

**Committee on Energy and Commerce**

**Opening Statement as Prepared for Delivery  
of  
Chairman Frank Pallone, Jr.**

***Hearing on “Kids Online During COVID: Child Safety in an Increasingly Digital Age”***

**March 11, 2021**

The COVID-19 pandemic is an unprecedented public health and economic crisis, which has greatly disrupted our daily lives. Children, in particular, have had their worlds turned upside down. Visits with friends and extended family have been replaced by video conferencing. And in-person activities replaced with video games, social media, video services, and other digital activities. As a result, kids’ screen time has doubled during the pandemic.

As this subcommittee has heard time and time again, consumers online face manipulative advertising, disinformation, harassment, dark pattern manipulation, and privacy intrusions. For adults, these dangers are extremely hard to manage, but for children such practices are downright predatory. Children do not possess the same levels of cognitive development to defend themselves and are often uniquely vulnerable to any negative effects.

The online world can affect children’s mental and physical health. Growing bodies of research confirm the link between increased digital media use and depression and higher instances of addiction, anxiety, sleep deprivation, and obesity. We also have seen harmful behaviors such as cyber bullying increase during the pandemic.

Unfortunately, many companies are well aware that children are spending more time online and they are taking advantage of that by proactively targeting, manipulating, and monetizing our children.

For example, some Internet platforms, app developers, and content creators propagate “addiction by design” through sophisticated, thoroughly tested means to keep kids on their sites and extract money. Common elements include pressuring in-app purchases without parental consent, so-called freemium apps that tease paid versions, and “gamification” marketing where gameplay elements themselves are used to promote purchases or products.

Influencer advertising to kids is also prominent. People on social media with lots of followers post photos and videos of themselves using a product, but kids, and sometimes adults, don’t understand that those people are often paid for those posts. Young children frequently have no idea that the video they’re watching of someone opening a new toy is actually meant to sell the toy.

Online advertising spending is now the largest of any medium, and spending on digital ads specifically targeting children is expected to reach \$1.7 billion this year. Most apps directed to or used by children contain ads, including 95 percent of the apps aimed at kids under five. Ads

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for toys or junk food are commonplace but far too often kids are exposed to ads for tobacco products, alcohol, violent movies or video games, or other age inappropriate content.

It is deeply concerning that business models online continually seek to maximize engagement to increase revenue at the expense of children's health.

Many parents try to balance the benefits of internet use—such as social connections and educational apps—while trying to limit the possible negative effects. But many parents are overwhelmed and even their best efforts are not enough to protect their kids against sophisticated predatory practices. The pandemic has made it painfully clear this problem will not fix itself. Nor will the harmful activities targeting our kids stop when the pandemic is behind us.

Despite laws to protect children's privacy, data collection and tracking of children is disturbingly prevalent. Many apps for kids on mobile devices are notorious for collecting personal information from children. Their personal information is then bought and sold, resulting in targeted advertising designed to influence and manipulate children.

Congress granted the Federal Trade Commission (FTC) rulemaking authority under the Children's Online Privacy Protection Act, or COPPA, precisely so it could update the safeguards for children online as technology advanced. The internet has experienced a sea-change since the last updates to the COPPA Rule in 2013, and it's clear those rules are out of date and no longer provide the intended protections for our kids.

While the FTC has started the process of updating its rules under COPPA, we also must examine whether the statute should be updated and whether other practices targeting children should be regulated. We can't leave it all to parents.

The challenges children face online existed before the pandemic, but it's only gotten worse. And it, will continue to increase after the pandemic is behind us, unless we do something about it.

I look forward to hearing our expert panel on the challenges our children are facing online and how we can best protect them.