 12 a.m.–6 a.m. now; 10 p.m.–7 a.m. under Phase II.
Time limit	90 hours per month for under-18 accounts — roughly three hours a day.	2 hours per day now; 60 min per app and 120 min cumulative under Phase II.
Feed / algorithm	All algorithm relief denied on Section 230 and First Amendment grounds.	Non-personalized feed option, prompted at 10 days and every 90 days.
Like counts	Hidden by default for under-18 accounts.	Disabled by default; loosened only by a supervising parent.
Age assurance	Nine obligations, adopted largely from Meta's own proposal; two-year under-13 model.	Tested false-positive ceilings of 10% / 3%, annual accredited third-party testing.
Independent oversight	Monitor denied as "extremely vague and, often, aspirational." Court reserved authority to appoint later.	Independent Auditor, five annual reports, public summaries, corrective action plans, Meta pays.
Duration / scope	Five years, tolled on appeal. Facebook and Instagram; WhatsApp excluded.	Ten years from the Effective Date. Facebook, Instagram, and Meta spin-off apps.

The Honest Other Side

Relief New Mexico obtained that this agreement does not contain

NEW MEXICO OBTAINED

A $567 million abatement fund directed at behavioral health capacity — treatment, screening, prevention, referral, and evaluation.

Law enforcement reforms: funded ICAC trainings, a named contact, NCMEC consultation, human review of all new-CSAM CyberTips, and a 5% detection improvement against a 30-day baseline.

A flat bar on recommending minors to unconnected adults, and on unconnected adults messaging minors.

A one-strike policy, a nudity bar, and 48-hour human review of reports.

State-approved disclosure screens and a public education campaign, tied directly to the UPA verdict.

WHAT KENTUCKY HAS INSTEAD

Unrestricted funds. Kentucky's money is not confined to an abatement plan or a court-supervised drawdown; it is applied and disbursed under KRS 48.005 and KRS 367.370, and the General Assembly decides its use.

Certainty. The judgment is entered, appeal rights are waived, and the first payments are due on or about September 26, 2026. New Mexico's award is tolled on appeal.

Duration. Ten years against New Mexico's five.

The monitor New Mexico was denied — an auditor with a defined work plan, defined metrics, public reporting, and a corrective-action mechanism.

Sextortion and inappropriate-contact notifications to both the teen and the supervising parent (§ II.F.4).

The Money — Kentucky

Three separate streams, on three separate conditions (§ VI; Ex. B)

$358.16M
GUARANTEED
Ten equal installments
§ VI.C; Ex. B

$154.37M
CONTINGENT
Only if the trigger occurs
§ VI.D; Ex. B

~3.07%
COST FUND SHARE
Of the $75M residual
§ VI.B

$512,527,790.52 Maximum state payment to Kentucky, all installments (Ex. B). Excludes any Cost Fund residual.

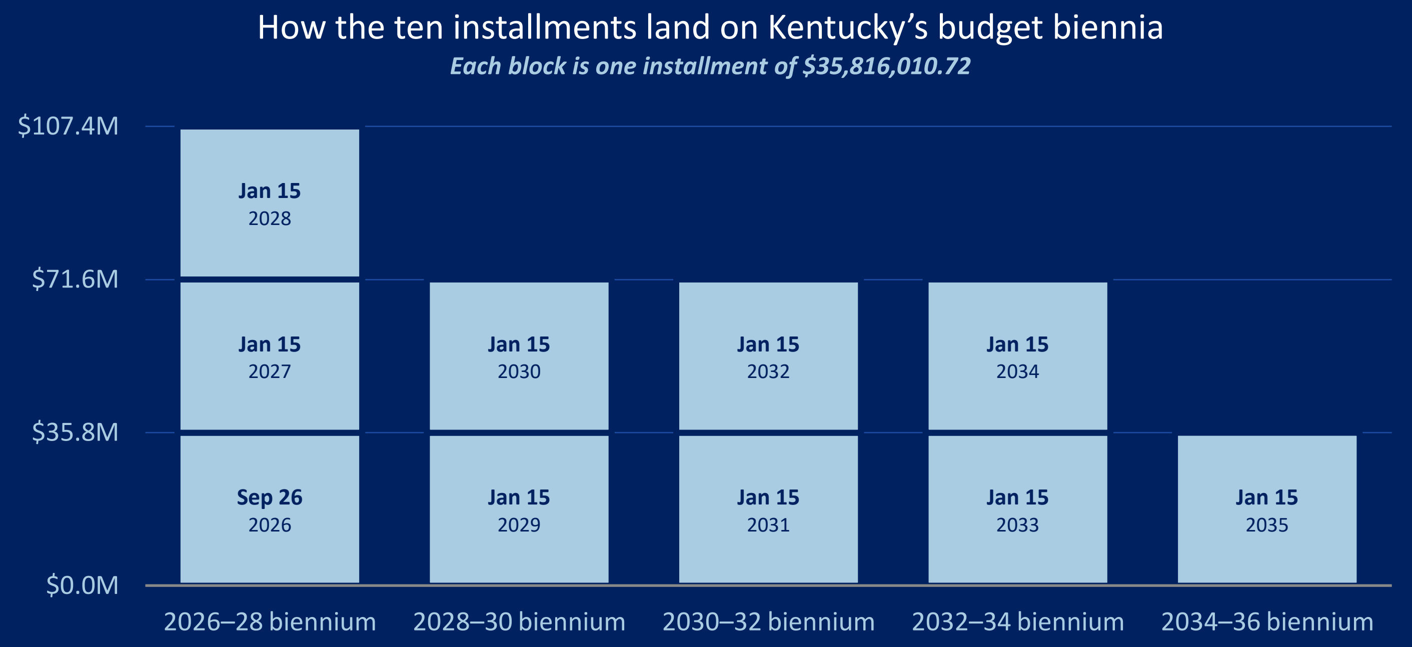
Reconciling the national figure

Guaranteed installments, all states — Exhibit B as filed	$11,656,621,745.60
Contingency installments, all states — Exhibit B as filed	$5,024,026,007.70
Subtotal — Exhibit B maximum, as filed	**$16,680,647,753.21**
Cost Fund Payment (§ VI.B.1)	$75,000,000.00
Add: Texas and Guam allocations, by amendment (§ VI.A.2)	pending amended Ex. B
Operative national total	**exceeds $16.76 billion**

Kentucky's own figures are fixed by Exhibit B and are not affected by later joinders. National totals are not: because Texas and Guam joined after filing, any nationwide figure should be taken from the amended Exhibit B rather than from the version on the docket.

The Guaranteed Payments

$35,816,010.72, ten times — but not evenly across the Commonwealth's budget biennia (§ VI.C; Ex. B)



The schedule

Installment 1 — within 30 days of the Effective Date, on or about September 26, 2026. Installments 2 through 10 — January 15, 2027 through 2035.

Every installment is identical. There is no first-year weighting. What is uneven is where the dates fall: installments 1 and 2 both land in FY2027, so three of the ten — **$107,448,032.16** — arrive inside the 2026–28 biennium. The final biennium receives one.

The only condition was entry of Kentucky's consent judgment, satisfied August 26, 2026 (§ VI.C.3).

Where the money goes:
Exhibit C ¶ 18 provides that payments to Kentucky are made payable to the Commonwealth, remitted as directed by the Attorney General, and "applied, deposited, and disbursed in accordance with KRS 48.005 and KRS 367.370." It adds that nothing in the agreement authorizes any deposit, administration, or expenditure inconsistent with KRS 48.005. The settling parties deliberately routed Kentucky's recovery through the Commonwealth's ordinary budget statutes rather than leaving it to the sole discretion of the Attorney General, as several other states did. The appropriation decision belongs to the General Assembly.

The Contingent Payments

$15,436,768.33 per installment — $154,367,683.30 in total (§ VI.D; Ex. B)

- **The contingency is all-or-nothing.**
  - If the Contingent Monetary Payment Trigger occurs in Kentucky, Meta owes ten equal installments (§ VI.D.1).
  - If it never occurs within the ten-year term, the payments are permanently forfeited and retained by Meta (§ VI.D.3).
  - Kentucky has no obligation to repay anything under any circumstance (§§ I.U, VI.D.3).
- **Delay does not reduce the total.**
  - At the first scheduled payment date after the trigger, Kentucky is paid that installment and every prior installment date at once (§ VI.D.2.a). Each remaining date is then paid normally (§ VI.D.2.b).
  - A trigger achieved in 2032 is therefore worth the same as one achieved in 2027.
- **Meta's incentives are mixed.**
  - Meta retains roughly $5.02 billion nationally if the trigger never occurs. But Meta also obtains Phase II parity across the industry only if it does — competitors become subject to equivalent limits. The agreement is structured so that Meta accepts tighter obligations in exchange for its competitors accepting them too.

The Trigger, Precisely

Both conditions must be met as to Kentucky (§ I.U)

1 Industry-Wide Adoption

Snapchat, TikTok, and YouTube — and any qualifying new entrant — must all be subject to substantively equivalent obligations to BOTH Phase II time-management terms, by one of three routes (§ I.DD):

a. A binding settlement or consent decree with Kentucky; or
b. A federal law, or a Kentucky statute or regulation, imposing equivalent obligations and actually in effect; or
c. Voluntary implementation certified by an independent third-party auditor.

Plus, in every case: binding age assurance for 13–17-year-olds no less restrictive than § II.A; a five-year independent audit of both obligations; and no carve-outs beyond messaging and long-form content.

2 A monetary obligation

Every Core Industry Member with annual profits above $10 billion must be subject to a monetary obligation that is at least as large as either:

a. Kentucky's own aggregate contingency amount — $154,367,683.30; or
b. In a multistate settlement including Kentucky, the aggregate contingency amounts of all the participating settling states.

This condition is litigation and settlement work, not legislation. A statute can satisfy condition 1; it cannot satisfy condition 2. The Attorney General's pending actions against TikTok and investigations into other platforms are the realistic route.

BOTH → $154,367,683.30 to Kentucky

Where This Body Can Partner

Four concrete levers, in order of directness

01	**Legislate the Phase II standard**	Route (b) of Industry-Wide Adoption is a Kentucky statute or regulation. A law applying to every covered platform, obligations substantively equivalent to the Phase II night access mode and daily limit — together with age assurance no less restrictive than § II.A, a five-year independent audit requirement, and no carve-outs beyond messaging and long-form content — would satisfy condition 1 as to any platform it reaches.
02	**Support the enforcement work**	Condition 2 requires monetary obligations from the other platforms. That is litigation. The office has pending actions against TikTok and active investigations into the remaining platforms and resourcing that work is the practical path to the second half of the trigger.
03	**Direct the funds**	KRS 48.005 and KRS 367.370 govern the deposit and disbursement of Kentucky's recovery. Section VI.G.1 sets out the remedial purposes the settling parties contemplated; that list is on the next slide. The choice among them is an appropriation decision.
04	**Draft for durability**	Industry-Wide Adoption requires the obligations to be in effect and to remain in effect. A statute that is enjoined, sunsets, or is narrowed breaks the condition — and if a new entrant qualifies and is not covered by its effective date, adoption lapses (§ I.DD). Severability, coverage of new entrants, and defensibility all matter to whether the $154 million ever arrives.

Two cautions: legislation of this kind draws First Amendment, dormant Commerce Clause, and preemption challenges, and § X.E preserves Meta's right to challenge any law; and § V.D's MFN clause should be reviewed by counsel before drafting begins.

What the Money May Be Used For

The purposes the settling parties enumerated (§ VI.G.1)

The agreement provides that each state's payment be used for any lawful purpose consistent with the Attorney General's authority, and lists these as examples of remedial or restitutive purposes:

- Crisis intervention — expanding and operating the 988 Suicide & Crisis Lifeline and text-based youth crisis lines
- Youth mental health programming
- After-school and summer programs — sports, literacy, dance, and similar activities
- Hiring digital literacy counselors, or implementing phone-free school zones
- Public health advertising credits
- Training medical providers on interactive media use and body dysmorphia
- A digital wellness public education fund
- Grants to school districts or other local government entities for any of these purposes
- Funding outdoor activities
- Investigation, litigation, and related efforts to improve teen safety on social media

What Remains for the Attorney General's Office

Near-term deadlines and ten years of compliance work

IMMEDIATE

Provide remittance instructions and confirm receipt of the first installment of $35,816,010.72 by September 26, 2026.

Coordinate deposit under KRS 48.005 and KRS 367.370.

Submit the Cost Fund reimbursement request to the State Committee.

Participate in auditor selection — due within 60 days of the Effective Date.

Join the states' letter to Meta giving illustrative examples of cosmetic procedure filters, due within two months (§ I.X).

ONGOING COMPLIANCE

Calendar the January 15 payment dates, 2027 through 2035, and the Compliance Date.

Review five annual auditor reports and the corrective action plans that follow any material finding.

Monitor Meta's dealings with Florida and the U.S. Virgin Islands for 24 months, to capture any parity benefit under §§ V.A and V.B, and obtain the amended Exhibit B reflecting the Texas and Guam joinders.

Enforce through the § VIII dispute process and, if needed, the MDL Court, which retains jurisdiction.

THE CONTINGENCY

Prosecute the pending action against TikTok and pursue Snapchat and YouTube as appropriate.

Structure any platform resolution so it clears the Industry-Wide Adoption conditions rather than merely settling the case.

Screen every such resolution against the § V.D most-favored-nation clause before signing, so a favorable term for a competitor does not degrade the Meta obligations.

Advise on any legislation this body considers, so the drafting satisfies § I.DD.

The through-line. Everything in the third column is joint work. The office cannot legislate, and the General Assembly cannot litigate. The contingent payment is the one part of this recovery that requires both branches to act, and it is worth more than $154 million to the Commonwealth.

Questions

Office of the Attorney General · Consumer & Senior Protection Division

Commonwealth of Kentucky