Dear Chair Khan

We write regarding the potential threats to children who use Virtual Reality (VR) products and platforms. Children are a uniquely vulnerable population in the digital ecosystem. As VR consumer electronic offerings become increasingly popular and as leading technology companies that have historically failed to protect children announce plans to expand their businesses into the “metaverse,” we urge the Federal Trade Commission (FTC or Commission) to use its full authority under the Children’s Online Privacy Protection Act (COPPA) and the FTC Act to ensure children are protected from the potential harms of these technologies.

While many VR offerings state that their products are not meant for kids, many children nevertheless use these platforms. In fact, two-thirds of parents with VR devices report that their children asked them to buy the device. In 2017, 21 percent of parents said they had VR equipment at home, and approximately three quarters of children surveyed between the ages of 8 and 15 expressed significant interest in VR. Given the growth of the VR marketplace in recent years, these numbers have likely increased significantly. In fact, companies are already...

3 The metaverse is a platform, jointly created by multiple industry leaders that would rely on virtual reality to allow users to connect and interact online. See Brian X. Chen, What’s All the Hype About the Metaverse? (Jan. 18, 2022), https://www.nytimes.com/2022/01/18/technology/personaltech/metaverse-gaming-definition.html.
7 Id.
8 See Chaim Gartenberg, Meta’s Oculus Quest 2 has shipped 10 million units, according to Qualcomm., The Verge (Nov. 16, 2021), https://www.theverge.com/2021/11/16/22785469/meta-oculus-quest-2-10-million-units-sold-qualcomm-xr2.
marketing multiple VR games that are designed for children and marketed as appropriate for users under the age of 13.9

Children’s increasing use of VR warrants serious concerns about new threats to young users’ wellbeing. Many VR platforms and headsets currently do not have basic parental controls, and reports point to harms such as harassment and unsafe content in the metaverse.10 Additionally, VR companies’ plans to present commercial advertisements in the metaverse could lead to harmful marketing practices that may be inherently manipulative of children.11 While policymakers, parents, and pediatricians would all benefit from increased understanding about the effects—positive and negative—that VR may have on children, sufficient information exists to warrant the FTC’s vigilance in this area.

Therefore, we encourage the Commission to monitor this issue and use its authority under COPPA and the FTC Act to protect children in the metaverse. COPPA prohibits the collection, use, or disclosure of children’s personal information, including the use of personal information to profile children or serve targeted advertising to them, without notice to parents and parental consent.12 Relatedly, Section 5 of the FTC Act prohibits companies from engaging in “unfair or deceptive acts or practices in or affecting interstate commerce.”13 Under this standard, an act or practice is “unfair” if it “causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighed by countervailing benefits to consumers or to competition.”14 A deceptive practice is defined as one in which “a representation, omission or practice is likely to mislead the consumer.”15 The FTC thus has a statutory obligation to ensure that powerful technology platforms treat young people fairly, comply with the platforms’ own public statements, and protect children’s privacy.

14 Id. §45(n).
The need to protect young people from threats online is more urgent than ever. As new technologies emerge, it is incumbent upon the Commission to exercise this authority to protect children.

Thank you for your attention to this important matter.

Sincerely,

Edward J. Markey  
United States Senator

Kathy Castor  
Member of Congress

Lori Trahan  
Member of Congress