

ENACTMENT OF THE CHILDREN'S  
ONLINE PRIVACY PROTECTION  
ACT**HON. JAY INSLEE**

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 2, 2000*

Mr. INSLEE. Mr. Speaker, today I recognize the enactment of the Children's Online Privacy Protection Act (COPPA). The Act requires operators of World Wide Web sites to obtain verifiable parental consent before collecting, using, or disseminating information about children under 13 years of age.

Representing a Congressional District which contains many of the world leaders in E-Commerce has given me a first hand opportunity to view the importance of privacy online. Consumers will not partake in business online without full assurance that their personal information will remain private. Though children are frequently more Web adept than their parents, they often lack the judgment and experience to deal with requests for their personal information, especially those request made from strangers. COPPA gives notice to both Web sites and parents of their responsibilities to protect children's privacy.

The Children's Online Privacy Protection Act prohibits unfair and deceptive acts in connection with the collection and use of personal information from and about children on the Internet. It will serve to enhance parental involvement in a child's online activities, protect the privacy of children in the online environment,

maintain the security of children's personal information collected online and limit the collection of this information without parental consent. Failure to follow the guidelines of the Act will result in fines in excess of \$10,000 and the possible closure of the Web site.

This act directly follows the five core principles of privacy protection, set forth by the FTC, which represent 'fair information practices': (1) Notice/Awareness; (2) Choice/Consent; (3) Access/Participation; (4) Integrity/Security; and (5) Enforcement/Redress. While the online industry has made great strides in protecting consumer privacy online, we need government intervention to assure the privacy of children.

A March 1998 FTC survey of 212 commercial children's Web sites found that while 89 percent of the sites collected personal information from children, only 24 percent posted privacy policies and only one percent required parental consent for the collection or disclosure of children's information. No parent would allow their child to wander the streets giving out their personal information to strangers, yet the aforementioned survey illustrates that this occurred continually over the World Wide Web prior to COPPA. With COPPA we have taken one large step towards putting parents back in charge of their children's personal information online.

We must continue to encourage parents to become involved in their children's online activities. Though the Web contains wonderful resources, there are also people online who prey on children and COPPA presents a useful tool to stop this from happening. COPPA

provides one important part of the solution to ensuring children's privacy and safety online, parental involvement and filtering tools such as Net Nanny can provide others. Net Nanny, one of the many high-tech firms found inside of my district, offers software that allows parents to regulate their children's online activities. Software of this sort lets parents choose the sites their children can visit, further bolstering parental control over their children's privacy.

COPPA may impose an increased cost on commercial children's Web sites, but these sites must realize that ensuring children's privacy is an essential part of their business. COPPA will provide an incentive to the industry to self-regulate, through self-regulatory watch dog groups such as BBBOnline, TrustE and the Children's Advertising Review Unit of the Council of Better Business Bureaus, so as to ward off future government intervention in the industry.

As a strong advocate of personal privacy, whether in the realm of banking and financial transactions or the World Wide Web, we must assure consumers that they have full control over their personal information. With no Constitutional protections over the sharing of personal information to third parties, in both the financial world and online, Acts such as COPPA and the Banking Privacy Act (H.R. 1929), which I introduced, are necessary safeguards of our privacy. Americans have a right to privacy in regards to their personal information, and I recognize the Children's Online Privacy Protection Act as enhancing this right.