



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Statement of Chair Lina M. Khan
Regarding the Final Rule Amending the Children's Online Privacy Protection Rule
Commission File No. P195404

January 16, 2025

Today the Commission finalizes amendments to the Children's Online Privacy Protection Rule. These amendments are much needed: they come 25 years after the Rule first went into effect and 12 years after the Rule was last amended. Much has changed in that time, with a dramatic rise in kids' smartphone usage¹, screen time², and consumption of social media³. Meanwhile,

Practically this means that covered entities will be prohibited from selling kids' data or disclosing it for targeted advertising unless parents separately agree and opt in to these uses. And if a parent chooses not to consent, the operator may not cut off access to the website or service. In short, behavioral advertising towards kids must be off by default and entities cannot punish families if parents do not agree to the sale or disclosure of their kids' data.

Second, the revised Rule creates key protections against the indefinite retention of kids' personal data. These revisions will prevent an operator from retaining children's personal information for longer than necessary for the specific documented purpose for which the operator collected it. Moreover, covered entities will need to maintain written data retention policy that both (1) details the specific business need for holding on to kids' personal data and (2) lays out the timeline for deleting this data, precluding indefinite retention. These amendments will put in place baseline minimization requirements that reduce the burden on parents. They may prove especially salient given the expansion of AI and machine learning tools that feed on data to develop and refine the models and algorithms. Indeed, FTC's enforcement experience has already shown firms citing machine learning as justification for indefinite retention and the Commission has made clear that th (n)6 (a)6 (r27)Tjs maritie6 (iti)4-nd w eli3 (s)-1o nete4 (t)-2 erring

penalty for COPPA violations⁹ pursued enforcement actions against firms with extensive access to children and their personal information¹⁰ and addressed privacy harms that kids face in online gaming environments¹¹. The FTC also obtained relief requiring not only deletion of children's information collected in violation of COPPA, but deletion of models trained¹² on it. And the agency brought its first COPPA action against an ed tech provider¹³, updating off of its policy statement clarifying that COPPA forbids ed tech providers from forcing parents and schools to surrender children's online privacy in order to do schoolwork or attend school remotely¹⁴. The Commission also acted to support the use of state law and private actions to protect children's online privacy by filing amicus briefs in cases¹⁵ where parties attempted to use COPPA to forestall such actions¹⁵.

Beyond COPPA, which does not apply to kids 13 and older, the Commission brought its first actions to protect teens online. Its action against Epic Games, the Commission obtained relief requiring the company to disable by default for all users under 18 voice and text

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communications, which facilitated online harassment, abuse, and predation.¹⁶ The FTC also brought its first case challenging unsubstantiated AI child safety claims against a provider of an anonymous messaging app that exposed children and teens to cyberbullying and harassment, and obtained a ban against offering anonymous messaging apps to minors.¹⁷ Through these actions, the Commission sent a clear message that it will use its authority to combat illegal business practices that harm children online, even if they do not fall under the purview of COPPA.

In addition to its law enforcement initiatives, the FTC undertook efforts to examine issues impacting children and teens online. It published a report detailing the findings of a study examining the data practices of large social media and video streaming services, finding that the platforms failed to adequately protect kids and teens online.¹⁸ Looking to new developments in online advertising, the Commission held a workshop on kids and stealth advertising in digital media.¹⁹ A staff paper described takeaways from the workshop, noting the importance of clearly separating advertising from entertainment and educational content to limit potential harms to children.²⁰ Most recently, the Commission announced a workshop to examine the use of design features on digital platforms aimed at keeping kids and teens online.²¹ These efforts have been critical in exposing and understanding potential harms and risks impacting children and teens online.

As technology continues to develop at a swift pace, risks to privacy along with it, the FTC must continue to build the strong foundation that it has laid over the past three years to vigorously protect kids and teens online.

Of course, while the Commission should faithfully administer its enforcement obligations under COPPA, further protections for kids' privacy are much needed. I welcome the extensive efforts underway in Congress to legislate additional protections for young people online.

I am deeply grateful to staff in the Division of Privacy and Identity Protection for their excellent and thoughtful work in crafting the amendments announced today, and to staff

¹⁶ Fortnite press release, [supranote9](#).

¹⁷ Press Release, Fed. Trade Comm'n, [FTC Order Will Ban NGL Labs and its Founders from Offering Anonymous Messaging Apps to Kids Under 18 and Halt Deceptive Claims Around AI Content Moderation](https://www.ftc.gov/news-events/news/press-releases/2024/07/ftc-order-will-ban-n-gl-labs-its-founders-offering-anonymous-messaging-apps-kids-under-18-halt) (July 9, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/ftc-order-will-ban-n-gl-labs-its-founders-offering-anonymous-messaging-apps-kids-under-18-halt>.

¹⁸ Press Release, Fed. Trade Comm'n, [FTC Staff Report Finds Large Social Media and Video Streaming Companies Have Engaged in Vast Surveillance of Users with Lax Privacy Controls and Inadequate Safeguards for Kids and Teens](https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-staff-report-finds-large-social-media-video-streaming-companies-have-engaged-in-vast-surveillance-of-users-with-lax-privacy-controls-and-inadequate-safeguards-for-kids-and-teens) (Sept. 19, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-staff-report-finds-large-social-media-video-streaming-companies-have-engaged-in-vast-surveillance-of-users-with-lax-privacy-controls-and-inadequate-safeguards-for-kids-and-teens>.

¹⁹ [FTC Staff Paper: Separating Advertising from Entertainment and Educational Content](#) (2024), <https://www.ftc.gov/pressroom/2024/09/ftc-staff-paper-separating-advertising-from-entertainment-and-educational-content>.

throughout the agency for their efforts to protect the safety and privacy of America's children
and teens. Many thanks