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UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

PROTECTING CHILDREN AND TEENS IN THE ATTENTION ECONOMY

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JUNE 4, 2025

PREPARED REMARKS FOR THE FTC ATTENTION ECONOMY WORKSHOP
WASHINGTON, D.C.

* The views expressed in these remarks are my own and do not necessarily reflect the views of the Federal Trade Commission or any other Commissioner.

I. Introduction

Good afternoon. Thank you all for being here. Thank you especially to the First Lady for her statement, Senator Blackburn for her comments this morning, and Senator Britt for her upcoming remarks later this afternoon. Thank you also to all of our panelists and to the staff in Chairman Ferguson's office and throughout the FTC for putting together today's workshop. I'll start with a disclaimer: the views I express today are my own. They do not necessarily reflect the views of the Commission or any other Commissioner.

Both as an FTC Commissioner and a mother of four teens/tweens, I strongly share the view of today's other participants that protecting children and teens from harm in the attention economy is one of the most important consumer protection issues of our day. As today's first panel discussed, children and teens face myriad risks when they go online, including cyberbullying, inappropriate content, sexual grooming, sextortion, and scams, as well as risks to their privacy. I want to thank Maurine Molak for her powerful remarks regarding cyberbullying. I know there are other parents here who have also endured truly horrific online ordeals. These risks exist across the full array of apps and online services children and teens are using, from social media to video games and beyond.

Parental and family involvement is critically important as the first line of defense. Parents and families know their kids best. They understand better than any company how much supervision their own kids need. One time my 13-year-old son and his friends decided to try extra spicy chips – the “one chip” challenge. They thought it would be funny to call the spicy chips “drugs,” and so my son texted his friends before school asking if they wanted to do “drugs” that night. Unfortunately for my son, he was actually texting his friend's mom, which set off a frenzy of very concerned parents. This is just one of many examples that have taught my husband and me that my son needs very close supervision on his phone—he feels like he's living in *The Shawshank Redemption*. Fortunately for him, he only has 5 years left on his sentence.

Parents deserve meaningful choices to provide supervision for their kids online. One way online services can provide those choices is by offering *effective* parental controls. Clear, easy-to-find, easy-to-use parental controls can be a boon to parents. But as panelists discussed earlier, parental controls that are difficult to find or use, that children can circumvent easily, or that do not perform as promised do not empower parents to protect their children. In fact, they have the potential to do just the opposite: providing parents an *illusion* of control, while virtually ensuring that parents cannot actually stop the flow of their children's attention and personal information.

Surveys consistently show that the usage rates for parental controls are low.¹ We can and should do more to understand the reasons for these low usage rates. But I think we already know

¹ See, e.g., Family Online Safety Institute, *Parental Controls for Online Safety are Underutilized, New Study Finds* (May 28, 2025), <https://fosi.org/parental-controls-for-online-safety-are-underutilized-new-study-finds/>; Internet Matters Team, *Revealed: 7 in 10 teens want parents to set filters to protect them online* (Feb. 6, 2018), <https://www.internetmatters.org/hub/news-blogs/revealed-7-10-teens-want-parents-set-filters-protect-online/>;

some of those reasons. The reality is that parental controls are often difficult to find or difficult to navigate—already overburdened parents are likely to feel overwhelmed and give up on using them at all.

Default settings that promote online safety can complement parental controls and reduce burdens on parents. Setting defaults with an eye toward the children and teens that an online service knows are its users will not unduly interfere with user experience. For example, parents should not need to set a control to avoid their children being put in communication with strangers. It would not require changes in the law for companies to act now to protect kids in this way. These settings should be the default. Period.

II. The FTC’s Role in Protecting Children and Teens in the Attention Economy

While parents and families are the first line of defense, we at the FTC also play a critical role in protecting children and teens in the attention economy. I am committed to fully using the tools Congress has provided us.

First and foremost, the FTC must continue to vigorously enforce applicable laws, including the Children’s Online Privacy Protection Act (COPPA)² and Section 5 of the FTC Act.³ A good example of this work is the FTC’s enforcement action against Epic Games regarding the popular video game Fortnite, which the FTC alleged was directed to children and teens.⁴ The FTC’s complaint alleged that Epic launched Fortnite with no parental controls and that the company’s leadership resisted employees’ calls to avoid putting children and teens in real-time contact with strangers through on-by-default chat communication lines.⁵

In the face of Epic’s inaction, children and teens who played Fortnite allegedly experienced the types of harm that panelists discussed this morning, including bullying, harassment, and exposure to dangerous issues such as self-harm and suicide.⁶ The FTC alleged that Epic’s practices violated COPPA and Section 5 of the FTC Act and obtained a settlement that required Epic to adopt strong privacy default settings for children and teens, ensuring that voice and text communications are turned off by default.⁷

As Chairman Ferguson mentioned this morning, the FTC recently brought an action with the Los Angeles District Attorney’s Office to shut down an anonymous online messaging app that

Monica Anderson, Pew Research Center, *Parents, Teens and Digital Monitoring* (Jan. 7, 2016), <https://www.pewresearch.org/internet/2016/01/07/parents-teens-and-digital-monitoring/>.

² 15 U.S.C. §§ 6501-6506.

³ 15 U.S.C. § 45.

⁴ Fed. Trade Comm’n, *Fortnite Video Game Maker Epic Games to Pay More Than Half a Billion Dollars over FTC Allegations of Privacy Violations and Unwanted Charges* (Dec. 19, 2022), <https://www.ftc.gov/news-events/news/press-releases/2022/12/fornite-video-game-maker-epic-games-pay-more-half-billion-dollars-over-ftc-allegations>.

⁵ Compl., *United States v. Epic Games, Inc.*, No. 5:22-cv-00518 (E.D.N.C. Dec. 19, 2022), at 17-19, 21, https://www.ftc.gov/system/files/ftc_gov/pdf/2223087EpicGamesComplaint.pdf.

⁶ *Id.*

⁷ Stipulated Order for Permanent Injunction and Civil Penalty Judgment, *United States v. Epic Games, Inc.*, No. 5:22-cv-00518 (E.D.N.C. Feb. 7, 2023), https://www.ftc.gov/system/files/ftc_gov/pdf/1923203epicgamesfedctorder.pdf.

the defendants marketed as using artificial intelligence to create a “safe space for teens.”⁸ We alleged that the app was instead rife with cyberbullying and that, rather than using AI to filter out harmful messages, the defendants themselves sent fake, provocative messages like “I know what you did” to prey on children’s and teens’ insecurities.⁹ They tried to lure kids into buying the defendants’ subscription product. We alleged that the defendants violated COPPA, Section 5 of the FTC Act, and the Restore Shoppers’ Online Confidence Act. The resulting settlement order permanently bans the defendants from marketing anonymous messaging apps to kids and teens under 18.¹⁰

As panelists discussed this morning, the Commission will also have additional important enforcement tools next year through the TAKE IT DOWN Act¹¹ and the recently-announced COPPA Rule amendments.¹² But each of the FTC’s legal authorities has limits. It is imperative for policymakers to continue to talk to parents, law enforcers, and other stakeholders about ideas for more effective legal protections.

A second tool the FTC must continue to use to help protect children and teens online is consumer education. The Commission’s recent release of a free educational program called Youville is one example of this work.¹³ Youville includes lesson plans designed to enable teachers and others to teach children about privacy, online safety, digital citizenship, understanding advertising, and avoiding scams. I’m proud to say that the Commission won a consumer education award from the International Consumer Protection and Enforcement Network (ICPEN) for the staff’s excellent work on Youville. Please check out the project on our [website](#). The Commission has also issued blog posts this spring about kids’ video games¹⁴ and parental controls.¹⁵ Today’s workshop will help the Commission identify additional consumer education initiatives to protect children and teens in the attention economy.

Section 6(b) of the FTC Act¹⁶ provides the Commission a third important tool to help protect children and teens in the attention economy. Where warranted, the FTC should use its authority under Section 6(b) to gather and publicly report information about technologies that are

⁸ Fed. Trade Comm’n, *FTC Order Will Ban NGL Labs and its Founders from Offering Anonymous Messaging Apps to Kids Under 18 and Halt Deceptive Claims Around AI Content Moderation* (July 9, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/ftc-order-will-ban-ngl-labs-its-founders-offering-anonymous-messaging-apps-kids-under-18-halt>.

⁹ Compl., *FTC and State of California v. NGL Labs, LLC et al.*, No. 2:24-cv-05753 (C.D. Cal. July 9, 2024), at 7-15, https://www.ftc.gov/system/files/ftc_gov/pdf/NGL-Complaint.pdf.

¹⁰ Stipulated Order for Permanent Injunction, Monetary Judgment, Civil Penalty Judgment, and Other Relief, *FTC and State of California v. NGL Labs, LLC et al.*, No. 2:24-cv-05753 (C.D. Cal. July 14, 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/DN008StipulatedOrderforPermanentInjunction.pdf.

¹¹ Pub. Law No. 119-12 (May 19, 2025).

¹² Children’s Online Privacy Protection Rule, 90 Fed. Reg. 16918 (Apr. 22, 2025).

¹³ Fed. Trade Comm’n, *Youville*, <https://consumer.ftc.gov/features/youville>.

¹⁴ See Fed. Trade Comm’n, *What to Know About Kids and Video Games, Ads, and Unexpected Payments* (April 10, 2025), <https://consumer.ftc.gov/consumer-alerts/2025/04/what-know-about-kids-and-video-games-ads-and-unexpected-payments>.

¹⁵ See Fed. Trade Comm’n, *How to Use Parental Controls to Keep Your Kid Safer Online* (April 22, 2025), <https://consumer.ftc.gov/consumer-alerts/2025/04/how-use-parental-controls-keep-your-kid-safer-online>.

¹⁶ 15 U.S.C. § 46(b).

affecting kids' online privacy and safety.¹⁷ One technology we should address in a 6(b) report is generative artificial intelligence chatbots that simulate human communication and effectively function as companions.¹⁸

The platforms that offer such chatbots permit users to choose them from large libraries of characters and programmed personalities. Senator Blackburn and today's panelists mentioned reports that some such chatbots have engaged in alarming interactions with young users. Among other things, those interactions include providing users with instructions for committing crimes; influencing them to commit suicide, self-harm, or harm to others; and discussing and role-playing romantic or sexual relationships.¹⁹

As you heard this morning, media reports assert that some companies offering generative AI companion chatbots were warned by their own employees that they were deploying the chatbots without doing enough to protect young users.²⁰ The Trump administration's recent report—*Make America Healthy Again*—includes some terrible statistics regarding depression and suicide rates in teens and children.²¹ For example, I am deeply concerned by the fact that suicide rates for ages 10–24 rose 62% from 2007 to 2021, after remaining stable from 2001 to 2007.²² We should all pay close attention to the correlation between increases in such statistics and teen's high levels of screen use. It is critical that we study this issue to understand how use of online technologies, and in particular, chatbots that are potentially replacing healthy social relationships, impacts our children's mental health. Indeed, some child advocates have concluded that minors should not use AI companion chatbots at all²³ and some have said that Congress should legislate on the issue.²⁴ I

¹⁷ See, e.g., Melissa Holyoak, *A Path Forward on Privacy, Advertising, and AI*, Keynote Remarks at National Advertising Division (Sept. 17, 2024), at 13 (“[T]he Commission needs to learn more about AI, such as through a rigorous 6(b) study of market practices, targeted enforcement, and by promoting research and stakeholder dialogue.”), https://www.ftc.gov/system/files/ftc_gov/pdf/Holyoak-NAD-Speech-09-17-2024.pdf.

¹⁸ See Melissa Holyoak, *Privacy Enforcement Priorities for the Digital Economy*, Keynote at IAPP Global Privacy Summit 2025 (Apr. 22, 2025), at 5 (“[W]e should study new technologies that may affect kids' online privacy and safety, such as AI chatbots.”), https://www.ftc.gov/system/files/ftc_gov/pdf/holyoak-remarks-2025-iapp-global-privacy-summit.pdf.

¹⁹ See, e.g., Heather Kelly, *Teens are sexting with AI. Here's what parents should know*, Wash. Post (May 10, 2025), <https://www.washingtonpost.com/technology/2025/05/21/teens-sexting-ai-chatbots-parents/>; Bobby Allyn, *Lawsuit: A chatbot hinted a kid should kill his parents over screen time limits*, National Public Radio (Dec. 10, 2024), <https://www.npr.org/2024/12/10/nx-s1-5222574/kids-character-ai-lawsuit>; Shweta Watwe, *Autistic Teen's Family Says AI Bot Promoted Self Harm, Murder*, Bloomberg Law (Dec. 10, 2024), <https://news.bloomberglaw.com/litigation/autistic-teens-family-says-ai-bots-promoted-self-harm-murder>.

²⁰ See, e.g., Jeff Horwitz, *Meta's 'Digital Companions' Will Talk Sex With Users – Even Children*, The Wall Street Journal (Apr. 26, 2025), <https://www.wsj.com/tech/ai/meta-ai-chatbots-sex-a25311bf?st=9C7M&reflink>.

²¹ White House, *Make Our Children Healthy Again: Assessment* (May 2025), at 14, 17, 51–54, <https://s3.us-gov-west-1.amazonaws.com/cg-d102dd1b-a880-440b-9eae-e2445148ace9/s3fs-public/documents/WH-The-MAHA-Report-Assessment.pdf>.

²² *Id.* at 14, 56 (citing Curtin, Sally C., & Garnett, Matthew F., *Suicide and Homicide Death Rates Among Youth and Young Adults Aged 10–24: United States, 2001–2021*, NCHS Data Brief No. 471 (2023), <https://dx.doi.org/10.15620/cdc:128423>).

²³ See, e.g., Common Sense Media, *AI Companions Decoded: Common Sense Media Recommends AI Companion Safety Standards* (Apr. 30, 2025), <https://www.common Sense Media.org/press-releases/ai-companions-decoded-common-sense-media-recommends-ai-companion-safety-standards>.

²⁴ See, e.g., *National Declaration on AI and Kids' Safety* (May 12, 2025), https://45545229.fs1.hubspotusercontent-na1.net/hubfs/45545229/National%20Declaration%20on%20AI%20and%20Kids%20Safety_Signed.pdf.

believe that a 6(b) study regarding AI companion chatbots could provide vital information to inform the public and potential policymaking in this area.

III. Conclusion

I want to conclude by again thanking all of our participants today. I appreciate the opportunity to hear your experiences and ideas. Thank you also to everyone else in attendance and watching online. I share your commitment to protecting children and teens in the attention economy.