

December 22, 2011

Federal Trade Commission  
Office of the Secretary  
Room H-113 (Annex E)  
600 Pennsylvania Avenue NW  
Washington, DC 20580

**Re: COPPA Rule Review, 16 CFR Part 312, Project No. P104503**

VIA ELECTRONIC MAIL: <https://ftcpUBLIC.commentworks.com/ftc/2011copparulereview/>

Dear Sir or Madam,

The Michigan Credit Union League (MCUL) appreciates the opportunity to comment on the Federal Trade Commission's (FTC) proposed amendments to the Children's Online Privacy Protection Rule (COPPA). MCUL is a statewide trade association representing approximately 95% of the credit unions located in the State of Michigan.

MCUL wholeheartedly supports the FTC's proposal to better protect children, but urge the agency to modify several aspects in order to make it easier for credit unions to obtain parental consent under the COPPA rules and limit unnecessary disclosure requirements. While credit unions provide accounts and financial education to children under the age of 13, they generally do not collect, retain, or have any interest in information from them that may be provided on third party linked sites.

#### 100% Deletion Standard

MCUL supports the proposed elimination of the current "100% deletion" standard under the COPPA rule for child personal information that a parent has asked an operator to expunge. MCUL also supports the proposed "reasonable measures" standard for compliance with the COPPA rules' requirement that operators must delete child personal information upon request, as it will provide the same or a similar level of child privacy as the "100% deletion" standard while allowing operators to employ more cost-effective and innovative methods of deleting child personal information than the current COPPA rules allow.

#### "Personal Information" Definition

MCUL does not support the proposed definition of "personal information" to include all types of user names (other than ones used solely for support purposes). MCUL believes that user names should not be considered part of the definition of "personal information" when a child under the age of 13 creates the user name as part of an online registration process that does not collect any personal information like email addresses or real names. Therefore, a user name poses little risk of compromising the privacy of a child.

### Direct Notices Regarding Non-Collection of Child Personal Information

MCUL opposes the proposed requirement for operators to send a direct notice to parents even when an operator never collects child personal information. MCUL believes this is outside of the Congressional intent under the COPPA law and thus requires Congressional action to effectuate this change.

Additionally, this requirement could make it more difficult for credit unions that do not collect any child personal information to provide financial literacy services and similar outreach to children using online systems. Requiring children to provide an operator with their parent's email address in order to use an online financial education service would have the likely effect of deterring children from using the website to obtain this type of valuable information.

### Parental Consent Using "Email Plus" for Not-For-Profits

MCUL does not support the proposed elimination of the "email plus" method of parental consent, as the other proposed methods (i.e., mailing or faxing parental consent forms), can just as easily be falsified by children intent on providing personal information.

MCUL does not support the onerous requirement to obtain a safe harbor in order to use a less burdensome parental consent method, and urges the FTC to provide exemptions by activity type. For example, certain types of activities, such as financial literacy provided by credit unions and similar not-for-profit operators should be authorized to use the existing rule's "email plus" method. Requiring additional methods to obtain consent would deter non-for-profit entities from providing valuable services in order to avoid taking the additional time to use the proposed rule's other methods of consent or to obtain written approval from the FTC under its safe harbor program. Other operators that collect personal information from children in order to further their own financial interests should be subjected to more onerous requirements to obtain parental consent.

### Data Retention and Deletion Requirements

MCUL supports the proposal to require operators to retain children's personal information for only as long as is reasonably necessary to fulfill the purpose for which the information was collected. MCUL also supports the requirement for operators to delete such information by taking reasonable measures to protect against unauthorized access to, or use of, the information in connection with its deletion.

### Model Disclosures

MCUL urges the FTC to provide model COPPA disclosures that would operate as a compliance safe harbor if used by operators. Other federal regulations, such as Regulation E and Regulation Z, include model forms and disclosures. Providing model forms in a similar manner with the final COPPA rule would facilitate operator compliance.

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MCUL appreciates the opportunity to comment.

Sincerely,

A small, handwritten mark resembling a curved line or a smile, positioned above the name of the sender.

Michael J. DeFors  
VP Regulatory Affairs