

Before the
Federal Trade Commission
Washington, DC
Children's Online Privacy Protection Rule

PUBLIC COMMENT TO COPPA

Dear Secretary,

1. Please find attached:

Amicus brief filed by Sen. Coats, Rep. Bliley, Rep. Oxley, and Rep. Greenwood (1/14/99) – which sets a precedent for Luhn **Check Algorithm for verifying credit & bank card** numbers being proposed to be used to verify that a person is at least over 13. If you search for words “Luhn check” you will see their support for this algorithmic solution. Our system does use “Luhn check” algorithm (plus as I discussed during my demo to FTC an additional address verification algorithm). Note that software package providers mentioned in the brief do not provide the COPPA service like we do. Also our solution solves credit card theft concerns of consumers and industry because the credit card # never leaves a browser and never travels over Internet nor being stored on some company server:

Go to <http://www.cdt.org/speech/amicibrief.html> or download attached **brief.doc (appendix A)**.

Because COPPA and COPPA are similar in scope to what they are designed to protect, I urge FTC Commissioners to allow systems based on Luhn check algorithms similar to ours in the final rule as a way of obtaining a verifiable parental consent.

Executive summary on how our system based on Luhn Check Algorithm for verifying credit & bankcard numbers works:

This is in addition to my comments during FTC COPPA workshop of 20 July, 99. Besides adding a truly verifiable algorithm that requires a parent to enter **credit or bank card** numbers, the system works similar to, say, Disney.com system in place today in terms of establishing “state-full binding or relationship between the child and the parent” based on unique to this particular child-parent pair URL information (for example: <http://www.kidswebsite.com/enroll/kid1234>). In case if parent is not present at a time child tries to enroll in an activity that requires parental consent, email is being sent to parents email address with a distinct URL to go to. Once parent gets said email or happens to be near the child at a time child tries to enroll in an activity that requires parental consent, parent goes to this unique URL and clicks on the link to verify the fact that he/she is a parent. This link brings the parent to the page of a Luhn Check Algorithm for verifying “parenthood” service provider. Said page will say, for example:

“eOneID FREE Credit Card Parent Verification

Parents: please enter your valid card # to verify that you are adult and parent of your child. Your credit or bankcard will not be charged! Your credit or bankcard # will be just checked by the script in this page - it will never leave your browser or PC, it will never travel over Internet to our server! You will be issued eOneID with which you can give parental consent with just one click at any sites participating in our program! “

After parent successfully verifies with valid card #, the system will transfer the parent back to the page with information his child tries to submit to the web-site. At this time a parent can authorize said submission of information if desired by the parent. Put simply, the system makes a valid assumption that at a time or state when the child is asked to **enroll in an activity that requires parental consent**, enter in the

activity that requires parental consent the person who enters card information is reasonably assumed to be the parent. It is a valid and reasonably calculated assumption because it is highly unlikely that a child will have an access to a credit card or would be able to convince another adult other than a parent to enter his/her credit card number. Majority of other proposed verification mechanisms make this assumption as well. I have demonstrated the system based on Luhn check algorithm to FTC lawyers (Toby Levin, et al) to their satisfaction. If further explanation is required feel free to contact me. See also senators discussion about notion of “protection for all but most enterprising youngsters (under 18)” notion with discussion to Luhn Check Algorithm. Because COPPA protects children (under 13) it is even truer and can be assumed to be strong enough to prevent about 99.99% of children who may want to circumvent the obtainment technology.

2. Therefore, we propose to amend or append the proposed Rule to say in the final version:

To Add in section 312.5 on page 20 item b) – “ ... require a parent to use a credit card in connection with a transaction...” this sentence: **“Or to require a parent to enter a credit card or bankcard number at a web site or through a phone system to be checked by Luhn Check Algorithm implementation for validity. If the check passes and the system’s correlation or state between the parent and the child can be reasonably assumed or assured, parental consent obtained will be deemed verifiable.”**

3. Clarification and addition of comment made during FTC workshop panel #3:

I outlined why digital signature solutions may not be feasible in today’s environment. **Moderator asked me what I would like to propose. In addition to what I said, I would like to add the following:**

- **Allowances of verification systems based on Luhn check algorithm (see discussion above & bellow and appendix B).**
- **Simple email based obtainment systems are not needed in light of existence of systems like ours which satisfy both privacy and industry concerns.**
- **Simple email based obtainment systems are discriminatory towards kids accessing from schools or libraries only (see discussion in appendix B – tobyFTC.doc) but systems like ours which a hybrid of email system and based on Luhn check algorithm solve the problem of kids accessing from schools or libraries only.**

4. Also our system will address the following concern brought up by Visa:

“Curtailed Use of the Internet in Schools and Libraries. The use of a credit card as a means of verifying parental consent assumes either that parents are physically present to input their credit card information each time it is required, or that parents indicate their consent by providing their credit card information to their children (which means that parents must relinquish, at least to some degree, control over use of that information). In this regard, reliance on credit card verification would discriminate against families who rely solely or substantially on schools and other public facilities to provide them with access to the Internet. Under such circumstances, use of credit card verification simply would not work unless parents turned over to their children the credit card (or account number). This would not only increase the risk of unauthorized use problems, but would also vitiate any notion that the use of the credit card represents meaningful parental consent since, as a practical matter, the child would have the opportunity to use the credit card in ways not consented to by the parent.”

Our company will address this comment by reusing same future patent pending technologies it will also offer free, fully automated and integrated with companies web sites telephone based parental consent verification service for parents who do not have an access to the Internet but do have children who access from schools and libraries.

Thanks.

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