IADC COMMITTEE NEWSLETTER

CORPORATE COMPLIANCE AND GOVERNMENT ENFORCEMENT ACTIONS

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IN THIS ISSUE

Jay Schleppenbach reports on recent government enforcement and civil litigation activity relating to online safety.

Online Safety Under the Microscope for Government Enforcement and Civil Litigation



ABOUT THE AUTHOR

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ABOUT THE COMMITTEE

The Corporate Compliance and Government Enforcement Actions Committee consists of IADC members involved in both criminal and civil business litigation. Government enforcement actions are a broad category and the committee's focus will include white collar matters and advising on corporate compliance policies and practices. We intend to assist the members by affording them an opportunity to become more familiar with government investigations and prosecutions, strategies to avoid criminal charges, and methods to defend them. Since many of our members work inside corporations, we intend to provide guidance in developing strategies in conducting internal investigations. Among our planned activities are newsletters, programs and podcasts. Learn more about the Committee at www.iadclaw.org.



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For nearly as long as the internet has existed, there have been concerns about its safety, particularly for children.[1] In 1995, the cover of *Time* magazine alerted Americans to the dangers of children accessing online pornography.[2] Within a few years, Congress was considering legislation to protect children from the perceived dangers of the internet.[3] And as technologies have matured, so have the attendant fears, evolving for instance to include concerns about mobile technologies and whether they impact safety, social development, and cognitive performance.[4] It should perhaps be no surprise, then, that online safety has emerged as a major subject of government enforcement activity and civil litigation, including mass torts.

Federal and State Regulators Take Action

Congress is currently considering legislation in the form of Kids Online Safety Act, which would, among other things, require covered platforms to "exercise reasonable care in the creation and implementation of any design feature to prevent and mitigate" certain harms to minors including eating disorders, substance abuse, depression, and sexual exploitation, "where a reasonable and prudent person would agree that such harms were reasonably foreseeable by the covered platform and would agree that the design feature is a contributing factor to such harms."[5] It would also require platforms to provide safeguards for minors, such as limits on others' ability to communicate with minors, restrictions on access to minors' personal data, and limits on design features that may result in compulsive usage.[6] Although versions of this legislation have passed both the House and the Senate, differences between the two chambers' versions may create obstacles to its becoming law.[7]

Meanwhile, some states have enacted their own online safety measures. For instance, the California Age-Appropriate Design Code Act requires covered sites to assess and mitigate the risk their product will expose children to harmful content.[8] Florida and Texas passed laws restricting online platforms' ability to moderate user content, for instance based on viewpoints expressed, although both laws are on hold after a

[1] Roger Cochetti, *The internet's oldest problem is also its youngest: Child safety*, THE HILL (July 3, 2024), https://thehill.com/opinion/technology/4752650-childrens-safety-internet-balance/.
[2] *Id.*
[3] Mary B. Kribble, *Fear-Mongering, Filters, the Internet, and the First Amendment: Why Congress Should Not Pass Legislation Similar to the Deleting Online Predators Act*, 13 ROGER WILLIAMS UNIV. L. REV. 496, 498 (2008).
[4] Madeline J. George & Candice L. Odgers, *Seven fears and the science of how mobile technologies may be influencing adolescents in the digital age*, PERSPECTIVES ON PSYCHOLOGICAL SCIENCE, Vol. 10, Issue 6 (Nov. 2015).
[5] Kids Online Safety Act, S. 1748, 119th Cong. § 102 (2025).
[6] *Id.* § 103.
[7] Miranda Nazzaro, *House passes kids online safety package despite watchdog pushback*, THE HILL (June 29, 2026), https://www.msn.com/en-us/news/politics/house-passes-kids-online-safety-package-despite-watchdog-pushback/ar-AA26P2Qr?ocid=BingNewsSerp.
[8] California Age-Appropriate Design Code Act, CAL. CIV. CODE § 1798.99.28 *et seq*.

Supreme Court ruling citing potential First Amendment problems.[9] Other states have passed laws requiring social media sites to verify users' age and/or obtain parental consent.[10] One such law from Tennessee is currently being reviewed by the Sixth Circuit Court of Appeals, and thirty-four states have filed an amicus brief supporting it.[11]

State Attorneys General have also taken action with regard to online safety, including steps that can loosely be categorized as falling into the following areas:

Allegations of addictiveness. In April 2025, the Alabama AG sued a social media company for allegedly exploiting children, addicting them to harmful content, and lying about the safety of its platform.[12] In particular, the AG alleged that the application's safety measures were ineffective and easily bypassed.[13] Similarly, the New York AG released proposed rules for social media companies to restrict allegedly addictive features on their platforms in September 2025.

Misuse by predators. The New Jersey AG sued a messaging application in April 2025 over the alleged risks children faced when using the application, in particular exposure to sexual and violent content and online predators.[14] The Texas AG likewise filed suit against an online gaming site for children in November 2025, alleging that it exposed children to sexually explicit content, exploitation, and grooming while deceiving parents about the dangers of its platform.[15]

Data privacy. In June 2026, the Florida AG announced a settlement with a streaming provider to enhance privacy and personal data safeguards for children.[16] The California AG announced a settlement with a mobile gaming company in November 2025 for allegedly failing to offer consumers methods to opt-out of the sale or sharing of their personal information.[17] The previous month,

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[9] *Moody v. Netchoice, LLC*, 603 U.S. 2383 (2024).

[10] *E.g.,* ARK. CODE ANN. § 4-88-1402; GA. CODE ANN. § 39-6-1 *et seq*.; MISS. CODE ANN. § 45-38-5; UTAH CODE § 13-71-101; OHIO REV. CODE § 803.380.

[11] Brief of Amici Curiae Florida, 34 States, and the District of Columbia in Support of Appellee and Affirmance, *NetChoice, LLC v. Skrmetti*, No. 25-5660, Dkt. 23 (Oct. 10, 2025).

[12] Alabama Attorney General, *Attorney General Steve Marshall Sues Social Media Giant, TikTok, for Deceptive Claims about Youth Safety* (April 25, 2025), https://www.alabamaag.gov/attorney-general-steve-marshall-sues-social-media-giant-tiktok-for-deceptive-claims-about-youth-safety/.

[13] *Id.*

[14] New Jersey Attorney General, *AG Platkin Sues Messaging App "Discord" for Unlawful Practices That Expose NJ Kids to Child Predators and Violent, Sexual Content* (April 17, 2025), https://www.njoag.gov/ag-platkin-sues-messaging-app-discord-for-unlawful-practices-that-expose-nj-kids-to-child-predators-and-violent-sexual-content/.

[15] Attorney General of Texas, *Attorney General Ken Paxton Sues Roblox for Putting Pixel Pedophiles and Profits Over the Safety of Texas Children* (Nov. 7, 2025), https://www.texasattorneygeneral.gov/news/releases/attorney-general-ken-paxton-sues-roblox-putting-pixel-pedophiles-and-profits-over-safety-texas.

[16] Office of the Florida Attorney General, *Florida Attorney General James Uthmeier and Roku Announce Resolution of Digital Privacy Enforcement Action* (June 26, 2026), https://www.myfloridalegal.com/newsrelease/florida-attorney-general-james-uthmeier-and-roku-announce-resolution-digital-privacy-0.

[17] California Attorney General, *Attorney General Bonta Secures $1.4 Million Settlement with Mobile App Gaming Company for Violating California's*

he had similarly announced a settlement with a streaming service resolving allegations that the company violated the California Consumer Privacy Act (CCPA) by failing to provide an easy-to-use method for consumers to stop the sale of their personal information and by failing to provide sufficient privacy protections for children.[18]

Alleged fraud. The Vermont AG announced a settlement with an online platform in October 2025 of allegations that it engaged in misleading marketing by representing certain services as "certified" when no certification program existed. In April 2025, the New Jersey AG sued a messaging application for allegedly misleading parents about the efficacy of its safety controls and obscuring the risks children faced when using the application.[19]

Gambling. In June 2026, the Kentucky AG sued three online platforms for allegedly operating unlicensed and illegal gambling platforms and offering few or no resources to help consumers identify or seek help for gambling problems.[20] The Massachusetts AG had filed a similar lawsuit in September 2025 against a prediction market platform; 37 state AGs filed an amicus brief supporting the lawsuit and opposing arguments that the platform provided financial instruments that should be exclusively regulated by the Commodity Futures Trading Commission.[21]

Civil Litigation Plaintiffs Follow Suit

Perhaps unsurprisingly, online safety has also become a common subject of civil litigation, with plaintiffs pursuing a variety of theories, including in class action and multi-district litigation. For example, plaintiffs' attorneys have been advertising that individuals can bring claims against social media companies based on alleged addictiveness and harm to teens and children.[22] Similar suits have been proposed against gaming platforms[23] and streamers.[24]

Nation-Leading Privacy Law (Nov. 21, 2025), https://oag.ca.gov/news/press-releases/attorney-general-bonta-secures-14-million-settlement-mobile-app-gaming-company.

[18] California Attorney General, *Attorney General Bonta Secures $530,000 Settlement with Sling TV, First Enforcement Action from DOJ's Sweep of Streaming Services* (Oct. 20, 2025), https://oag.ca.gov/news/press-releases/attorney-general-bonta-secures-530000-settlement-sling-tv-first-enforcement.

[19] New Jersey Attorney General, *AG Platkin Sues Messaging App "Discord" for Unlawful Practices That Expose NJ Kids to Child Predators and Violent, Sexual Content* (April 17, 2025), https://www.njoag.gov/ag-platkin-sues-messaging-app-discord-for-unlawful-practices-that-expose-nj-kids-to-child-predators-and-violent-sexual-content/.

[20] Kentucky Attorney General, *Attorney General Coleman Launches Three Lawsuits Against Illegal Gambling Companies* (June 17, 2026), https://www.kentucky.gov/Pages/Activity-stream.aspx?n=AttorneyGeneral&prId=1944.

[21] New York State Attorney General, *Attorney General James Joins Bipartisan Coalition Defending States' Gambling Laws Against Prediction Markets* (April 24, 2026), https://ag.ny.gov/press-release/2026/attorney-general-james-joins-bipartisan-coalition-defending-states-gambling-laws.

[22] Social Media Victims Law Center, *TikTok Lawsuits: Addiction & Harm Claims for Teens and Children* (January 2026), https://socialmediavictims.org/tiktok-lawsuit/.

[23] Top Class Actions, *Roblox addiction lawsuit – parents may qualify for compensation* (July 2026), https://topclassactions.com/lawsuit-settlements/investigations/roblox-addiction-class-action-lawsuit/.

[24] King Law, *YouTube Addiction and Mental Health Lawsuits* (2026),

In late 2025, the United States Judicial Panel on Multidistrict Litigation created another MDL to centralize cases involving allegations that online platforms were used by child predators to target and groom children.[25] Plaintiffs in those actions assert claims for fraudulent and negligent misrepresentation, negligence, failure to warn, and design defects.[26] Issues that are expected to be litigated include whether the platforms had knowledge of child predators' activities, whether they had the means to implement effective parental controls and safety features, and whether the provided adequate warnings about the risk of sexual exploitation.[27]

MDLs challenging online service providers' data privacy practices have also been proliferating up in recent years. As early as 2012, an MDL was centralized in the Northern District of California with regard to allegations that a search engine secretly circumvented the privacy settings on internet browsers to place tracking cookies on users' devices.[28] In 2021, a social media platform settled an MDL alleging that it surreptitiously harvested and profited from user's private information, including biometric data, geolocation information, personally identifiable information, and unpublished digital recordings.[29] Another recent MDL related to allegations that an AI company improperly collected, distributed, and profited off of individuals' biometric data.[30] Of course, this is to say nothing of the numerous MDLs that have arisen from actual data breaches impacting companies.[31]

Looking Ahead

As online technology has grown to take an ever more prominent role in our lives, it is perhaps natural that it would also get more scrutiny from regulators and the plaintiffs' bar. It is clear that enforcement actions and mass torts dealing with online safety are not going away any time soon. Indeed, as technology becomes more complex and regulators and plaintiffs become more creative, one can anticipate that activity in this space may only increase. Companies and those who advise them should therefore prepare themselves with well-designed and funded compliance programs tailored to the very real litigation risks they face.

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https://www.robertkinglawfirm.com/personal-injury/social-media-addiction-lawsuit/youtube-lawsuit/

[25] *In re: Roblox Corp. Child Sexual Exploitation & Assault Litig.,* MDL No. 3166, Dkt. 98 (U.S. Judicial Panel on Multidistrict Litig. Dec, 12, 2025).

[26] *Id.*

[27] *Id.*

[28] Transfer Order, *In re: Google Inc. Cookie Placement Consumer Privacy Litig*., MDL No. 2358, Dkt. 62 (U.S. Judicial Panel on Multidistrict Litig. June 12, 2012).

[29] Memorandum Opinion and Order, *In re: TikTok, Inc. Consumer Privacy Litig.,* MDL No. 2948, Dkt. 161 (N.D. Ill. Sept. 30,2021).

[30] Transfer Order, *In re: Clearview AI, Inc. Consumer Privacy Litig.,* MDL No. 2967, Dkt. 50 (U.S. Judicial Panel on Multidistrict Litig. Dec. 15, 2020).

[31] *E.g., In re: 23andMe, Inc., Customer Data Security Breach Litigation*, MDL No. 3098 (N.D. Cal.); *In re: Trans Union, LLC, Customer Data Security Breach Litigation,* MDL No. 3170 (N.D. Ill.); *In re: MOVEit Customer Data Security Breach Litigation*, MDL No. 3083 (D. Mass.).

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