

For Immediate Release

SIIA Communications Contact: Laura Greenback, 202.789.4461, lgreenback@siia.net

PR Contact: Beth Dozier, Rational 360, 202.429.1833, bethdozier@rational360.com

SIIA Says COPPA Rulemaking Goes Far Beyond Congressional Intent; Will Harm American Innovation

Washington, D.C. (September 24, 2012) - The Software & Information Industry Association (SIIA), the principal trade association of the software and digital content industries, today filed comments with the Federal Trade Commission regarding its notice of proposed rulemaking on the Children's Online Privacy Protection Act (COPPA). SIIA, which represents more than 500 technology companies, expressed significant concern that the FTC is creating a burdensome regulatory framework that goes well beyond congressional intent.

"The FTC's proposed COPPA rulemaking takes the effort to protect online privacy and turns it into a harmful barrier to American innovation," said SIIA president Ken Wasch. "For years, we've worked closely with industry and government to advance online privacy and security. We're confident that, with smart regulation and public-private cooperation, both the goal of protecting online privacy of children and the goal of business innovation can be served. Unfortunately, what we're currently seeing from the FTC is an overly broad and unworkable regulatory framework for implementing COPPA."

To read SIIA's full comments, please [click here](#) . In its comments, SIIA states:

"We are supportive of the goals of the Commission to protect children from third-party plug-ins, social networks and any other third party service that collects personal information.

"However, the inappropriately broad expansion of the statute's definition of personal information, combined with the increasingly broad definitions of 'operator' and 'web site or online service directed to children'... create a broad regulatory framework that dramatically exceeds the scope of COPPA and will most certainly stifle innovative Internet-based offerings-not just for sites and services directed at children under 13, but much more broadly."

SIIA addresses six specific areas of concern:

1. Expansion of "Personal Information" to include persistent identifiers creates an unworkable regulatory construct.
2. Modification to the rule's definition of "operator" is overly-broad, and it places an unworkable responsibility on operators of sites and services well beyond the scope of COPPA.
3. Proposal to make third parties qualify as "operators" under COPPA by creating a "reason to know" standards is an inappropriately broad expansion of the statute and impractical.
4. Requirement for operators of "child-friendly mixed audience sites" to take an affirmative step to attain actual knowledge of child users would inappropriately expand the scope of COPPA.
5. Application platforms should not be characterized as "operators" under COPPA, but the Revised NPRM leaves this unclear.
6. The broad regulatory construct proposed in the Revised NPRM is likely to challenge application of COPPA to Internet-based educational materials and services.

About SIIA

The Software & Information Industry Association (SIIA) is the principal trade association for the software and digital content industry. SIIA provides global services in government relations, business development, corporate education and intellectual property protection to more than 500 leading software and information companies. For further information, visit www.siia.net.

