
Growing Pains

How to Stay Ahead of Expanding Child and Teen Privacy Laws, Regulations, and Investigations

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Core Themes

Proliferation of legislation, regulatory interest, and litigation

Focus is broader than just privacy

Notice, consent, transparency are insufficient

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Pillars of Enforcement

FTC

- ◆ COPPA
- ◆ Section 5

State AGs

- ◆ COPPA
- ◆ State UDAP

State Legislatures

- ◆ AADC laws
- ◆ State comprehensive privacy laws
- ◆ Youth-specific privacy laws
- ◆ Social media laws
- ◆ Addictive feeds laws

COPPA Basics

- COPPA prohibits operators of websites and online services from collecting, using, or sharing personal information from children under 13 years of age (“U13s”) without first obtaining “verifiable parental consent.”
- COPPA applies to platforms that are:
 - (1) “**directed to children**” and collect personal information, or
 - (2) directed to a general audience but have “**actual knowledge**” that they are either (a) collecting or maintaining personal information from a U13 or (b) collecting personal information from users of a third-party app (“3PA”) that is directed to children (e.g., through an integrated SDK).
- Whether a platform is directed to children is a multi-factor assessment, including factors like intended audience and platform advertisements.
- COPPA is enforced by **the FTC** and **State Attorneys General**
- Key Updates to COPPA Rule
 - Addition of new factors for “directed to children,” analysis, including third party reviews, age of users on “similar platforms”
 - Additional VPC required for any third-party disclosure
 - Additional data security and “support for internal operations” requirements

Recent FTC Enforcement Actions

Genshin Impact

- ◆ *2025 settlement*
- ◆ *Alleged violations of COPPA and Section 5 of FTC Act*
- ◆ *\$20 million monetary penalty*
- ◆ *Order included prohibition on U16s purchasing loot boxes without parental consent*

Recent FTC Enforcement Actions

NGL

- ◆ *2024 settlement*
- ◆ *Alleged violations of COPPA, Section 5, and ROSCA*
- ◆ *Brought with LA DA's office*
- ◆ *\$5 million monetary penalty*
- ◆ *Order included prohibition on use of the app by U18s*

FTC/DOJ Lawsuit Against TikTok

- ◆ On August 2, 2024, the FTC and DOJ filed suit against TikTok Inc. in connection with alleged violations of COPPA and and Section 5 of the FTC Act
- ◆ The allegations relate both to TikTok's practices with respect to Kids Mode and to U13 users who were permitted to create and use regular TikTok as a result of TikTok's ineffective age assurance practices
 - **Kids Mode:** the complaint alleges that TikTok did not comply with COPPA because TikTok failed to satisfy the internal operations exception to VPC (very broad reading of internal operations)
 - **13+ TikTok:** the complaint alleges that TikTok failed to take sufficient steps to keep U13s off of that version of the app, and that TikTok failed to delete data after determining an account belonged to someone under 13

FTC Still Focused on Children

- ◆ Children's data (including data belonging to teens) has been a key focus of FTC enforcement actions in recent years and will likely continue to be in coming years
- ◆ May see less use of novel unfairness in alleging harms to children, but that is far from certain
- ◆ In a recent speech, Commissioner Holyoak said “. . . the commission must use every tool that Congress has given it to help protect children and teens from online harm and to better understand emerging technologies like AI powered chat bots that can negatively affect kids' online privacy and safety”

State AG Litigation

Teen Mental Health Litigation

- >40 states AGs sued Meta for violations of COPPA and state consumer protection laws
- Allege that FB and IG are directed to children and had actual knowledge of users under 13
- Seeking injunctive relief and damages

Discord (NJ AG)

- April 2025 complaint against Discord alleging violations of the NJ Consumer Fraud Act
- NJ claims that Discord misled users, particularly children and their parents, about the safety of its communication application
- Seeking injunctive relief and civil penalties

Roku (MI AG)

- April 2025 complaint alleging that the TV platform violated COPPA and the MI Consumer Protection Act
- MI claims that Roku collected and allowed third parties to collect personal information from children without complying with COPPA
- Seeking injunctive relief, damages, and civil penalties

State Legislatures

AADC laws

*State
comprehensive
privacy laws*

*Youth-specific
privacy laws*

Social media laws

Addictive feeds laws

Texas SCOPE Act

- ◆ Went into effect September 1, 2024
- ◆ Establishes requirements for digital service providers (“DSPs”) to permit parents and guardians to oversee a “known minor” users’ accounts
- ◆ Requires, among other things:
 - DSPs to verify each person seeking to act as a minor’s parent or guardian, including verifying the person’s identity and relationship to the known minor.
 - DSPs must not allow known minors to make purchases or engage in other financial transactions through the digital service, disclose or sell a known minor’s personal identifying information, use the digital service to collect a known minor’s precise geolocation data, or display targeted ads to a known minor.
 - DSPs to create and provide tools to allow parents and guardians to supervise known minors’ use of the digital service, including tools to: (i) control the known minor’s privacy and account settings; (ii) modify the default settings described above; and (iii) modify and limit the amount of time known minors spend using the digital service
- ◆ TX AG sued TikTok for violation of the law on October 3, 2024
- ◆ TX AG initiated investigations into 13 companies on December 12, 2024

Key Takeaways and Strategies

- ◆ Lean into age
 - Age gate and block those ages that are not essential to the business
 - Offer age-specific experiences
- ◆ Protective default settings for all U18s
- ◆ Offer parents basic rights as to their children's data – access, deletion – and make instructions/guidance for parents easy to locate
- ◆ Services offering the following needs to be particularly careful:
 - Social features (e.g. chat)
 - Algorithmic feeds
 - Purchases
 - Targeted advertising



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