

5. I would like to get consent by collecting a credit card or debit card number from the parent, but I ~~do not~~don't want to engage in a monetary transaction. Is this ok?

~~No. The amended Rule permits an operator to use a credit card, debit card, or other online payment system as a form of verifiable parental consent, but only if the card or payment system: (1) is used in connection with a monetary transaction, and (2) provides notification of each~~It depends. The general rule is that any parental consent mechanism “must be reasonably calculated, in light of available technology, to ensure that the parent providing consent is the child’s parent.” The Rule lists several methods that automatically meet this standard, one of which is the use of a credit card, debit card, or other online payment system in connection with a monetary transaction. However, the listed methods aren't exhaustive; you may use other methods as long as they are “reasonably calculated” to ensure that the consent is being provided by the parent. Although collecting a 16-digit credit or debit card number alone would not satisfy this standard, there may be circumstances in which collection of the card number – in conjunction with implementing other safeguards – would suffice. For example, you could supplement the request for credit card information with special questions to which only parents would know the answer and find supplemental ways to contact the parent.
~~discrete transaction to the primary account holder. Therefore, use of a credit or debit card, without a monetary transaction, is not an acceptable method of verifiable parental consent.~~

~~10. As a mobile app operator, can I rely on a parent’s app store account to serve as verifiable~~ I am the developer of an app directed to kids. Can I use a third party, such as one of the app stores, to get parental consent ~~if a credit card is attached to that account~~on my behalf?

~~Without more, the collection of a parent’s app account number or password is insufficient to fulfill the Rule’s notice and consent requirements. In order to meet the Rule’s notice requirements, the operator must provide parents with a direct notice outlining the operator’s information collection practices. In addition, the Rule requires that the consent mechanism used must be~~ Yes, as long as you ensure that COPPA requirements are being met. For example, you must make sure that the third party is obtaining consent in a way that is reasonably calculated, in light of available technology, to ensure that the person providing consent is the child’s parent. The mere entry of an app store account number or password, without other indicia of reliability (e.g., knowledge-based authentication questions or verification of government identification), does not provide sufficient assurance that the person entering the account or password information is the parent, and not the child. You must also provide parents with a direct notice outlining your information collection practices before the parent provides his or her consent.
~~child.~~

16. I run an app store, and would like to help app developers that operate on my platform by providing a verifiable parental consent mechanism for them to use. Under what circumstances will this expose me to liability under COPPA?

Because you are not an “operator” under COPPA in this circumstance, you will not be liable under COPPA for failing to investigate the privacy practices of the operators for whom you obtain consent. As the Commission stated in the Statement of Basis and Purpose accompanying the final COPPA Rule, the term “operator” is not intended to encompass platforms, “such as Google Play or the App Store, when such stores merely offer the public access to someone else’s child-directed content.” At the same time, you should also evaluate your potential liability under Section 5 of the FTC Act. For example, it could be a deceptive practice to misrepresent the level of oversight you provide for a child-directed app.

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