

Designing for Minors

Age-Appropriate Design Laws and Compliance

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AGENDA

1. State Legislative Landscape
 - A. Age-Appropriate Design Codes
 - B. App Store Accountability Acts
2. Enforcement Activity
3. FTC COPPA Policy Statement

State Legislative Landscape

California Age-Appropriate Design Code

- Who it covers
 - Applies to online products and services likely to be accessed by consumers under 18
- Key Requirements
 - Age estimation technologies to identify child users
 - Privacy-protective default settings for minors
 - Restrictions on geolocation tracking of minors
- Status
 - Ongoing legal challenges; previous injunction partially lifted

Other State Design Codes

- Maryland, Nebraska, Vermont, South Carolina
- Common Requirements
 - Data protection impact assessments (DPIAs)
 - Prohibitions on dark patterns targeting minors
 - Data minimization and purpose limitations
 - Privacy-protective default settings
- Litigation ongoing in multiple states; enforcement timelines may vary

App Store Accountability Acts: UT, LA, TX, AL

- Core requirements
 - App store operators must verify user age before allowing app downloads or purchases
 - Parental consent required for minor accounts to download apps or make in-app purchases
- Litigation and legislative updates
 - Texas: Ongoing litigation expected to reach the U.S. Supreme Court; currently enjoined
 - Utah Amendments: App developers can now request that app stores block minors from accessing their apps entirely

California Digital Age Assurance Act

- Device-level age verification that shifts obligations differently than other age assurance laws
- Operating system providers (e.g., Apple, Google) must collect age information from users during device setup
- Age data is then used to gate access to apps or app features at the platform level
- Distinct from app-level or app store-level verification approaches

Enforcement Activity

Disney

- FTC alleged:
 - Disney designated MFK/NMFK at the channel level
 - Videos MFK were uploaded to NMFK channels, resulting in info collection, targeted advertising and features not meant for kids
 - \$10 million civil penalty
 - Implement audience designation program
 - Within 180 days, identify all videos MFK *unless* YouTube implements age verification for all users



Apitor Technology

– Complaint

- Robot toys controlled via company's app
- App incorporated third party SDK
- App collected geolocation data and transmitted back to Chinese company
 - Third party's privacy policy disclosed collection
- \$500k civil penalty (suspended)



Illuminate Education

– Complaint

- Promised to protect children’s information
- Database containing information regarding 10.1 million children hacked
- Company was aware of vulnerabilities but failed to correct issues

– Injunction

- Prohibits misrepresentations, requires deletion of unnecessary data and creation of security program



Sling TV

- California AG alleged Sling:
 - Collected/used personal data for targeted advertising
 - Made exercising opt-out rights difficult
 - Failed to adequately protect children
- Final Judgment
 - Allow consumers to designate kid profiles
 - Create system for programmers to designate kid content
 - Annual reviews to ID additional kid content
 - Delete existing kid data



FTC COPPA Policy Statement

- FTC will not enforce COPPA where kids' data is collected/used/disclosed w/out parental consent solely for age verification purposes
 - Can't use/disclose for any other purpose
 - Can't retain longer than necessary to verify age, and must delete afterward
 - Must only share with third parties capable of maintaining confidentiality/security/integrity
 - Must provide notice to parents and kids
 - Must employ reasonable security safeguards
 - Must take reasonable steps to ensure tool accuracy

Questions and Thank You!!!