



OHIO CREDIT
UNION LEAGUE

December 22, 2011

Via Web to <http://ftcpUBLIC.commentworks.com/ftc/2011coppauleview>

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

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

Dear Sir/Madam:

The Ohio Credit Union League (OCUL) appreciates the opportunity to comment on the Federal Trade Commission's (FTC) current proposal of the Children Online Privacy Protection Act of 1998. COPPA sets requirements regarding the collection, use, and/or disclosure of personal information for children under 13 years old by websites and other online services. OCUL commends the FTC for its continuing efforts to protect children from the potential dangers of allowing their personal information to be collected online, as well as supports the FTC's ongoing efforts to promote online safety for children.

OCUL is the credit unions' trade association for credit unions in Ohio and advocates on behalf of Ohio's 379 federal-and state-chartered credit unions, serving 2.7 million members. The comments reflected in this letter represent the recommendations and suggestions of the Ohio Credit Union League that sets forth reasonable operational issues/concerns, yet maintains the intent and spirit of the Children Online Privacy Protection Act of 1998.

Summary

- The FTC has proposed new rules that will change the existing COPPA practice of obtaining parental consent using an email plus. The new proposed rules will require credit unions and other operators to use one of the following methods:
 - Providing a consent form that the parent must sign and return by mail, fax, or via scanned electronic copy;
 - Requiring the parent to use a credit card to complete a monetary transaction;
 - Having the parent call a toll-free telephone number;
 - Having the parent provide consent via a videoconference; or
 - Having the parent provide a form of government issued identification including the parent's age, so long as that identification information is later deleted by the operator once the verification complete.



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- The new proposal would revise several of the rule definitions such as collection of information, online contact information, and more, to clarify how the regulation applies to online services to match internet changes since FTC issued its current COPPA rules in 2000.
- The new proposal would replace the current regulation's 100% deletion standard. The new rules will instead allow operators to employ technologies reasonably designed to capture and delete all or virtually all personal information inputted by children.
- The new proposal would revise current parental notifications requirements to require operators to provide direct notices to parents. The proposal would also make substantive revisions to the COPPA rules' provisions regarding data confidentiality and security, data retention and safe harbor programs.
- The proposal would establish a procedure whereby industry groups could submit sets of proposed safe harbor policies and procedures related to child information collection to the FTC. If the FTC approves an industry group's safe harbor submission, any operator following the safe harbor policies and procedures would be deemed to be in compliance with the COPPA rules.

Recommendations

OCUL commends the FTC for its continuing efforts to protect children from potential dangers of allowing their personal information to be collected online. However, OCUL has concerns with some of the provisions in the proposal:

- Elimination of "email plus"- OCUL does not support the proposed elimination of the email plus method of parental consent. We urge the agency to allow this method to continue to be used if the operator has the parent personal information such as driver's license number, social security number, passwords on the account, account number, etc, and are able to verify. Credit unions already have parents' information on file that would be difficult for a child under the age of 13 to be able to obtain and verify with the credit union, pretending to be the parent. If the credit union has verification procedures in place, the email plus method will be just as efficient as other methods stated in the proposed rule.
- Definitions – OCUL does not support the inclusion of "user name" in the "personal information" definition. We believe that a user name that has been created without collection of personal information, such as real name or email address, should not be considered personal information within the meaning of the rule.
- OCUL supports the replacement of the current regulation 100% deletion standard. OCUL supports the proposed rule that will allow operators to employ technologies reasonably designed to capture and delete all, or virtually all, personal information inputted by children. OCUL believes the reasonable measure standard will provide the same level of protection as the 100% deletion standard while allowing credit unions to employ cost effective methods of deleting children's personal information than the current rule allow.

- OCUL supports the proposed rule's direct notice requirement, but urges the agency to allow credit unions and other operators to combine the direct notice with parental consent. This would reduce the compliance burden on credit unions and at the same time protect the privacy of children.
- OCUL supports the agency's proposed decision to allow industry groups to submit sets of proposed safe harbor policies and procedures related to child information collection to the FTC, and if approved, would serve as a safe harbor. OCUL encourages the agency to develop model COPPA disclosures that would operate as a compliance safe harbor if utilized by a credit union or other operators. This would reduce the heavy compliance burden that is already overwhelming credit unions.

Conclusion

The Ohio Credit Union League fully supports the ongoing efforts to promote online safety for children, and requests the FTC to consider the above modifications to its recent COPPA proposed rules and in final rules adopted.

OCUL is available to provide additional comments or information on this proposed rule if so requested. If you have any questions, please do not hesitate to contact me at (800) 486-2917 or jkozlowski@ohiocul.org.

Respectfully submitted,

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