



SENATE BILL 2061

By Watson

AN ACT to amend Tennessee Code Annotated, Title 9, Chapter 4, Part 2, relative to funding for the protection of children.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 2, is amended by adding the following new section:

On or before January 15, 2027, the department of finance and administration, in consultation with the attorney general and reporter or other departments or agencies of state or local government, is urged to study and submit a report to the general assembly on state funding sources derived from litigation or investigations in this state that are used to support the protection of children's mental health and safety online, including, but not limited to, any civil penalties recovered by the state in any actions brought pursuant to the Protecting Children from Social Media Act, compiled in title 47, chapter 18, part 57, or other laws. If such study is conducted, then the report shall include the description of the manner in which the funds are being used.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

Amendment No. 2 to SB2061

Watson
Signature of Sponsor

AMEND Senate Bill No. 2061*

House Bill No. 2270

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 2, is amended by adding the following as a new section:

9-4-217. Children's digital protection fund.

(a) There is created a fund within the state treasury to be known as the children's digital protection fund. Notwithstanding another law to the contrary, moneys received by the state pursuant to the resolution of legal claims concerning the effects of the use of a social media platform, an online gaming platform, or other digital technology on the mental health and wellbeing of minors, as determined by, and in the sole discretion of, the attorney general and reporter, must be deposited in the fund and used only to implement and administer the purposes set forth in subsection (b).

(b) Moneys in the children's digital protection fund may be expended, subject to appropriation by the general assembly, for the following purposes:

- (1) Mental health supports, programs, and treatment services for minors;
- (2) Research related to the impact of social media and technology on the mental health and wellbeing of minors;
- (3) Criminal and civil law enforcement resources for addressing the impact of social media and technology on the mental health and wellbeing of minors;
- (4) Criminal and civil law enforcement resources for addressing the exploitation of minors through technology;

(5) Education relating to the impact of social media and technology on the mental health and wellbeing of minors;

(6) Allocation to, and deposit of, funds in the K-12 mental health endowment fund, created by title 49, chapter 3, part 5; and

(7) Suicide prevention for minors.

(c) As used in this section, unless the context otherwise requires:

(1) "Minor" means an individual who is:

(A) Under eighteen (18) years of age; and

(B) A resident of this state;

(2) "Net recovery" means the total amount paid to the state through the resolution of legal claims described in subsection (a) minus:

(A) Investigation and litigation costs;

(B) Attorney's fees; and

(C) Amounts designated for restitution;

(3) "Online gaming platform" means an internet-based platform, website, or application enabling users to create, publish, access, play, or participate in digital games or experiences; and

(4) "Social media platform" means a website or internet application that:

(A) Allows a person to create an account; and

(B) Enables an account holder to communicate with other account holders and users through posts.

(d) The attorney general and reporter shall determine the amount of the net recovery and direct the deposit of that amount to the children's digital protection fund. Moneys in the fund must be expended and obligated only in accordance with this section and appropriations made by the general assembly. This section does not prevent the fund from also receiving moneys from other sources.

(e) Moneys in the children's digital protection fund must be invested by the state treasurer in accordance with § 9-4-603. Notwithstanding any law to the contrary, interest accruing on investments and deposits of the fund must be credited to the fund, and remain part of the fund. Any unencumbered moneys and any unexpended balance of the fund remaining at the end of a fiscal year must not revert to the general fund but must be carried forward until expended in accordance with this section.

SECTION 2. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are severable.

SECTION 3. The heading in this act is for reference purposes only and does not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the heading in any compilation or publication containing this act.

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.