

**Comments of Children and Screens: Institute of Digital Media and Child Development
to the
Federal Trade Commission
Draft Strategic Plan for Fiscal Years 2026-2030
Docket FTC-2025-0660**

Children and Screens: Institute of Digital Media and Child Development (“Children and Screens” or “The Institute”) appreciates the opportunity to submit comments to the Federal Trade Commission’s (“Commission” or “FTC”) draft strategic plan for the fiscal years 2026-2030 (“Strategic Plan”). Since 2013, Children and Screens has worked to help young people lead healthy lives in a digital world by synthesizing and disseminating the latest scientific research, while also supporting advancements in the field through funding and convenings.

Children and Screens supports the highest standard of security and privacy for children’s data and personal information. In its draft strategic plan, the Commission takes important steps to modernize its 2022-2026 Strategic Plan. Towards this end, Children and Screens is supportive of the Commission’s proposals, and its positions on existing statutes. In these comments, we address what we consider to be the most pressing priorities, and offer recommendations where we feel there is room for improvement. Our positions are informed by empirical research, and are based on interpretations of consumer protections that will maximize the privacy and security of all children. We arrived at these conclusions free of conflicts from technology industry funding, which allows Children and Screens to view research findings objectively.

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Introduction

The Commission's 2026–2030 Draft Strategic Plan reflects a bold and necessary commitment to protecting consumer rights. Among all consumers, children are uniquely vulnerable—their developmental stage, limited capacity for informed consent, and reliance on digital environments designed by others distinguish them from adult consumers. The United States has both an ethical and strategic imperative to assume global leadership in safeguarding children's digital well-being.

Given the borderless nature of the internet, U.S. children are affected by regulatory regimes abroad. Without strong domestic protections, the safety and privacy of American youth risk being determined by foreign regulators and profit-driven digital media companies, rather than by U.S. law and values.

Because the United States currently lacks comprehensive federal child online safety legislation, the Commission's enforcement of existing protections is both urgent and essential. To fulfill its mission, the FTC should embed children's consumer protection rights as a cross-cutting priority within every component of the Strategic Plan—across enforcement, guidance, research, and interagency collaboration.

Children and Screens encourages the Commission to explicitly recognize children and families as key stakeholders within each relevant objective, and to adopt metrics that reflect tangible harm reduction for youth and families. This focus will ensure that the Strategic Plan not only deters unlawful conduct, but also actively fosters safer, fairer, and more developmentally appropriate digital marketplaces for America's youngest consumers.

Children's needs should be elevated throughout the strategic plan, however it is important to draw attention to particularly relevant sections.

Strategic Goal 1: Protect Americans from unfair or deceptive acts or practices in the marketplace

Children's status as consumers, along with their unique privacy and security needs, is essential to advancing this objective. The Commission should explicitly include children among the consumer groups warranting special consideration, as it does for older adults and servicemembers. The Children's Online Privacy Protection Act ("COPPA") was enacted to recognize and safeguard the sensitive nature of children's personal information. Yet, children's data remains highly vulnerable. In 2022 alone, 298 data breaches across multiple sectors exposed the personal information of more than

one million children¹. Such breaches have tangible economic consequences: child identity fraud costs families over \$1,000 on average and U.S. households an estimated \$900 million annually². Strengthened enforcement of COPPA, alongside enhanced security and data minimization requirements, is critical to mitigating these harms.

The Commission should also give heightened attention to the unique privacy risks posed by social media platforms. Because these platforms' business models rely on extensive data collection and monetization, a child's personal information becomes vulnerable the moment they engage. Photos, messages, and identifying details shared by or about children can rapidly proliferate through algorithmically amplified feeds, making removal and control nearly impossible. Without robust safeguards and age-appropriate design standards, children's participation on social media exposes them to systemic privacy violations and long-term security risks. Monitoring and deterring illegal data collection on social media platforms is therefore of the utmost importance.

In addition to data collection concerns, the Commission should monitor targeted and deceptive marketing to children by livestreamers, influencers, and websites in general, especially when done in ways parents cannot reasonably monitor. These practices are often so deceptive and fallacious that few adults would be able to identify them. Such cases are illustrated in two actions by the Commission just this year:

- The deceptive practices and COPPA action that the Commission referred to the Department of Justice, *U.S. v. Cognosphere*, involving the child-targeted game *Genshin Impact*, resulted in a \$20 million settlement³. Cognosphere misled children into spending money on prizes by misrepresenting the game's reward "drop rate." Notably, the popular influencer Sssniperwolf was contracted to promote the game; in one of her videos, she appeared to win a top loot-box prize, when in fact the footage was edited to show a false outcome.
- In another example, the Commission sent payments totalling \$2.4 million to people who'd purchased products from the online fashion store Fashion Nova⁴ after the Commission found the online retailer hid hundreds of thousands of negative product reviews to artificially inflate their average rating. While not specific to children, this occurred on a platform easily accessible by children, selling products for children.

¹Data breaches by third parties Black Kite (2023), <https://blackkite.com/data-breaches-caused-by-third-parties/>

²Child Identity Fraud: A Web of Deception and Loss Javelin Strategy & Research (2021), <https://javelinstrategy.com/research/child-identity-fraud-web-deception-and-loss>

³*United States v. Cognosphere, LLC*, No. 2:25-cv-00447 (C.D. Cal. Jan. 17, 2025) (complaint), https://www.ftc.gov/system/files/ftc_gov/pdf/cognosphere_complaint.pdf

⁴*Fashion Nova settlement*, FTC (2025), <https://www.ftc.gov/enforcement/refunds/fashion-nova-settlement>

In neither of the cases would the typical consumer, especially a child, ever be able to identify the deceptive action, underscoring the urgent need to detect and deter such activities.

Under Objective 1.2, the Commission appropriately emphasizes education and engagement—but should explicitly designate children and families as priority stakeholders. This audience requires a two-tiered outreach strategy:

- Direct engagement with parents and caregivers, who often identify and report violations, and
- Education for adults who serve children, including teachers, school administrators, pediatricians, and childcare providers, who play pivotal roles in protecting children as consumers, and mediating children’s role as consumers.

Awareness among parents alone is insufficient. The Commission should ensure all adults in caregiving and educational roles understand children’s digital rights and should be provided with clear mechanisms for reporting and timely remedying violations.

Finally, the Commission’s research and policy development must include these stakeholders when examining emerging consumer protection issues, particularly in relation to artificial intelligence. As AI chatbots and companion tools become widespread—already used by an estimated 70% of teens⁵—new risks to privacy, manipulation, and mental health are emerging. Reports have already linked AI chatbot interactions to serious harms and fatalities among youth⁶. The Commission has recognized these risks⁷ and should maintain and expand its investigations into AI-driven products targeting or accessible to minors, ensuring proactive guidance and enforcement as the technology evolves.

⁵Michael B. Robb & Supreet Mann, *Talk, trust, and trade-offs: how and why teens use AI companions* Common Sense Media (2025), https://www.common sense media.org/sites/default/files/research/report/talk-trust-and-trade-offs_2025_web.pdf

⁶Kate Payne, *An AI chatbot pushed a teen to kill himself, a lawsuit against its creator alleges*, AP News (2024), <https://apnews.com/article/chatbot-ai-lawsuit-suicide-teen-artificial-intelligence-9d48adc572100822fdb3c90d1456bd0>

⁷FTC launches inquiry into AI chatbots acting as companions, FTC Press Release (Sept. 12, 2025), <https://www.ftc.gov/news-events/news/press-releases/2025/09/ftc-launches-inquiry-ai-chatbots-acting-companions>

Strategic Goal 3: Protect Americans and maximize mission outcomes through operational excellence and efficiency

The Commission cannot effectively enforce existing or new child online safety and privacy regulations without additional expert staff and dedicated resources. Operational excellence must include strategic investments in personnel, training, and specialized expertise to ensure meaningful enforcement of children's digital rights.

Since 1999, the FTC has issued at least 50 fines for violations of COPPA⁸. Two of the largest settlements—against Google LLC and Epic Games—illustrate both the agency's enforcement capacity and the magnitude of the problem.

- Google LLC and YouTube LLC paid \$170 million for illegally collecting children's data without parental consent—representing just 1% of YouTube's 2019 ad revenue and roughly 0.1% of Google Inc.'s total 2019 revenue⁹.
- Epic Games was fined \$520 million in 2022, including \$275 million for COPPA violations and \$245 million in refunds for deceptive design practices that led to unauthorized purchases, representing approximately 8% of Epic Games' 2022 revenue¹⁰.

These cases demonstrate the Commission's potential to effectively protect children, but also reveal the scale of ongoing violations and the limited deterrent effect of single enforcement actions. It is premature to conclude that either company has permanently ceased unlawful practices. If such significant penalties fail to eliminate violations, this outcome underscores the necessity of a well-resourced, expert Commission to sustain and expand oversight and verify compliance.

⁸History of children's privacy violations, PRIVO (2025), <https://www.privo.com/history-of-coppa-gdpr-violations>

⁹Nick Statt, *YouTube is a \$15 billion-a-year business, Google reveals for the first time*, The Verge (2020), <https://www.theverge.com/2020/2/3/21121207/youtube-google-alphabet-earnings-revenue-first-time-reveal-q4-2019>; Alphabet Inc., *Form 10-K for the fiscal year ended December 31, 2019* (filed with the SEC, Feb. 2020), <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001652044/4707b628-d64b-4673-a5a2-804c0c1773c7.pdf>

¹⁰United States v. Epic Games, Inc., 5:22-CV-00518-BO (E.D.N.C. Feb. 7, 2023); *Fortnite video game maker Epic Games to pay more than half a billion dollars over FTC allegations of privacy violations and unwanted charges*, FTC Press Release (2022), <https://www.ftc.gov/news-events/news/press-releases/2022/12/fortnite-video-game-maker-epic-games-pay-more-half-billion-dollars-over-ftc-allegations>; Matt Craig, *Epic Games' unreal money engine*, Forbes (2023), <https://www.forbes.com/sites/mattcraig/2023/11/10/epic-games-unreal-engine-fortnite-game-developers-sypherpk/>

Emerging cases suggest continued noncompliance across the industry. Disney recently agreed to a \$10 million settlement for COPPA violations¹¹, and in 2025, the nonprofit Fairplay petitioned the Commission to investigate Meta for similar violations¹². Despite stated age restrictions, approximately 40% of children aged 8–12 use social media¹³, highlighting widespread access and systemic under-enforcement of existing protections.

In Children and Screens’ Presidential Transition Memo¹⁴ The Institute emphasized that a strong Commission—with adequate staffing, specialized expertise, and technical capacity—is essential for safeguarding children’s privacy and well-being. As the Commission pursues efficiency under Strategic Goal 3, it must ensure that efficiency initiatives do not dilute enforcement capacity. These objectives are not at odds: investing in specialized staff, streamlined monitoring systems, and advanced technology will both reduce waste and amplify impact.

For example, building internal centers of excellence in child digital safety, privacy, developmental science, and AI auditing would enable the Commission to identify violations earlier, conduct more precise investigations, and reduce redundant casework. This targeted investment yields higher returns than expanding generalist staff alone and directly aligns with Objective 3.2’s commitment to a “best-in-class workforce.”

According to a 2022 FTC report, only 9–11 full-time equivalents were assigned to COPPA enforcement¹⁵. Even if current numbers have increased, such staffing levels are insufficient to meet the scale,

¹¹Disney to pay \$10 million to settle FTC allegations that company enabled unlawful collection of children’s personal information, FTC Press Release (2025),

<https://www.ftc.gov/news-events/news/press-releases/2025/09/disney-pay-10-million-settle-ftc-allegations-company-enabled-unlawful-collection-childrens-personal>

¹²Complaint against Meta filed at FTC alleging widespread Horizon Worlds child privacy violations, Fairplay (2025), <https://fairplayforkids.org/complaint-against-meta-filed-at-ftc-alleging-widespread-horizon-worlds-child-privacy-violations/>

¹³Victoria Rideout et al., *The Common Sense Census: Media use by tweens and teens*, 2021 Common Sense Media (2022), https://www.commonsensemedia.org/sites/default/files/research/report/8-18-census-integrated-report-final-web_0.pdf

¹⁴Memo to the presidential transition team on priorities for helping children lead healthy digital lives, Children and Screens: Institute of Digital Media and Child Development (2024), <https://www.childrenandscreens.org/newsroom/news/memo-to-the-presidential-transition-team/>

¹⁵Federal Trade Commission report to Congress on COPPA staffing, enforcement, and remedies (2022), https://www.ftc.gov/system/files/ftc_gov/pdf/p155401_coppa_general_project_report_2022.pdf

complexity, and technical sophistication of modern violations—particularly by multinational firms operating across opaque ecosystems. To fulfill its mandate, the Commission should:

- Establish dedicated child digital safety teams with cross-disciplinary expertise in law, technology, developmental science, and data science;
- Expand COPPA enforcement staffing and training programs; and
- Create an internal review and audit function for products marketed to or accessible by children.

These steps would enhance accountability, deterrence, and compliance, fulfilling the FTC’s mission while optimizing resources and demonstrating operational excellence in practice.

Conclusions

The Commission plays an indispensable role in safeguarding the nation’s consumers. Yet no group is more vulnerable—or more deserving of robust protection—than children. As outlined in the preceding sections, the FTC’s 2026–2030 Strategic Plan must fully reflect the urgency and complexity of protecting minors in an increasingly data-driven and algorithmically mediated world.

Children’s personal information remains under constant threat, their experiences shaped by manipulative digital design, and their well-being jeopardized by opaque technologies such as social media and AI chatbots. Enforcement of existing laws, particularly COPPA, is critical. Without dedicated resources, specialized expertise, and measurable commitments, even the strongest statutory tools will fail to achieve their intended impact.

At the same time, Children and Screens commends the Commission for its steadfast commitment to consumer protection and competition, for its historic COPPA enforcement actions, and for the bold vision articulated in this draft plan. With focused investment, targeted reforms, and cross-cutting prioritization of children’s rights, the FTC can lead globally in setting the standard for digital safety, fairness, and accountability.

To achieve this, the Commission should:

- **Put children and families first.** Elevate children and families as named stakeholders across all Strategic Goals and Objectives, ensuring their inclusion in enforcement, research, and education initiatives.
- **Strengthen COPPA enforcement capacity** by increasing full-time staff including committed child digital safety staff, and embedding child-specific expertise throughout the agency.

- **Monitor deceptive marketing**, especially that targeting unsupervised children
- **Integrate outcome-based metrics**—including number of youth-impact cases, design changes secured, exposure averted, and time-to-interim relief—to measure true harm reduction.
- **Expand public education efforts**. Extend education efforts to reach not only parents, but also educators, healthcare providers, and other adults who guide children’s online engagement.
- **Sustain investigations into emerging technologies**, especially AI chatbots and companion bots, and develop proactive guidance to address new risks before they become crises.
- **Ensure operational excellence serves enforcement, not replaces it**—by aligning efficiency goals with stronger monitoring, auditing, and compliance pipelines for youth protections.

The Commission’s authority, experience, and public trust position it uniquely to lead this effort. But leadership requires resolve equal to the magnitude of the challenge. As digital technologies evolve, so too must the FTC’s strategies, staffing, and tools. With deliberate focus and adequate investment, the FTC can not only meet the moment, but define the next era of child protection in the digital age.