

THE “DOT KIDS” INTERNET DOMAIN: PROTECTING CHILDREN ONLINE

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BEFORE THE
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THE “DOT KIDS” INTERNET DOMAIN: PROTECTING CHILDREN ONLINE

THURSDAY, MAY 6, 2004

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
SUBCOMMITTEE ON TELECOMMUNICATIONS
AND THE INTERNET,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:38 a.m., in room 2123, Rayburn House Office Building, Hon. Fred Upton (chairman) presiding.

Members present: Representatives Upton, Cox, Deal, Whitfield, Shimkus, Pickering, Buyer, Bass, Terry, Barton (ex officio), Markey, and McCarthy.

Staff present: Kelly Cole, majority counsel; Will Nordwind, majority counsel and policy co-ordinator; Jill Latham, legislative clerk; Jon Tripp, deputy communications director; Gregg Rothschild, minority counsel and Peter Filon, minority counsel.

Mr. UPTON. Good morning.

Today, we are taking a look at one of the more unique efforts of the Congress to protect kids while online. Specifically, we are examining the implementation of the Dot Kids Implementation and Efficiency Act of 2002, a bill that I was a proud original sponsor of along with the leaders of that effort, Mr. Shimkus and Mr. Markey.

I consider the passage of that act and the enactment of that act truly one of the great bipartisan accomplishments of this subcommittee during my tenure as Chair. It was an honor to stand in the Roosevelt Room with Mr. Shimkus and Mr. Markey as President Bush signed that bill into law.

At its heart, .kids is like the children’s section of the library, a place where parents can send their kids and know that they will be protected from the inappropriate material which is otherwise abundant through the entire World Wide Web. .kids is also a place where kids can play and learn online without having to worry about online predators who lurk in the dark shadows of chat rooms.

When we enacted Dot Kids, I viewed it as a noble experiment, which I had faith would grow and thrive over time with proper care and feeding. Today, we will learn about the care and feeding which has occurred to date and its growth.

.kids was launched on September 4, 2003, and, today, there are over 1,700 names registered on .kids and 13 live sites available for

use. Among the 13 live sites are PBS Kids, who is with us today, Disney ABC Kids, and the Smithsonian.

These are some of the terrific sites which I have visited, and I want to truly commend them and the rest of the other 13 pioneers for their commitment to the education, safety and well-being of our Nation's youth.

Some said that it could not be done, but these 13, along with the outstanding dedication and thoughtful attention of NeuStar and the Department of Commerce, have, indeed, proved them wrong. But, for sure, there is much work which needs to be done by all of us.

I hope today's hearing in and of itself will help spread the word even further and illuminate the challenges and work which lie ahead, and I would like to think that the now legendary words of the Apollo 13 astronauts apply here: "Failure is not an option."

I appreciate each of today's witnesses being with us today, and I look forward to their testimony.

I yield for an opening statement to the Chairman of the full committee, Mr. Barton.

Chairman BARTON. Thank you, Chairman Upton, and thank you for holding this hearing today on the .kids Internet domain. I want to thank our witnesses for coming, too.

The Internet is an amazing place, and it offers so much for children of all ages. Unfortunately, for as much good and wholesome content that exists on the Internet for children to learn and grow, there is at least as much content that children should be shielded from viewing. Between pornography, graphic violence, explicit chat rooms, the Internet can be a perilous and dangerous place.

Because of these hazards, the Congress has established the .kids.us Internet domain. Finally, parents and educators have a dedicated place for children on the Internet, much like the children's section of the library. This is a space that adults can send their children to and feel confident that they will be safe from the evils of the Internet.

The kids.us Internet domain concept is a landmark one. Never before has something like this been tried in the .us space. It is an excellent idea, a sound concept. Right now, kids.us offers a fun, interesting, educational content for which NTIA and NeuStar should be applauded.

The kids.us domain is currently a host for the Public Broadcasting Service—here today is a witness—ABC, the Smithsonian, the St. Nicholas Center among many, many others. We need to continue to leverage the strength of these sites to encourage other companies, nonprofits, schools and foundations to post content that can benefit America's children.

I especially want to thank Representative Shimkus, Representative Markey, and Chairman Upton for their hard work getting this law passed. If it had not been for their effort, we would not have this. That is a fact because I can remember, when they were working on this several years ago, how intensely personal it was to them in the most positive way and how they made it a priority.

We should also thank Mr. Dingell and former Chairman Tauzin for their strong support as this legislation came through this com-

mittee. Their tireless work to provide children with a safe Internet playground will be appreciated for years and years to come.

I especially want to thank them for doing this because I have two grandchildren and a third grandchild on the way, and, you know, I feel very confident that this is going to provide wholesome educational and entertainment content for them.

So, Mr. Upton and Mr. Markey, Mr. Shimkus, again, a very personal thank you for what you have done.

Mr. UPTON. At this point, I would like to recognize the Ranking Member of the subcommittee and a very active supporter and leader in this effort, Mr. Markey, for an opening statement.

Mr. MARKEY. Thank you.

I want to commend you, Mr. Chairman, for holding today's hearing on the implementation of the Dot Kids Law.

Our colleague, John Shimkus, came up with this idea and asked me to be his cosponsor on it, and this is something that we are both very, very proud of. We obviously worked with you and many other House colleagues. President Bush signed it into law in December of 2002.

This hearing will give us an opportunity to assess the progress made in implementing the Dot Kids Law and give us an opportunity to see where we might improve the usefulness of the domain.

As many parents know today, the Internet often appears to be a veritable jungle of Web sites. When a child logs on to search for games, stories or educational material, search engines often turn up pages for the kids laden with content that is simply not appropriate for young children.

To give children their own playground on the Internet and to facilitate the easier browsing and filtering of content that many parents desire, the Dot Kids Implementation and Efficiency Act was enacted to establish a child-friendly Internet domain in the .us country code domain.

The .kids.us was not designed to censor Internet content per se. Rather, it was crafted to help organize content more appropriate for kids in a safe and secure cyberzone where the risk of young children clicking outside of that zone to unsuitable content or being preyed upon or exploited online by adults posing as kids is vastly diminished.

Organizing kid-friendly content in this manner will enhance the effectiveness of filtering software and may better enable parents to set their children's browsers so that their kids only surf within the .kids domain.

Another feature of the .kids.us domain that I want to emphasize is that use of the .kids domain is not compulsory. Signing up for a .kids domain or sending kids to Web sites in that location remains completely voluntary and the free choice of both content, speakers and parents.

Finally, I want to note that this bill is not meant in any way to diminish or thwart the many laudable private-sector efforts to create new and alternative ways for kids to have a safe and educational online experience.

Our efforts in creating the .kids.us domain was meant to supplement, not supplant initiatives underway elsewhere by ensuring

that our .us country code reflects our public interest goals as a society in a way that, hopefully, can harness the best of advanced technology for kids across the country.

I thank you again, Chairman Upton, for holding this very important hearing.

Mr. UPTON. I recognize for an opening statement Mr. Cox.

Mr. COX. Thank you, Mr. Chairman.

I am just as keen on this idea working as are our witnesses and every member of this panel.

I have kids. They need the Internet to do their schoolwork. To the extent possible, because of the inappropriate material that is aimed at us as adults, not to mention what comes at you, whether you want it or not, when you are a child, we as parents encourage the use of textbooks and hardcopy reference materials—when I say we as parents, I mean me; I mean myself and my wife—such as encyclopedias. That is what we try to use first.

But their class assignments routinely require use of the Internet, it is commonplace in elementary and grammar school and not just in our children's school, but, as a Congressman, since I go to a lot of schools, I know that this is true across the board, for kids to be directed to the Internet to do their schoolwork.

As a result, even though our kids have their own computers, we as parents allow them access to the Internet only under our direct supervision. .kids in its conception could solve this problem, permitting kids to surf safely and independently.

It is wonderful to imagine as a parent what it would be like if .kids really worked, if you could restrict children's access solely to this domain and if it could host the educational material and age-appropriate entertainment that is available on the greater Internet.

Eighteen months after the passage of this law, however, there are still relatively few active Web sites in this domain, as our witnesses will testify today, and we have to find ways to draw attention to this opportunity for creators of content.

Many organizations have registered names in the domain, and so, as one concerned parent, I encourage them to make their sites live as soon as possible, and I urge every museum and educational institution to look for opportunities to share more of their resources with America's kids in this way.

On the entertainment side, I am also hopeful that a major sports league might take a leadership role in providing kid-friendly material and helping to make this domain as appealing to kids as it is to parents. I know that a number of professional sports executives have expressed concern that their audiences are skewing older, and they worry that ticket prices have pushed the family crowd out of their arenas. Here is a great opportunity to win over a lot of the young fans who will someday become ticket buyers.

Of course, my agenda is not to sell tickets to sporting events, but to make sure that this is an interesting and exciting place for kids.

And, again, I would like to commend Mr. Shimkus and Mr. Markey and you, Mr. Chairman, for helping create this opportunity.

Mr. UPTON. Thank you.

I would recognize the founder of this bill, a great gentleman, sadly a Cardinal fan, from Illinois, Mr. Shimkus.

Mr. SHIMKUS. Are there any other professional teams in the Midwest, Mr. Chairman?

Mr. UPTON. I can mute you real quick on this.

Mr. SHIMKUS. Thank you, Mr. Chairman. It is great to be here. Interestingly, I had a family visiting my church. I mean, it was a family that I had grown up with, and the daughter has since moved away, and her father passed away last year. I think they were back in the area with their mother around Eastertime.

After church, she came running up to me and said, ".kids.us." She goes, "What a great idea. What a great site." Somehow she had connected the work that we had done and realized I was involved with it. I am not even sure which State she lives in now, but her excitement gave me an added boost.

You know, we are very pleased with those who have made the effort, and I fully understand that this is not an easy process. In fact, we were trying to get our side up here on the Hill. We have been working as long as you all have. We have to get a separate server, you know, and, Mr. Chairman, we still do not have a kids.us for our own site that we want to have so that kids can go to us.

So this is a time we all realize that we have work to do. I thank those of you who have been involved in the process and have rolled out sites, we thank you.

This hearing should help us help do the advertising, the promotion, which we have been given the authority to do, and, as those of you who follow this committee know, I continue to do that as much as possible. But it also helps us to look at some of the problems and maybe what we can do to help direct and do some fixes.

This cybersquatting is really a frustrating thing for folks, and it is for me. In fact, I was talking with Congressman Cox beforehand, and it is something we need to look at, especially if there are proprietary names that are being, in essence, stolen for speculators that are, in essence, brand names, and I would encourage us to do that.

I sit on this high-tech committee, and I am probably as techless as any parent. My 11-year-old is now further advanced in his computer skills than I am, and there is nothing I can do about it. He is just going to continue to advance.

This is a great site for my 4-year-old. This is a great site for my 9-year-old. I think my 11-year-old is already past it, I mean, but, if we continue to grow, the really young kids will have a safe place to surf.

This is a big hearing room. This is typical of what happens in legislation: good, positive legislation, not a large crowd. We go upstairs at 10 o'clock for our peer-to-peer hearing, and what are we going to have? You know, you are going to be fighting to get in there because of the smut and the terrible stuff that is going on.

So this really ties into peer-to-peer. It ties into spyware. Because we were proactive on this site, hopefully, we will not have to have a consumer protection hearing on how to protect our kids on the Internet, if we are successful in fully deploying this site.

I am here to say thanks. I am here to want to offer my services. I know in the back Jerry Kovack is there, and we have been fight-

ing for a long time, and he has been with me from day one. I just want to pledge to continue to work hard. I do not want this site to fail because of lack of my effort.

So I pledge that to you, and, with that, Mr. Chairman, I look forward to the hearing. I yield back my time.

Mr. UPTON. Mr. Terry?

Mr. TERRY. Thank you, Mr. Chairman, for holding this hearing, and, like my colleagues who have expressed their enthusiastic support for this, I, too, am an enthusiastic supporter of .kids.us.

Frankly, with the Supreme Court rulings, this is the most creative way and most effective way that we can protect our children when they are online.

As the father of three little guys who like to be on the computer and the Internet, and as a parent, we are encouraging their creativity with the computer.

In fact, as a Christmas present for my 9-year-old, we gave him a digital camera and then taught him how to use the software that comes with it, in fact, we brought in a friend of mine that does that for a living to try and teach him.

We practice downloading music the legal and right way, teaching him the lessons over the weekend, as a matter of fact.

But to continue on the sports theme here, it is the issue of: If we build it, will they come? The issue is the content providers, if we do not have the content providers, the sites to go to. We need to reach that critical mass where we create the momentum where everybody wants to be on .kids.us, and then it is just the norm for younger kids to just go there, and our computers, as parents, are set for them to go there.

How we get to that point is the subject of today's hearing, and we need to vet through those issues that are blocking those who want to come to this site. Also, how do we as a Congress, how do we as a society encourage all of those folks that could have and should have content on their sites on .kids.us? How do we get them there?

So I appreciate the folks that have come here today to help us vet through this, our witnesses, and I will yield back the rest of my time because I want to hear as much before I do go to our peer-to-peer hearing.

Mr. UPTON. Thank you.

Mr. Deal?

Thank you.

[Additional statements submitted for the record follow:]

PREPARED STATEMENT OF HON. PAUL E. GILLMOR, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF OHIO

I thank the Chairman for calling us here today to track the progress of the Dot Kids Domain Act of 2001, legislation approved by our panel and signed into law last Congress. It is certainly necessary in our capacity to continue to gauge the effectiveness of the measures we support that later become public law.

The Internet now serves an ever-increasing younger number of American children as a tool of education, entertainment, communications, and even commerce. With this, of course comes the accessibility of smut that a child can encounter online whether they are seeking it or not, as many are bombarded with inappropriate material via email, chat-rooms, and often misleading website addresses.

While the debut of .kids.us represents an important first step to providing positive and safe online experiences for our children, all of us need to take a closer look to ensure that this domain is in fact working as it should, that child-friendly organiza-

tions, companies, and educational entities are being engaged and encouraged to participate, and that awareness is being raised among parents and educators alike.

We must help turn .kids.us into a “dot com” with losing its domain name and content. I welcome the well-balanced panel of witnesses and look forward to your testimony. Again, I thank the Chairman and yield back the remainder of my time.

PREPARED STATEMENT OF HON. JOHN SHIMKUS, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF ILLINOIS

I would like to start off by thanking Chairman Upton for holding this hearing. And also say thank you to Chairman Upton, Mr. Markey and the other members of the Committee who supported this legislation when it passed last Congress.

Many people here today know of my passion for this subject. I am passionate not only because I was one of the original authors of the law, but also because I am a father of 3 young boys. Many here today have seen me mention “Dot Kids” at numerous hearings and grill witnesses on when they are going to put up websites. And I will continue to do that as we move forward.

I am very pleased with the job that Nuestar and NTIA have done so far with “Dot Kids”, and for their plans for this summer to continue marketing “Dot Kids” sites. I know Nuestar has invested significant amount of resources to make sure “Dot Kids” is a success. Their marketing campaign set for this June should generate more new sites. And to Mr. Gallagher, I am pleased to see Secretary Evans leadership on this issue and his call to companies to bring content to the “Dot Kids” space. I am also encouraged to hear about your planned forum to talk about the “Dot Kids” site this summer. Hopefully, the Senate will act soon on your nomination so you can work on “Dots Kids” in an “official” capacity.

To be honest, I am a little disappointed at the number of sites that are up and running. I had hoped there would be more by this time. We just need to get the word out a little more. As time moves on, we will see a greater variety of content, and that will help. I look forward to working with both Nuestar and NTIA closely on their outreach efforts.

To date, over 1700 sites have been registered and 13 are up and running, including NOAA, PBS and ABCKids. A lot of the sites that are not up and running are companies and groups that are going through the process of getting the sites ready, some are companies that registered a site but are yet unsure on how they want to proceed and some are simply “cyber-squatters” who have registered sites in the hope of making some money.

This legislation created a child-friendly domain on the .us country code—the official address for the United States on the Internet. This sub-domain host educational and entertaining content geared toward children 13 and under. Similar to a child’s section of a library, “Dot Kids” is a positive and safe place, where children can “surf” without being contacted by online predators or bombarded with adult material.

“Dot Kids” can be used alone, or in conjunction with other filtering programs by parents who want to guide their children to appropriate content on the Internet. I strongly believe that “Dot Kids” will not only keep our children safe online, it will also cause child-friendly content to flourish on the World Wide Web.

As we all know, the World Wide Web holds a vast treasure of knowledge, but within this web is a great deal of material that is harmful, or simply not suitable for children to view. Study after study on children and the Internet are concluding that inappropriate material and targeting by predators are the new perils that all of our children face online.

It is my hope that “Dot Kids” will continue to flourish, continue to be a place where children can learn and play online while feeling safe. Our work is not done by simply creating a “Dot Kids” site. We as parents need to continue to supervise our children when they are on the web. We as government officials need to make sure there are safe places for children to go online. And we, as concerned citizens, need to call on organizations and companies to join the fight against smut on the internet.

Thank you Mr. Chairman and I yield back the balance of my time.

PREPARED STATEMENT OF HON. KAREN MCCARTHY, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF MISSOURI

Good morning. Thank you, Mr. Chairman, for holding this important hearing today to evaluate the progress we are making in promoting the use of the “dot kids” Internet domain by families and businesses. I would also like to thank the gentleman from Massachusetts, Mr. Markey, and the gentleman from Illinois, Mr.

Shimkus for spearheading this critical endeavor. Finally, I want to thank our panel of distinguished witnesses for agreeing to be here to give their assessment of how we are doing.

When the Congress passed the "Dot Kids Implementation and Efficiency Act" nearly two years ago, we had high hopes of enhancing online protections for our children by creating a "safe playground" on the Internet. My colleagues on this Subcommittee and I realized then that the Internet had the potential to be both the greatest information tool we could imagine for America's young minds and the greatest threat to their healthy development. Indeed, the explosion of the medium was accompanied by an explosion of undesirable, predatory content aimed at children and it became clear that we had to act decisively, and in a bipartisan fashion, to carve out a safe haven for them to utilize the Internet's obvious benefits to learning.

Mr. Chairman, I am proud to say that the Congress did move swiftly and in a unified way to make dot kids a reality, showing that we can work together to make a difference. Now, we should move forward with similar resolve to ensure that the dot kids domain is a viable means for parents to protect our most precious and vulnerable of resources, our children, as well as an effective tool for them to learn about their world. I look forward to hearing the informed testimony of our esteemed guests, and thank them for their advocacy of the children.

Mr. UPTON. Well, we are very happy for your participation this morning. We are joined by Mr. Michael Gallagher, the Acting Assistant Secretary of Commerce for Communications and Information from the National Telecommunications and Information Administration under the Department of Commerce; Mr. Richard Tindal, VP of Internet Registry Services for NeuStar; Ms. Cynthia Johanson, senior VP for Interactive and Education for PBS; and Ms. Teri Schroeder, CEO and program director of i-SAFE America from California.

We welcome all of you. We appreciate that your statements were ready for us on a timely basis. I was able to look at them all last night. Your statement will be made a part of the record in its entirety. At this point, we would like to give each of you 5 minutes to discuss your statement at which point we will then ask questions.

Mr. Gallagher, we will begin with you. Welcome.

STATEMENTS OF MICHAEL D. GALLAGHER, ACTING ASSISTANT SECRETARY OF COMMERCE FOR COMMUNICATIONS AND INFORMATION ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE; RICHARD TINDALL, VICE PRESIDENT, INTERNET REGISTRY SERVICES, NEUSTAR, INC.; CYNTHIA JOHANSON, SENIOR VICE PRESIDENT, INTERACTIVE AND EDUCATION, PBS; AND TERI SCHROEDER, CEO AND PROGRAM DIRECTOR, I-SAFE AMERICA, INC.

Mr. GALLAGHER. Chairman Upton, I would like to thank you and Mr. Markey and the members of the subcommittee for inviting me to testify here today. It is a pleasure and honor to be here in this historic room, which is where I first learned the meaning of leadership, bipartisanship and the importance of service to the American people.

This committee was the impetus behind the effort to create safe spaces on the Internet for children. I appreciate this opportunity to talk about the steps NTIA has taken to implement the Dot Kids Act, and, at this juncture, 8 months after the site has been created and available to the public, I also want to acquaint the committee with our plans to develop the full potential of the kids.us domain.

Internet access has benefited children enormously, giving them new research tools and information sources, expanded learning opportunities and connections to an endless amount of resources. As we know, parents want the Internet to be a safe place where children can access educational material and enjoy their experience.

The kids.us space provides us with an opportunity to create a unique environment where that can happen, and I share the personal reflections by Mr. Cox and Mr. Terry about their own families because I have three digital children myself.

Unfortunately, Internet access also potentially exposes children to unsafe content. The FBI considers online child pornography and child sexual exploitation to be the most significant cybercrime problem involving children within its jurisdiction. Between fiscal years 1996 and 2002 the number of online child pornography and sexual exploitation cases opened by the FBI has increased nearly 2,000 percent, and that is just in 6 years.

The Dot Kids Act gives parents and educators an additional tool to help protect children from these dangers. When President Bush signed the Dot Kids Act into law, he hailed it as “a wise and necessary step to safeguard our children while they use computers and discover the great possibilities of the Internet.”

As you know, NTIA awarded NeuStar a contract in October 2001 to manage the .us domain. Passage of the Dot Kids Act in December 2002 required NTIA to amend this contract to establish a child-friendly space. NTIA is required to oversee the development of kids.us in accordance with specific content, enforcement and registration obligations. It also directs NTIA to publicize the availability of the new domain and to educate parents regarding the use of the kids.us domain in combination with blocking and filtering technologies.

With respect to the overall management of the .us contract, NeuStar is meeting our expectations by expanding the .us domain. NeuStar is working cooperatively with NTIA to implement the provisions of the act.

In September 2003, NeuStar opened the registration of kids.us and, I note, 3 months ahead of the deadline established by the act. In November, the Department of Commerce approved NeuStar’s subcontract with KidsNet, a Florida company that is providing content review and monitoring services for kids.us.

In the 8 months since the creation of the kids.us space, over 1,700 domain names have been registered in kids.us, such as Crayola.kids.us, Hasbro.kids.us, LegoLand.kids.us, Curious George.kids.us, and my kids’ favorite, Yhooligans.kids.us.

Currently, kids.us is home to 13 active Web sites, and we understand more are coming. These Web sites showcase information about arts and entertainment, computers and technology, sports and recreation, and science and government and much more. I applaud the early entrees to the site and encourage others to give it strong consideration.

Furthermore, parents can use this new domain in conjunction with existing screening and filtering technology to protect their children.

NTIA believes there is still much work to be done to help generate widespread interest and support for kids.us. NTIA is making

a concerted effort to reach broadly across government, corporate and nonprofit sectors to promote the availability of the kids.us domain. We have sent letters to U.S. Government departments and agencies encouraging their participation in kids.us.

Last month, Secretary of Commerce Don Evans sent letters to 39 companies and organizations with interesting children's content on their Web sites today. The Secretary encouraged groups, such as Big Brothers Big Sisters, Major League Baseball, the National 4-H Council, Viacom and the Children's Television Workshop, to register a kids.us name and post child-friendly content on the site. We are hopeful that these stewards of child-friendly content will meet the call.

NTIA has additional plans to develop the kids.us domain. We plan to host a forum this summer highlighting the kids.us domain as well as the filtering and blocking technology available to parents and teachers to use in conjunction with the domain. We hope you and your colleagues in the House and Senate will be able to join us, as we discuss a host of issues, including content development, the use of technology, and how to best reach parents, teachers and others with an interest in kids.us.

The administration believes that the success of the domain will come with a shared responsibility by all stakeholders. We witnessed widespread bipartisan support for the Dot Kids Act in Congress, and we applaud the continued support for the kids.us space by members of this committee, especially, Mr. Chairman, yourself, Mr. Markey, Mr. Shimkus.

Your continuous promotion of the site goes a long way toward bringing a safe, friendly site for children to the country. We are hopeful that many companies will heed your call, along with the call of my boss, Secretary Evans, to develop additional content for the space.

In closing, it is clear that all preparatory legal and technical thresholds for the launch of the .kids space have been met either early or on time, but much remains to be done to realize the full potential of this new safe online environment for American families and American children. That deserves our best effort. NTIA is prepared to work with Congress and other stakeholders—government and corporate and nonprofit content providers—to protect children as they explore the online world.

Again, thank you for the opportunity to be here. I look forward to answering your questions.

[The prepared statement of Michael D. Gallagher follows:]

PREPARED STATEMENT OF MICHAEL D. GALLAGHER, ACTING ASSISTANT SECRETARY FOR COMMUNICATIONS AND INFORMATION, NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Chairman Upton, I would like to thank you and the members of the Subcommittee for inviting me to testify here today. This committee was the impetus behind the effort to create safe spaces on the Internet for children. I appreciate the opportunity to review with you the steps that the National Telecommunications and Information Administration (NTIA) has taken to implement the Dot Kids Act. I also want to acquaint you with our plans to develop the full potential of the kids.us domain.

BACKGROUND

The Dot Kids Act reflects the significant role the Internet now plays in the lives of our children. According to NTIA's 2002 report *A Nation Online*, almost 60 percent of American children between the ages of 5 and 17 use the Internet. Ninety-nine percent of public schools in the United States had access to the Internet according to the U.S. Department of Education's National Center for Education Statistics as of fall 2002.

Internet access has benefited children enormously by giving them new research tools and information sources, new avenues of expression, expanded and more collaborative learning opportunities, and connections to other communities. Parents want the Internet to be a place where children can access educational material and enjoy their experience. The kids.us space provides us with an opportunity to create a unique place to do that.

Unfortunately, Internet access also potentially exposes children to unsafe content. While some children have actively sought out inappropriate content, many others unwittingly have been confronted with pornography, indecent materials, hate sites and violent images. Some children, through participation in chat rooms and other interactive forums, have become vulnerable to online stalkers or predators. The Federal Bureau of Investigation (FBI) considers online child pornography and child sexual exploitation to be the most significant cyber crime problem confronting the FBI that involves crimes against children. Between fiscal years 1996 and 2002 the number of online child pornography and child sexual exploitation cases opened by the FBI went from 113 to 2,370, representing a 1,997 percent increase in just 6 years.

THE DOT KIDS ACT

Congress responded to these growing concerns by passing the Dot Kids Act, which gives parents and educators an additional tool to help protect children from these dangers. When President Bush signed the Dot Kids Act into law, he hailed it as "a wise and necessary step to safeguard our children while they use computers and discover the great possibilities of the Internet."

As you know, NTIA awarded NeuStar a contract in October 2001 to manage the .us domain. The Dot Kids Act required NTIA to amend this contract to establish a child-friendly space. NTIA was also required to oversee the development of kids.us in accordance with specific content, enforcement and registration obligations. The law also directed NTIA to publicize the availability of the new domain and educate parents regarding the use of the kids.us domain in combination with blocking and filtering technologies.

ESTABLISHING A SAFE KIDS.US SPACE

With respect to the management of the .us contract, NeuStar has met our expectations by expanding the .us domain. NeuStar has also worked cooperatively with NTIA to implement the provisions of the Dot Kids Act. Since the Act's passage in December 2002, NeuStar has met the following contractual obligations.

In February 2003, NTIA modified the existing .us contract with NeuStar to create a kids.us space. In May 2003, NTIA and NeuStar reached an agreement on the procedures, policies, subcontracts and fee schedule to implement kids.us. On September 4, 2003,—NeuStar opened the registration of kids.us, three months before the deadline established by the Act. Four days later, the Smithsonian Institute posted the first active web site within kids.us. In November 2003, the Department of Commerce approved NeuStar's subcontract with KidsNet, a Florida company that is providing content review and monitoring services for kids.us. And finally, on December 4, 2003, NeuStar submitted the first annual report to Congress on the development and implementation of kids.us.

In the eight months since the creation of the kids.us space, over 1,700 domain names have been registered in kids.us, such as Crayola.kids.us, Hasbro.kids.us, Lego Land.kids.us, CuriousGeorge.kids.us, and Yahoo!igans.kids.us. Currently, kids.us is home to thirteen active websites. These websites showcase information about arts and entertainment, computers and technology, sports and recreation, science and government, and much more. For example, the Smithsonian Institute hosts information about the Apollo 11 mission to the moon and America's Presidents and First Ladies. The General Services Administration website provides kid-friendly information about the U.S. Government. The National Oceanic and Atmospheric Administration (NOAA) website teaches children about the hazards of severe weather such as tornadoes, lightning, hurricanes and winter storms. And, the ABCKids website features games and activities from their most popular Saturday morning cartoon line-up.

Furthermore, parents can use this new domain in conjunction with existing screening and filtering technology. For example, parents or teachers can adjust their web browsers to restrict children's browsing to the kids.us domain. They can also use existing technologies that are already installed on their computer systems in conjunction with kids.us to protect their children. These added technology protections will help ensure that children have safe experiences when they go online.

PUBLICIZING THE NEW DOMAIN

NTIA believes that there is still much work to be done to help generate widespread interest and support for kids.us. At a kick-off event in July 2003, NTIA held a public briefing in conjunction with this Committee here in the Rayburn Office building. As you will recall, this briefing announced the availability of kids.us and encouraged registration of domain names and use of this domain space.

Last October, President Bush declared a "Protection from Pornography Week" and highlighted the availability of the kids.us domain as part of the Administration's efforts to protect children from harmful online content.

NTIA has also made a concerted effort to reach broadly across government, corporate and non-profit sectors to promote the availability of the kids.us domain. NTIA sent over 70 letters to various U.S. government departments and agencies, encouraging their participation in kids.us. As a result, approximately 80 names have been reserved for future use by these agencies. Additionally, NTIA's webpage prominently displays a link to the kids.us registry website through the kids.us logo.

Last month, Secretary of Commerce Donald Evans also sent letters to 39 companies and organizations with interesting children's content on their websites. The Secretary encouraged groups, such as Big Brother Big Sisters, Major League Baseball, the National 4-H Council, Viacom and the Children's Television Workshop, to register a kids.us name and post child-friendly content on the site. We are hopeful that these stewards of children-friendly content will meet the call.

THE ROAD AHEAD

NTIA has additional plans to develop the kids.us domain. We plan to host a forum this summer highlighting the kids.us domain as well as the filtering and blocking technology available to parents and teachers to use in conjunction with the domain. This forum will discuss content development, the use of technology, and how best to reach parents, teachers and others with an interest in kids.us.

NTIA also plans to submit, and hopefully have published, articles promoting the availability of kids.us in child-friendly publications such as the Boy Scout's "Boys Life" magazine, and within the Department of Justice's "Parent's Guide to Internet Safety." NTIA has been in discussions with these and other groups about publishing kids.us information.

NTIA has maintained an excellent working relationship with NeuStar, which shares the goal of creating an attractive and robust kids.us as a haven for children on the Internet. NeuStar recently shared with NTIA what the company has done to inform potential content providers of the opportunities presented by the kids.us domain. NeuStar provided us with a detailed marketing program that includes plans for multi-media advertising, direct marketing, a registrar incentive program, and a new public relations campaign. NeuStar's goal is to increase the number of registrations and to encourage registrants to post content for children. We were pleased and encouraged by these plans and look forward to working with NeuStar on implementing these ideas.

The Administration believes that the success of the domain will come with a shared responsibility by all stakeholders. We witnessed widespread bipartisan support for the Dot Kids Act in Congress. I applaud the continued support for the kids.us space by Members of this Committee, especially Representatives Shimkus, Upton and Markey. Your continuous promotion of the site goes a long way toward bringing safe, child-friendly content to the site. We are hopeful that many companies will heed your call to develop additional content for the kids.us space.

The non-profit community deserves special recognition for being among the first to develop interesting content for the kids.us domain. Independent groups, such as Minnesota Kids, the St. Nicholas Center and Tubehead, have committed their limited budgets and staff to the creation and viability of their kids.us sites. We hope many more non-profits, government agencies, and companies will follow this lead.

Creating a safe and useful place on the Internet for our children is a necessary goal that deserves our best efforts. NTIA is prepared to work with the Congress and other stakeholders—government, corporations, and non-profits—to protect children as they explore the online world.

Again, thank you for this opportunity to testify. I will be happy to answer any questions you may have.

Mr. UPTON. Mr. Tindal?

STATEMENT OF RICHARD TINDALL

Mr. TINDAL. Mr. Chairman, Mr. Shimkus, Mr. Markey, and distinguished members of the committee, my name is Richard Tindal, and I am vice president of Registry Services for NeuStar. I appreciate the opportunity to appear before you today to discuss NeuStar's implementation of the Dot Kids Implementation and Efficiency Act of 2002.

NeuStar is very proud of its achievements in helping to carry out the objectives of the Dot Kids Act. The .kids.us domain has over 1,700 names registered and 13 live sites available for use today.

We believe that kids.us is an important public resource for America's children, and we express our appreciation for the leadership and dedication this committee has shown in creating this domain and in supporting our efforts to make kids.us a reality for our Nation's children.

We also express our gratitude to the Department of Commerce for their constant assistance and support in this endeavor.

NeuStar is committed to making kids.us a success, and we look forward to continuing to work with you to accomplish the important objectives of the Dot Kids Act.

Since its founding, NeuStar, a privately held technology and registry company, has established itself as the premiere trusted and mutual provider of critical infrastructures services and has developed lines of business serving both the telecommunications and the Internet industries.

NeuStar operates the official directory for all North American telephone numbers and manages the data base that carriers rely on to route billions of telephone calls each day.

NeuStar also operates a state-of-the-art Internet registry, managing all names in the .us top-level domain and, with our joint venture partner, Melbourne IT, the names in the .biz top-level demand.

Finally, NeuStar's registry handles the routing needs of data services, such as multimedia messaging services, and we are a leading provider of OSS clearinghouse services.

The question of how we as a society can protect children on the Internet is an important and challenging one for all of us. There are numerous tools available, including browser filters, educational campaigns, rating systems and, of course, kids.us. Each of these options contribute something important and valuable to attaining the goal of Internet safety for children.

NeuStar remains committed to the success of kids.us and will continue to manage the domain and advance the goals laid out by Congress.

NeuStar's first task was to define the policies and procedures that would govern the kids.us domain. We conducted a public outreach effort, consulting with child advocacy groups and educators, to develop the guidelines for what material would be acceptable for kids.us. NeuStar then created procedures that define the process for enforcement of kids.us content policy. A registration and con-

tent-review process consistent with the Dot Kids Act was then developed.

We have relied on our experience implementing .biz and .us and developed an operational model that would both protect and preserve the requirements of the Dot Kids Act while providing clarity to potential users.

With this operational model defined, NeuStar's technical staff made the modifications to the .us registry necessary to accommodate new registrations at the third level. This technical effort involved the development of new technical services, the modification of source code, the creation of a content management system and an end-user directory, as well as certain additional support mechanisms.

The launch of kids.us was a technical and operational success. On September 4 at noon Eastern Standard Time, NeuStar opened registrations to the general public. Today, 11 accredited registrars or resellers have sold more than 1,700 kids.us names to the public.

The continuing challenge before all of us is to find incentives for those end users to activate content and for new customers to acquire and use .kids.us names.

In this respect, beginning June 1 of this year, NeuStar will reintroduce the kids.us domain to the marketplace by implementing a multifaceted marketing campaign that includes advertising, public relations, customer outreach, financial incentives and direct marketing programs.

This new program is designed to broaden consumer awareness and use of the kids.us name space, encourage the activation of content and increase the number of kids.us domain name sites.

By increasing public, corporate and nonprofit awareness of the kids.us opportunity and offering financial incentives to our registrar sales channel, we will initiate a call to action for those domain holders that have not yet taken the important step of developing content and becoming live participants in the kids.us space.

In conclusion, NeuStar is committed to making kids.us a success and providing a critical service to children, parents and educators throughout the Nation. We take great pride in having developed and launched what we view to be an important new public resource for America's children.

NeuStar has accomplished every task identified in the kids.us act, and, in an effort to enhance the domain, we have delivered more than was expressly required.

With our new marketing program, we continue to take the steps needed to enhance and improve the kids.us domain. We cannot, of course, do this alone, and, as I noted at the start of this testimony, we welcome, recognize and appreciate the leadership and interest and focus that this committee has provided and the ongoing and consistent support we have received from the NTIA.

We look forward to continuing our work with you in this special role as the registry for kids.us.

[The prepared statement of Richard Tindall follows:]

PREPARED STATEMENT OF RICHARD TINDAL, VICE PRESIDENT, REGISTRY SERVICES,
NEUSTAR, INC.

SUMMARY

Mr. Chairman, Mr. Shimkus, Mr. Markey and distinguished Members of the Committee. I am Richard Tindal, Vice President, Registry Services for NeuStar, Inc. ("NeuStar"). I appreciate the opportunity to appear before you today to discuss NeuStar's implementation of the Dot Kids Implementation and Efficiency Act of 2002 (the 'Dot Kids Act'). NeuStar is very proud of its achievements in helping to carry out the objectives of the Dot Kids Act. The Dot Kids domain is up and running today with over 1700 names registered and thirteen live sites available for use.

We believe that kids.us is an important public resource for America's children and express our appreciation for the leadership and dedication this Committee has shown in creating this domain and at every stage, in supporting our efforts to make kids.us a reality for our Nation's children. NeuStar is committed to making kids.us a success and we look forward to continuing to work with you to accomplish the important objectives of the Dot Kids Act.

I will begin my testimony by providing background on NeuStar and the steps taken prior to and since enactment of the Dot Kids Act to carry out the objectives and requirements of the law. This effort involved the work of employees from all across NeuStar and resulted in a flawless launch of the kids.us domain three months prior to the statutory deadline. I will then discuss the status of the domain and review NeuStar's 2004 marketing program for kids.us.

BACKGROUND

Since its founding, NeuStar, a privately held technology and registry company, has established itself as the premier trusted neutral third party provider of mission critical infrastructure services and has developed lines of business serving both the telecommunications and Internet industries. NeuStar operates the official directory for all North American telephone numbers and manages the database carriers rely on to rate and route billions of telephone calls each day. NeuStar also operates a state of the art Internet registry managing all names in the "Dot-US" top level domain, and with its joint venture partner, Melbourne IT, Ltd., the names in the "Dot-BIZ" top-level domain. In addition, NeuStar's registry handles the routing needs of data services such as Multimedia Messaging Services. Finally, NeuStar is a leading provider of Operations Support Services clearinghouse services that allow telecommunications and enterprise firms to automate and increase the efficiency of ordering, service provisioning and billing and customer service functions.

OVERVIEW OF THE KIDS.US PRE-LAUNCH POLICY, OPERATIONAL, TECHNICAL, AND
OUTREACH ACCOMPLISHMENTS

The question of how we as a society can protect children on the Internet is an important and challenging one for all of us. There are numerous tools available today including browser filters, educational campaigns, and rating systems. Each of these options contributes something important and valuable to attaining the goal of Internet safety for children. Kids.us provides another important tool for America's children. NeuStar remains committed to the success of kids.us and will continue to manage the domain and advance the goals laid out by Congress.

Policy Accomplishments

NeuStar's first task, which commenced eight months before enactment of the Dot Kids Act, was to define the policies and procedures that would govern the kids.us domain. NeuStar conducted a public outreach effort, consulting with several child advocacy groups and other organizations to develop the guidelines for determining what material would be deemed unacceptable for and/or harmful to minors. The resulting content policy identifies and defines thirteen categories of content that are restricted from kids.us.¹ Next, NeuStar drafted the kids.us Takedown Procedures. These procedures define the process for enforcement of the kids.us Content Policy in a way that is transparent, fair and expeditious for the registrants.

Additionally, all Dot-US policies are applicable and enforced in the kids.us domain. This includes the US Nexus Requirement, usTLD Dispute Resolution Policy, and requirements for accurate Whois data. Finally, to implement these new policies, NeuStar modified the Dot-US Registrar Accreditation and Registry-Registrar Agreements to include the policies and procedures governing the registration of kids.us domain names.

¹ This and all other kids.us policies can be found at www.kids.us/content-policy.

Operational Model and Accomplishments

The next step in developing the framework for kids.us was to determine how the registration and content review process² would work, consistent with the Dot Kids Act. We relied on our experience implementing Dot-Biz and Dot-US by developing a model that would both protect and preserve the requirements of the Dot Kids Act while providing as much clarity as possible to potential registrants.

When determining how best to ensure the integrity of the kids.us domain and to manage the content review and enforcement processes, NeuStar concluded that it should directly oversee and manage the content review process. We did this because we knew it would be important that content review be handled in a neutral fashion, that is, for content review to be centrally and consistently administered for all registrants. Content review includes several discrete functions: developing and maintaining a customer interface to purchase content subscriptions, the review of all content within the domain, enforcement of the kids.us Content Policy, and customer account management.

To ensure a competitive registration process, NeuStar maintained the existing registry-registrar model whereby only accredited registrars sell kids.us domain names to the public. As a result, establishing a web presence within kids.us is a 2-step process for any interested content provider: (1) registration of a domain name with a registrar, and (2) purchase of a content review subscription from NeuStar. NeuStar has engaged the support of a subcontractor, Kidsnet, Inc., to assist us in the review function, with both the initial and ongoing reviews of all active content. This review function utilizes both manual reviews as well as a “spidering,” filter technology.

Technical Accomplishments

With the operational model defined, NeuStar’s technical staff made the modifications to the Dot-US registry necessary to accommodate new registrations at the third level. This technical effort involved the development of new technical services and support mechanisms needed to launch kids.us. These technical modifications included:

- Modifying the source code of the Dot-US registry to accept third-level kids.us registrations;
- Modifying the source code of Whois to include kids.us registrant contact data;
- Creating the content management system, and;
- Launching the end-user directory.

The kids.us namespace is administered from a highly reliable infrastructure, offering near real-time registrations and name server updates.

Pre-launch Outreach Accomplishments

Prior to the launch of the kids.us domain, NeuStar conducted an outreach program to raise awareness of kids.us, encourage participation from registrars, and drive public adoption of the new domain. We were able to leverage our existing relationships with the registrar community, the contacts we had made through the development of the kids.us Content Policy, and media connections to promote the space.

In summary, NeuStar’s pre-launch outreach initiatives included:

- Engaging in media outreach including issuing press releases, sending e-mail messages to a broad range of users, contracting a PR firm to promote Sunrise launch among trademark holders looking to protect their marks (the “Sunrise Phase”);
- Creating marketing collateral and organizing sales meetings and informational briefing sessions with registrars, and;
- Contacting potential technology partners for browser and directory functionality.

LAUNCH, ENFORCEMENT, AND ENHANCED SERVICES

Launch

The launch of kids.us was a technical and operational success and was conducted in a 2-part process. On June 17, 2003, NeuStar initiated the Sunrise Phase for trademark protection, enabling owners of existing or pending United States trademarks or service marks to apply for kids.us domain names that exactly match their trademarks or service marks. To ensure the integrity of the Sunrise Phase, NeuStar compared each of the domain name applications received with trademarks applied

²Content includes all written, dynamic and visual material within a website, including the domain name.

for or registered with the U.S. Patent and Trademark Office on or before December 31, 2002.

On September 4, 2003 at noon E.S.T., NeuStar opened registrations to the general public. At the close of the first hour, the registry had successfully registered over 400 kids.us names. At the same time that open registration began, NeuStar activated the content management system. NeuStar flawlessly launched the kids.us domain three months prior to the date required by the Dot Kids Act.

Review and Enforcement

The on-going enforcement of the kids.us domain involves reviewing all kids.us content for compliance with the kids.us Content Policy, and then enforcing that policy in accordance with the kids.us Takedown Procedures. In this initial period following the launch NeuStar carried out all aspects of the content review role. To date, NeuStar has had very positive experiences in the process of content management and enforcement. The content received is generally appropriate for the domain. In addition, any content violations found have typically been inadvertent hyperlinks or a link to an e-mail box that was missed in the registrant's efforts to make a site compliant with the kids.us Content Policy. Details of the enforcement activity for the first three months are available in the "Annual Compliance Report on the kids.us Domain" filed with the Congress and the Department of Commerce on December 4, 2003, pursuant to the requirements of the Dot Kids Act.

Enhanced Services

Although not a specific requirement of the Dot Kids Act, NeuStar introduced a child-oriented end-user directory to facilitate use of the domain by both children and adults. All active sites are listed in this directory and are sorted based on the registrant's self-categorization of their content. An additional feature at the kids.us homepage is a third-party reporting tool. This tool—a user web-form—provides a direct mechanism to contact NeuStar 24 hours a day, seven days a week, 365 days a year to report an alleged content violation within kids.us. This tool provides an additional element of safety and strengthens our collective abilities to protect children while they are online. In January, the kids.us homepage was redesigned and expanded to include a public Whois lookup for interested registrants as well as for parents to identify the owners of kids.us sites.

NEUSTAR KIDS.US MARKETING PROGRAM FOR 2004

On June 1, 2004, NeuStar will re-introduce the kids.us domain to the marketplace by implementing a multifaceted marketing campaign that includes advertising, public relations, customer outreach and direct marketing programs. This new program is designed to: (1) broaden consumer awareness and use of the kids.us namespace; (2) encourage the activation of content by registrants; and (3) increase the number of kids.us domain name registrations.

The kids.us marketing program will accomplish these goals by creating greater awareness among potential registrants and consumers through direct and joint marketing, reaching out to existing kids.us registrants to encourage content development and activation, and energizing the registrar sales channel to promote kids.us more actively.

Through direct and joint public relations activities and advertising, NeuStar will work to expand awareness of the kids.us namespace and specifically highlight sites already up and running with content, as well as those that develop content while the program is ongoing. By increasing public and corporate awareness of the kids.us opportunity, and offering financial incentives to our registrar sales channel to help spread the word, we will initiate a call-to-action for those domain holders that have not yet taken the important step of developing content and becoming live participants in the kids.us namespace.

The direct marketing component of NeuStar's plan includes: (1) banner ad placement on line; (2) direct e-mail campaigns; (3) creative marketing promotions to generate end-user interest and (4) direct mail campaigns to existing registrants that have not yet turned up content.

NeuStar will offer the registrar sales channel financial incentives intended to encourage registrars to approach those customers who have registered domains, but not yet developed or turned up content and ensure their support in marketing kids.us domain names. These incentives will include limited time revenue sharing and a rebate program for new registrations and renewals that extend registration terms of existing names.

These incentives are designed to help increase activation of kids.us content and websites and increase awareness of registration opportunities in the kids.us namespace. By creating incentives through our registrar channel and working di-

rectly with companies that have already registered domains, NeuStar hopes to encourage the activation of kids.us content. Finally, the focus of the public relations component of the marketing plan will be to create general awareness through press releases and advertising. The media outreach will be directed to business press and publications that cover government and to Internet trade publications, websites and industry newsletters.

CONCLUSION

NeuStar is committed to making kids.us a success and providing an important service to children, parents, and educators throughout our nation. We take a great deal of pride in developing and launching what we view to be an important new public resource for America's children. Like most good things, however, success will not come overnight for kids.us. NeuStar expects, consistent with the launch of almost any new domain name service, kids.us will follow a normal market adoption curve, that is, adoption will be low in the beginning and gradually increase over time. Eventually, it will reach a point when the registration rate increases and the space will become more visible. Increased visibility will depend upon high-profile registrants using and promoting their kids.us sites.

NeuStar's new marketing campaign is designed to increase awareness and adoption and accelerate the market acceptance of the new kids.us domain.

NeuStar strongly believes kids.us will continue to mature and grow. We fully express our continued commitment to this important public resource. NeuStar has accomplished every task identified in the Dot Kids Act and in an effort to enhance the domain, delivered more than was expressly required. With the marketing program outlined here, NeuStar continues to demonstrate that we are taking the steps needed to enhance and improve the kids.us domain. We cannot, of course, do this alone and as noted at the start of this testimony, we truly appreciate the leadership, interest, and attention provided by this Committee and the Department of Commerce. We look forward to continuing our work with you in this special role as the registry for kids.us.

Mr. UPTON. Thank you.
Ms. Johanson?

STATEMENT OF CYNTHIA JOHANSON

Ms. JOHANSON. Mr. Chairman, members of the committee, on behalf of PBS and my colleagues from 349 local public television stations around the country, I am honored to come before you to discuss our shared goal, our goal to offer a safe, quality, educational online haven to America's children.

We are glad to offer both our experience in providing our popular PBSkids.org site and in providing a new special site under the .kids domain created by Congress.

PBS and our member stations have at our core a mission to educate the public. We have become the standard bearer in educational children's television and online educational materials. In what looks like a race to the bottom for some, PBS remains a safe haven for children and adults from the explicit content and extreme commercialism that so many observe are the hallmarks of today's media environment.

Let me start by saying a few words about PBSkids.org which we launched in 1997. PBSkids.org Web sites are developed by the same educational experts who produced PBS television programming for children.

Since its debut, PBSkids.org has become one of the most visited and most trusted spaces for children and their parents on the Internet. PBSkids.org currently averages more than 334 million page views and 16 million unique visits per month, and those numbers are growing at a remarkable pace.

For many children, PBSkids.org is their first experience on the Internet, and we take that responsibility very seriously. PBSkids.org is a top destination for teachers and for librarians across the country.

Since our launch of PBSkids.org, we have invested enormous resources in researching what works and what does not, who visits the site, and what content is most useful and popular.

First, we have learned that kids use the Internet very differently from adults. On average, a Web user who comes to PBSkids.org views more than 80 pages of content and spends an average of 36 minutes per visit. In contrast, an average visit to our more grown-up-oriented PBS.org site results in about seven pages per visit and about 4 minutes on the site.

Our observations of kids on PBS.org indicate that the most popular activities are educational games that allow repeat play and address multiple skill levels.

The second lesson that we have learned is that it is critical and possible to provide rich and safe content. Given that kids consume so much interactive media so deeply, it is essential that we provide them with safe, rich, educational and fun content to explore.

Because kids are such intense users of the Internet, we, like you, often ask, "How can we make sure that kids find content that is appropriate and safe for them? How do we protect them from the violent, sexually explicit, dangerous and overly commercial online content?"

On PBSkids.org, we think it is important to get kids started by teaching them essential Internet navigation skills and, most importantly, training them to be critical media consumers. Activities like "Get Your Web License" explain safe surfing skills, like never giving out your full name on the Internet and what to do if you click on scary content. Once kids master the challenges presented in this online quiz, they can print out their own Web license.

The PBS Kids site is also carefully constructed so that kids know where they are at all times. We keep the Web links traveling outside the PBS Kids domain to a minimum, and we insulate each one with a bridge page alerting kids that they are leaving the PBS Kids world, explaining where the link will go, and providing a simple what-to-know-before-you-go Web literacy tip. When kids encounter the bridge pages, they most often follow the clearly marked links back to the content on the kids.org site.

In the kids.us domain, you have addressed the issue by taking the linking possibility out of the equation, but we think that Web literacy among children continues to be an important skill, and we would encourage you to promote Web literacy.

Finally, we have developed over the years a number of methods to attract parents, kids, teachers and others to our site, and our experience may be helpful to you, from our outreach to homeschoolers and community groups to our use of kid-targeted search engines, like Yahoo!igans!

Given our mission and our experience in this area, we certainly applaud you, Mr. Chairman, and this committee, for your continued strong interest in online safety for kids, and, because we felt it was important to contribute to the success of kids.us as an early

content contributor, we are proud to have launched PBSkids.kids.us on this service.

In preparation for launching our area of the .kids site, we worked in collaboration with every major PBS Kids content producer, including Sesame Workshop, Scholastic and WGBH, to post 28 interactive games related to 15 different PBS Kids series, series you and your children know and love, like “Arthur,” “Between the Lions,” “Clifford,” “Cyberchase,” and “Sesame Street.”

These PBS activities on the .kids site span our wide audience range for kids between the ages of 2 and 12 and focus on skills and themes, such as language acquisition, math, early literacy, problem solving and early science.

Since we share our goal of developing safe spaces on the Internet for children, we would like to respectfully offer some comments based on our experience as you move forward on implementation of the .kids site.

First, keep in mind that for many of us who currently have deep, interactive sites, the .kids domain presented a unique challenge. With limited resources of our own, we needed to come up with a way to construct an entirely new site, maintain it, keep it fresh and interesting.

The reluctance of some participants to participate may be due in large part to this resourcing issue. I know we struggled with it at PBS. I thought you should be aware of it as a significant hurdle.

Second, we at PBS, as you know, as part of our overall public broadcasting mandate, are noncommercial. Second only to educational content, our not-for-profit status is the one thing that parents constantly tell us they most value about PBS.

We wholeheartedly agree with the goal of the statute to create a green-light area of the Internet that will contain only content that is appropriate for children under the age of 13 and is analogous to the creation of the children’s section of a library.

The children’s section of a library is a safe, welcoming place with content on a wide range of age-appropriate issues by a diverse set of authors. We would simply urge you to keep an eye on the commercial potential of the new domain and monitor it regularly to ensure that kids are not explicitly being sold to while they are in that space.

Again, Mr. Chairman, we want to reiterate PBS’s strong support for you and your colleagues’ ongoing efforts to promote a safe space for children. We look forward to working together on this effort with you in the future, and, if there is any specific way we can be helpful, I do hope you will let us know.

Thank you.

[The prepared statement of Cynthia Johanson follows:]

PREPARED STATEMENT OF CINDY JOHANSON, SENIOR VICE PRESIDENT, INTERACTIVE AND EDUCATION, PBS

Mr. Chairman, Members of the Committee, on behalf of PBS and my colleagues from 349 local PBS stations around the country, I am grateful for the opportunity to come before you to discuss our shared goal—to offer a safe, quality, educational online haven to America’s children.

We commend Congress for recognizing the need to create what has been called the Internet equivalent of a wing of a library for kids to check out books. As this Committee seeks to evaluate the progress of the Dot Kids Implementation and Efficiency Act of 2002, we are glad to offer both our experience over the past 7 years

providing our pbskids.org site, and our newer experience providing a special site under the dot-kids domain created by Congress. We hope to offer insights into lessons we have learned since launching our dot-kids site, and some suggestions on how together we can continue to make the new dot-kids domain a success.

PBS and our member stations have at our core a mission to educate the public. In particular, we have become the standard bearer in educational children's television and off-air educational materials. PBS offers award-winning children's content that educates, enriches and entertains, employing the full spectrum of on- and off-air media to help build kids' knowledge and strengthen their critical thinking. In what looks like a race to the bottom by some, PBS remains a safe haven for children and adults from the explicit content and extreme commercialism that many observe are the hallmarks of today's media.

We see our efforts as empowering children to become stronger members of their communities, nation and world, and we work closely with a growing number of parents, teachers and caregivers as our partners in this effort.

Our History

With the advent of the Internet, PBS recognized that there were exciting new opportunities to help educate and entertain children. We were at the forefront of bringing children safe and appropriate online content. The PBS KIDS Web site, pbskids.org, launched in 1997 as the online home of PBS KIDS TV favorites such as *SESAME STREET*, *ARTHUR*, *MISTER ROGERS' NEIGHBORHOOD*, among many others.

PBS KIDS programming meets high educational standards. PBS KIDS Web sites are developed by the same educational experts who produce PBS KIDS TV programming, and, therefore, we strive to ensure every activity on our Web sites meets the same educational goals of their companion PBS KIDS TV programs. From *BETWEEN THE LIONS* to *CYBERCHASE* to *CLIFFORD THE BIG RED DOG*, we make sure that kids can learn and play with their favorite PBS KIDS content in a safe and inviting space.

Parents and kids trust PBS KIDS. Since its debut, PBS KIDS online has grown to become one of the most visited and trusted spaces for children—and their parents—on the Internet. pbskids.org currently averages more than 334 million pageviews and 16 million unique visits per month, and those numbers are growing at a remarkable pace. For many children, pbskids.org is their first experience on the Internet and we take that responsibility very seriously as we hope to instill a love of learning and understanding, at their fingertips through the personalized, on-demand experiences made possible by the Web.

Teachers and librarians rely heavily on pbskids.org. pbskids.org is funded in part by the Department of Education through a Ready To Learn grant, and because we prominently feature comprehensive resources for parents and teachers on every PBS KIDS TV program Web site, it's no surprise that pbskids.org is a top destination for teachers and librarians across the country. And, we constantly assess what these audiences want and need by regularly reviewing site usage, meeting with focus groups and by gathering feedback through online surveys.

pbskids.org has twice won the Wired Kids Safety "Best of the Web" award, was recently nominated for a Webby award as one of the best "youth" sites on the Web, and throughout the years our TV program-related Web sites have earned "Parents Choice" awards, Prix Jeunesse Awards, and the prestigious Japan Prize, which recognizes excellence in science and technology.

What We've Learned

Since our launch of pbskids.org in 1997, we've invested enormous resources in researching what works and what doesn't, who visits the site and why and what content is most useful and popular. We are pleased to be able to share the lessons we've learned with you today.

First, we learned that kids use the Internet differently from adults. In short, they dive deeper and stay longer. On average, a Web user coming to pbskids.org views more than 80 pages of Web content in one visit. To provide some context, an average pbs.org Web site visit results in about 7 Web pages viewed. Similarly, a visitor to pbs.org spends about 4 minutes on the site, while those on pbskids.org average more than 36 minutes per sitting.

We have learned that kids go very deep into our pbskids.org Web content in every sitting, that they like to share their ideas and stories through carefully screened submission "bulletin boards," and test their skills through multiple rounds of educational games.

Both our statistics and our observations of kids on pbskids.org indicate that the most popular activities are educational games that allow "repeat play" and address

multiple skill levels. We work hard to create activities that can engage kids of broad age and skill ranges and invite them to come back and play again. We recommend this technique with content on the dot-kids site as well.

To keep kids interested, we regularly research and test our online content to make sure that our *entire* audience of kids between the ages of 2 and 12 can find content that is, at the same time, age-appropriate, educational and engaging. pbskids.org is built to be entirely kid-driven. I believe this is also your goal with the dot-kids domain.

The second lesson we learned is that it is critical, and possible, to provide rich and safe content. Given that kids consume so much interactive media, so deeply, it's essential that we provide them with safe, rich, educational and fun content to explore—and this is what pbskids.org is committed to offering.

But, given the statistics about how much time kids are spending online in general and how much media they consume while online we, like you, are especially sensitive to the alarms this raises for parents, educators, content creators, and certainly many in this room.

We, like you, often ask, how do we make sure that kids find content that is appropriate and safe for them? How do we protect them from violent, sexually explicit, dangerous or overly commercial online content?

On pbskids.org, we think it's important to get kids started by teaching them essential Internet navigation skills and, most importantly, train them how to be critical media consumers. Activities on pbskids.org like "Get Your Web License" explain safe surfing skills—like never giving out your full name on the Internet and what to do if you click on "scary" content. Once kids master the challenges presented in this online quiz, they can print out their own "Web License."

The PBS KIDS site is also carefully constructed so that kids know where they are at all times. We keep the Web links traveling outside the PBS KIDS domain to a minimum and insulate each one with a "bridge page" alerting kids that they are leaving the PBS KIDS world, explaining where the link will go, and providing a simple "What to know before you go" Web literacy tip.

We know from focus group testing that kids quickly learn how to navigate within pbskids.org and take these site boundaries very seriously. When kids encounter "bridge pages," they most often follow clearly marked links back into pbskids.org.

In the kids.us domain you have addressed this issue by taking the linking possibility out of the equation, but we think that Web literacy among children continues to be an important educational tool and we would encourage you to consider a similar concept for the dot-kids domain.

Finally, we have developed over the years a number of methods to attract parents, kids, teachers and others to our site. I know you are interested in letting kids and parents know about the safe haven you have created, so we'd like to share some insight into what has brought so many kids, parents and educators to pbskids.org.

PBS and our local PBS stations believe it's important to not only make great content available, but also ensure that it actually reaches as many American children as possible. Universal coverage has always been at the heart of our TV mission.

We employ a variety of outreach techniques on behalf of pbskids.org

- We include numerous broadcast mentions of the Web site address at the end of our children's programs
- We feature the address on outreach materials and print ads appearing in national publications read by parents, kids and educators.
- We reach out to both school- and home-based educators to help bring them the message that pbskids.org offers broad educational Web content that can help their kids.
- We work with the major search engines—especially those aimed at children, like Yahoo!igans—to ensure that they are pointing to our content.
- The impact and reach of our Web content is further extended through local PBS stations' outreach activities, many carried out in partnerships with other community institutions including, for instance, local Head Start programs, neighborhood libraries, and a variety of childcare institutions.

We would be happy to work with you to help you develop techniques for reaching your audiences. Parents and educators are a huge resource for driving kids to your new domain. Promoting the site with search engines and with other sites and mediums that are reaching children is also important.

We have learned, and we've described for you today, how much depth kids require when they go on line. They visit frequently and stay a long time. If we can be helpful to you in providing guidance for how to develop the dot-kids domain into a place that kids visit often and has the kind of content to engage them for the length of time they want to stay, we'd be happy to share additional information about what we've learned over the years.

Our Presence on the Dot-Kids Domain

Given our mission and experience in this area, we certainly applaud you, Mr. Chairman, and this Committee, for your continued strong interest in kids online safety. We feel it is important for PBS KIDS to participate in kids.us as an early content contributor, and we are proud to have launched pbskids.kids.us on this service.

In preparation for launching our area of the dot-kids site, we worked in collaboration with every major PBS KIDS content producer—including Sesame Workshop, Scholastic and WGBH—to post 28 interactive games related to 15 different PBS KIDS series. We are featuring activities from these PBS KIDS programs on the dot-kids site:

ARTHUR, BARNEY, BERENSTAIN BEARS, BETWEEN THE LIONS, CAILLOU, CLIFFORD THE BIG RED DOG, CYBERCHASE, DRAGON TALES, GEORGE SHRINKS, MISTER ROGERS' NEIGHBORHOOD, READING RAINBOW, SAGWA THE CHINESE SIAMESE CAT, SESAME STREET, TELETUBBIES and ZOOM.

These PBS activities on the dot-kids site span our wide audience range for kids between the ages of 2 and 12, and focus on skills and themes such as language acquisition, math, early literacy, problem solving and early science.

We feel that this is a robust and representative range of PBS KIDS content, and now that the content is live, we will continue to monitor the traffic and usage of the kids.us domain space to determine how and when new content should be added.

Our Suggestions for the Future

PBS shares your goal of developing safe spaces on the Internet for children. To that end, we would like to respectfully offer some comments based on our experience as you move forward on implementation of the dot-kids site.

First, keep in mind that for many of us who currently have deep, interactive sites, the dot-kids domain presented a unique challenge. With limited resources of our own, we needed to come up with a way to construct an entirely new site, maintain it, and keep it fresh and interesting. The reluctance of some to participate may be due in large part to this resourcing issue. I know we struggled with it at PBS. I thought you should be aware of this as a significant hurdle.

Second, we at PBS, as you know, as part of our overall Public Broadcasting mandate, are non-commercial. You, Mr. Chairman, are very well aware of the opportunities and challenges this provides us as a broadcasting entity. But it is something in the kids area that we are very proud and protective of. Second only to educational content, it is the one thing that parents constantly tell us they most value about PBS. As a parent, you know how important it is to be able to sit down with your child and view television that is not only truly educational, but that won't bombard you with advertising for the most popular toy of the holiday season. Children are especially vulnerable to commercial messages—any parent certainly knows the power advertising has on kids!

We at PBS would simply urge you to examine the potential for commercialism within the dot-kids domain. We understand that we are used to a different standard, but our standard is one that we believe strongly is good for kids—and it was also mandated by Congress.

As stated in The Dot Kids Implementation and Efficiency Act of 2002, the goal of .kids.us was to create a “green-light area of the Internet, that will contain only content that is appropriate for children under the age of 13 and is analogous to the creation of a children’s section within a library.”

We agree wholeheartedly with that description. The children’s section of the library is a safe, welcoming place with content on a wide range of age-appropriate issues by a diverse set of authors. We would simply urge you to keep an eye on the commercial potential of the new domain and monitor it regularly to ensure that kids are not explicitly being sold to while they are in that space.

Again, Mr. Chairman, we want to reiterate PBS’ strong support for your and your colleagues’ ongoing efforts to promote a safe online space for children. We look forward to working together on this effort with you in the future. If there is any specific way we can be helpful in the near future, I hope you will let us know.

Thank you.

Mr. UPTON. Thank you very much.

Ms. Schroeder?

STATEMENT OF TERI SCHROEDER

Ms. SCHROEDER. Thank you very much.

Today, what I am going to do is bring information to you about what i-SAFE America is doing in the schools.

As we know, the Internet has dramatically changed the way that we do business and also the way that kids interact with one another. What we have done is we actually have taken the approach of education and youth empowerment.

For purposes of the .kids domain, I think it is very important that you look at what really is of interest to the kids in terms of what are the age brackets that the kids are doing various things and what is appealing to them and, actually, the activities that they do online.

As you can see here, what I showed you earlier in this screen was the curriculum that we have, and we have curriculum through grades K through 12.

This particular screen that you are looking at is the Web cast. This is in the high school, and they actually produce these Web casts themselves, so you really have peer-to-peer. What we have here is the high school kids that are actually mentoring the younger kids. So they actually go into the middle schools and they teach them about Internet safety concepts.

What I would like to do is address the activities of kids online. We spend a lot of time looking at those activities of those kids relative to assessments. We do pre-and post-assessments. To date, we have done over 160,000 assessments.

Kids like to chat, instant message, and they like to e-mail. When they come home, what they do is they jump on their computer and they have their buddy list, and their buddy list is what they say is their friends, and there could be anywhere between 10 and 25, 30 friends on their buddy list.

As you can see on the chat chart that you have up here, as the kids get older, particularly into high school, their chatting starts to subside a bit, but that still does leave a degree of high degree of chatter.

Here are some statistics in terms of data that we obtained from the kids directly. Now what these kids are telling us is what they do online, why they are online, and where they hang out online.

As you can see, 80 percent of them spend at least 1 hour on the Internet. Thirty percent of those polled they use instant messaging, and that is their way to keep in contact with their friends, and 36 of them have seen something on the Internet that can be dangerous to them.

Twenty-one percent of them have computers in the bedroom. Fifty-two percent prefer to be surfing alone. When you have the fifth and sixth graders, very few of them are sitting there with their parents at the computer as they are going around the Internet.

Here it is very interesting. We also did a parent survey of 1,600 parents. There truly is a digital divide between parents and kids. As you can see here, in the parents' Internet assumption, 88 percent felt that they know where their kids go online, and 92 percent of them said, "We do have rules."

The youth perception, same kids, 33 percent said, "We do not tell our parents what we are doing," and 40 percent of them say, "We

do not even discuss Internet safety with our parents,” and 34 percent said, “We do not have any rules.”

These are the States here that we actually obtained those assessments from. As I said earlier, there were 160,000 assessments.

So we have a problem here. The problem is the fact that kids do what they do online, and, from i-SAFE’s perspective, what we have been doing is educating and empowering them and really working together with those kids being able to enhance their critical thinking skills so they can be independent decisionmakers but also be safe online.

What we have done is we have looked at the activity that they are most prevalent in doing and which consumes most of their time online, which is the two-way communication, and we have come up with the school-issued Digital Credential Program which is called the ISTEP.

That program, at the first day of school, is an opt-in for the kids, and their parents would allow them to obtain their first Digital Credential. The school is actually the one that is the authenticator because they have all this information on the kids. They know where they live, they know their age, and they know, in fact, that they are kids.

As we know, Digital Credentials have been used for a long time. We have been using them in transactions for financial.

So the kids can use any USB port, it can be carried around on a keychain, and, if, in fact, they want to go to Yahoo!, Microsoft, or any of the other chats, those chat rooms would be opting in as well, and it would identify them as a child.

We also have built in auditing, tracking so if there should be any type of problem relative to abuse online that law enforcement would be able to have the tools to be able to very quickly go in and look as well.

One thing you do need to know is that from the users’ other end, the only thing that shows is the gender. So, if I am a child and I say, “I would like into go into a chat room with 11- and 12-year-olds,” I know there are 11- and 12-year-olds in that chat room and male or female.

What i-SAFE does is actually teaching the kids who are going to be cybercitizens. We are in a global economy, and they will be cybercitizens for the rest of their lives. So, hopefully, what this will do is this here will be able to give those kids the tools that they have never had before. We are looking at a culture adoption, and we truly believe that it will be implemented much like the seat belt law.

So I want to thank you very much for letting me be here to testify today.

[The prepared statement of Teri Schroeder follows:]

PREPARED STATEMENT OF TERI SCHROEDER, CHIEF EXECUTIVE OFFICER/PROGRAM DIRECTOR, I-SAFE AMERICA, INC.

Thank you, Chairman Upton and Ranking Member Markey, for inviting me to testify before the House Subcommittee on Telecommunications and the Internet at the hearing entitled “The ‘Dot Kids’ Internet Domain; Protecting Children Online.

Predatory acts against our children are among the most heinous of crimes perpetrated within our society. Historically, communities as a collective take deliberate and specific actions to protect their children in an effort to prevent these heinous acts. These protective actions include: education—teaching children to be wary of

strangers, to recognize and avoid dangerous situations, to cry for help when they feel threatened.

Our nation is now faced with technological advancements that allow even the youngest of children to have access to the Internet. Students today explore the wonders of the world by transporting themselves through cyberspace. They can travel to the brightest, most intellectual domains of the universe and conversely, they may travel to the darkest, most detestable realms of the human imagination; and, they travel this world alone. A universal paradigm shift has occurred in the methods and means available to child predators in pursuit of their prey; and as such a universal paradigm shift has occurred on the preventative tactics that we employ in our efforts to protect our nations youth against these predators.

The content of my testimony today will address the ramifications of this universal shift as our nations youth explore the wonders of the Internet. We truly are a global economy and as such our nations youth are cyber citizens engaging in online activities. Those activities include socialization (two way communication whether that be through email, chat or instant messaging), games, shopping, entertainment and education.

I will be addressing the role of education and youth empowerment and the need to empower our nations youth with the appropriate tools to minimize the number of predatory acts predicated against them. It is imperative that a proactive well-balanced approach be deployed to support the challenge of embracing the activities of our nations youth online.

i-SAFE America is dedicated to: 1) implementing a standardized Internet safety education program throughout the nation that provides kids and teens with essential tools to reduce the risk of their being victimized while engaged in activities via the Internet; and 2) launching an Outreach Campaign that empowers students to take control of their online experiences and make educated, informed, and knowledgeable decisions as they actively engage in cyber activities.

The i-SAFE Internet safety curriculum is a teaching and learning experience, which incorporates best practices as they are defined by the latest educational research, and correlates them to accepted educational standards. This is accomplished by providing a broad range of materials and formats which meet a variety of teaching and learning needs for students and educators in grades Kindergarten through 12. Topics are centered on up-to-date information pertinent to safety issues, which confront today's youth through continuing advances in Internet technology.

The curriculum creates a successful learning environment through a model of integrated critical thinking activities and guided opportunities for youth empowerment. Active participation in i-SAFE student activities promotes acquisition of knowledge, analysis of online behaviors, construction of solutions to Internet safety problems and issues, and involvement in the spread of Internet safety concepts to others. Through this process, students enhance and enrich their own lives, the lives of other students, and the community at large, as they engage in creating a safer cyber community.

Our children now live in two diverse worlds: their physical world and the world of cyberspace. As such, they essentially live in two cultures that often conflict. To date, many of the lessons learned in the physical world don't seem relevant in cyberspace as these children reach out to strangers as friends. This paradigm shift demands new innovative educational programs, and tools, for our children; their parents and the community. It is essential that children, as they travel their world of cyberspace alone, be provided with the knowledge and tools they need to independently recognize and avoid dangerous situations online; to actively engage learned proactive techniques to more safely interact with strangers online; to critically appraise situations in which they find themselves; and to react appropriately when they find themselves in uncomfortable, compromising, or threatening situations.

Students today will be global citizens for the rest of their lives. Students view the Internet in a much different way than adults.

I would now like to address the "Parents Internet Assumptions" and the "Youth Perceptions/Behavior regarding the Internet." There were more than 1400 parents who responded to the i-SAFE parent survey. The data compiled, from students, involved a participation of more than 10,000 students, in grades 5-12 from 30 states. As noted, the "Youths Perceptions/Behavior," regarding the Internet, varied greatly from that of their parents. An overwhelming 88 percent of the parents, who participated in the survey, felt they knew "some or a lot about where their children go or what their children do on the Internet." Ninety-two percent stated they have established rules for their child's Internet activity. But this perception is contradicted by the students themselves as 33 percent of the students **do not** share what they do or where they go on the Internet with their parents and 40 percent **do not** dis-

cuss Internet Safety with their parents. What is most important is that 34 percent said their parents had not established any rules for their Internet Activity.

In real life Kids/Teens spend twice as much time with peers as with parents or other adults. However, through the guise of anonymity the Internet provides a medium, which allows a student to believe that the communication they are having online is a respective peer when in many instances it is an adult. Even though students may be aware of the dangers inherent in communicating with someone online, we continue to see they make decisions about engaging in a behavior as if it were a one-time thing.

Risk taking is a natural part of kids/teens lives. They take risks in order to grow, trying new activities, generating new ideas, experimenting with new roles. However, they can also find themselves in trouble with their risk taking. Concern over such risk behaviors has led to the creation of many types of intervention. Some of these interventions have attempted to manipulate kids/teens beliefs, values and behaviors hoping to get them to act more cautiously. Other interventions have attempted to improve their stability to make sensible decisions, hoping to get them to make wise choices on their own. Having general decision-making skills enable kids/teens to protect themselves in many situations.

In August 2002, the proposal for the guidelines and requirements for the kids.us domain contained the following statistics:

- More than 140 million Americans, half of our nation, are now online.
- 90% of the children in America, between the ages of 5-17 use computers
- 65% of 10-13 year olds use the Internet

I would like to give you some additional statistics relative to the activities of kids/teens online. This data was compiled as part of the i-SAFE program. i-SAFE conducts pre and post assessments with students participating in the i-SAFE Program. The data presented at this hearing was obtained as part of the "pre assessments" which were obtained before the students had participated in them i-SAFE Program in school. This data was gathered from a pool of 2500 students from around the nation:

- Current i-SAFE data shows that 80% of youth surveyed spend at least 1 hour per week on the Internet
- 11% spend 8 or more hours (i-SAFE America 2004).
- 30% of the students have a computer in the bedroom
- 35% stated they feel freer on the Internet than in the real world to do what they want
- 35% felt it was easier to talk with people on the Internet than in person.
- 37% surveyed felt that they could trust those with whom they chat with online
- 10.5% surveyed had actually met a new person from the Internet "face to face"
- 50% of the students have copied/downloaded music from the Internet

After participation in the i-SAFE program, a post assessment was administered and the following statistics were gathered from a pool of 2500 students from around the nation:

- 90% stated they would be more careful where they go and what they do online
- 87% felt they could now differentiate between things that are or are not dangerous
- 87% felt better prepared to see and make use of the warning signs of possible predators
- 85% indicated they would be more careful in giving out personal information to someone they met in a chat room
- 93% said they would tell an adult if something happened to them or a friend
- 74% committed to not copy music from the Internet

There are more than 13 million kids who use Instant Messaging which is nearly three out of four online teens (research by Pew reported in the JAMA, 2001).

It was reported in 2000 that 1 in 4 kids participated in Real Time Chat. (FamilyPC Survey, 2000). This number has continued to increase. AOL released a study last year that indicated that the use of the chat and instant messaging, by kids/teens, has far surpassed the use of the telephone.

Current i-SAFE data shows an increase in chatroom use: 41% of 8th graders surveyed have gone into chatrooms (i-SAFE America 2004).

In a survey conducted by Symantec Corp in June 2003, 76 percent of kids surveyed (ages 7-18) have one or more e-mail accounts.

According to i-SAFE data, 2/3 of teachers surveyed in grades K-2 report that at least 25% of their students have used e-mail.

It is widely recognized and accepted that the main activity of kids/teens, as cyber citizens, is online two-way communication. That communication consists of chat, email and instant messaging. The nucleus of the Internet affords the opportunity

of two-way communications and inherently the computer does not know whether the users communicating are that of a child or an adult. This means of communication allows users, regardless of age, gender or socioeconomic status to openly and freely exchange ideas and information. Our nation's youth has now coined a new term for—hanging out with my friends' and actively searching for new friends is done through a click of a mouse.

I am showing you a chart, which contains statistical data that was obtained from i-SAFE pre and post assessments. From the data compiled the number of students that communicate in a chat room steadily increases from grades 3 to 8 where it peaks. As a student enters their high school years their need to communicate online decreases and is replaced by more social activity in the "real world" such as dating, sports and other extra-curricular activities. They become much more mobile (drivers license) and would rather "hang" with friends than "chat" on the Internet.

(I-SAFE America Pre-Assessment Surveys, 2002-04)

| GRADE | % OF STUDENTS USING CHAT ROOMS | % CHANGE (from grade 3) | POPULATION (chat users vs. total) |
|----------|--------------------------------|-------------------------|-----------------------------------|
| 3 | 16% | N/A | 346/2184 |
| 4 | 18% | 2% | 679/3032 |
| 5 | 22% | 6% | 239/1093 |
| 6 | 31% | 15% | 698/2254 |
| 7 | 40% | 24% | 1016/2508 |
| 8 | 41% | 25% | 546/1330 |
| 9 | 38% | 22% | 254/665 |
| 10 | 37.70% | 22% | 75/199 |
| 11 | 26.80% | 11% | 33/123 |
| 12 | 14.90% | -1% | 13/87 |

Since May 2004, i-SAFE has educated more than 190,000 students throughout the US. Kids/teens rarely "travel" with their parents or a chaperone to many of the on-line areas. Buddy lists and instant messaging has replaced the traditional "telephone and phone book." Without education and the appropriate tools to raise their awareness and to empower them to recognize the danger of being alone in a room full of strangers, our nations youth will continue to be at risk for exploitation.

In July 2000, The Journal of the American Medical Association, in cooperation with a survey that was conducted by the University of New Hampshire's Crimes Against Children Research Center, published a "Call to Action Report" in which it reported that , older teens, troubled youth, frequent Internet users, chat room participants and those who communicate with strangers online are at the greatest risk. These demographics cover the majority of kids/teens traveling on the Information Highway. The study also confirmed that children often don't understand the risks associated with talking to strangers online (*David Finkelhor, Director of the University of New Hampshire's Crimes Against Children Research Center*).

Let me begin by addressing specific examples of how dramatically the protective actions that have been employed historically have been impacted by this technologically-enabled, Internet-driven, paradigm shift.

Education: Parents teach children to be wary of strangers on the street, in public places, and at the front door; but now, the strangers that these children meet—are not on the street—they are in cyberspace. And, to the detriment of the parents, many of their children are more "Net" savvy than either parent. This inequality of knowledge hinders parents in their abilities to address cyber safety issues and to properly instruct their children about the dangers of meeting strangers online.

Historically, when parents taught their children to recognize and avoid dangerous situations, those situations were based on tangible, physical elements within their community. Now, danger lies in an amorphous cyber-world cloaked in the allusion of anonymity.

Parental Supervision: Many of our children's activities have dramatically shifted from participatory activities (easily supervised by a parent and often enjoyable to watch) to solitary activities—engaged through the computer keyboard or joystick—that do not lend themselves to easy supervision nor enjoyment by a non-participant (such as a parent). Children may spend hours playing solitary games online, or they may play in tandem with their cyber friends, or they may even play with total strangers they connect with online in an Internet gaming community.

The Internet has broadened a child's ability to meet other people and acquire "friends." Historically, children made friends at school, through family acquaintances, and from participating in community organizations. A child is no longer con-

fined to the local community from which to socialize and gain friends; literally, cyberspace eliminates all geographical barriers and frees a child to roam the world in search of that one, special “friend.” Predators are also free to roam.

The degree of difficulty for parents to monitor, or to simply meet, their child’s friends has increased tremendously.

Preventative Tactics: A commonly employed tactic for protecting our children is to provide an adult chaperone as our children explore outside of their community. Now, children explore the wonders of the world by transporting themselves through cyberspace and they travel this world alone, without the care and protection of a chaperone.

Physical Barriers. Historically, parents routinely lock their doors at home each night to keep intruders out; schools monitor persons who enter the campus. There are innumerable, vulnerable children who are isolated, and lonely, and bored who constantly search the Internet for other children with whom they can make friends and chat. As these children search the web for friends so too the predator searches the web for prey. The predator will find the child, the child will find a “friend,” and the outcome will be devastating.

The effectiveness of currently employed physical barriers has been severely compromised. Predators lure and seduce their victims from within the privacy of the victim’s own home and operate in a world that is no longer constrained by physical limitations or geographical barriers; they stalk their prey through cyberspace and the ramifications of this universal, paradigm shift are staggering. When taken as a whole they can be overwhelming, perhaps paralyzing; but—if ignored—the ramifications will be devastating to our youth. To approach any entity of this magnitude and to effect change it is advisable to search for a common element, theme; or component against which a focused solution may be enjoined.

Up to this point in my testimony, I have provided insight into the incredible, paradigm shift that has occurred in our society and how this new paradigm directly affects the safety of our children. To illustrate the critical points, I mapped the ramifications of this paradigm shift to a common element in cyberspace: two-way communication (ie. chat room, instant messaging and email)

The remainder of my testimony will focus on potential solutions that we as a society may embrace as our children extend into the farthest reach of cyberspace; as they interact virtually with persons throughout the world and as they evolve as “Net” citizens.

As Judith F. Krug, Director of the American Library Association’s Office for Intellectual Freedom, stated in her testimony before the COPPA Commission on August 3, 2000: “The children of today will be Net citizens for the rest of their lives. They need to be taught the skills to cope in the virtual world just as they are taught skills to cope in the physical world. Children should be educated in appropriate increments and appropriate settings on how to avoid inappropriate Internet content, to report illegal or unsafe behavior and to engage in safe interaction online. Children who are not taught these skills are not only in danger as children in a virtual world, they also will grow into young adults, college students and an American workforce who are not capable of avoiding online fraud, Internet addictions and on-line stalking.”

It is imperative that any domain that engages in the attraction of kids/teens recognize how children actually use the Internet. It is equally important to promote the online social activities within the domain to support the academic strategies that teach children to make safe and wise choices about using the Internet and to take control of their online experiences: where they go, what they see, to whom they talk, and what they do.

Children need to be given the tools to assist them in the acquisition of skills that will allow them to evaluate independently the information they are acquiring and exchanging online. By improving children’s “information and media literacy,” they will become safe and responsible cyber citizens thus vitiating the “digital divide” that exists today between Youths Perception/Behavior regarding the Internet and those of their Parents.

Currently, both businesses and governmental agencies have begun to embrace digital certificate technology as an electronic means for identifying participants in transactions that occur online. They leverage this technology as a method for verifying and authenticating a person’s electronic identity. The simplest way to view a digital certificate is as an electronic ID card. However, digital certificate technology is far from simple; but, given that the intent of this testimony is to identify and express how technology can be used, rather than to define the intricacies of the technology, I will refer to digital certificate technology in the simplest terms possible for the reader to understand.

A certification authority issues digital certificates. A certification authority can issue various levels of digital certificates that are dependent upon the amount of authentication that is required to ensure that the person who is applying for the digital certificate is in fact the person that he or she claims to be. In other words, to obtain a digital certificate a person must present proof of identity and the “level” of the certificate obtained depends upon the amount of proof required.

Example:

Level 1 certificate—any photo ID required

Level 2 certificate—government issued photo ID required

Level 3 certificate—government issued photo ID required plus passport or birth certificate

Level 4 certificate—all requirements of Level 3 plus a background check

Level 5 certificate—DNA

How could digital certificate technology increase the safety of children who frequent a particular chat room or deploy two-way communications on the World Wide Web?

A public- or private-sector chat room provider could engage digital certificate technology as a means for permitting or denying access to any given chat room or online area that allows two way communication. Conceivably, a chat room provider could institute a policy that only children under the age of 13 are allowed to participate in a particular chat room. The intent of this policy is to provide a safer online environment by making their “best effort” at excluding adults and potential pedophiles from the chat room. To enforce the “under the age of 13” policy, the chat provider would require all participants to login using a Level 3 digital certificate. Through the use of the digital certificate and the chat provider’s policy of restricting access, the children participating in this chat room have a lessened degree of risk than those children that participate in unrestricted chat rooms.

This technology exists and i-SAFE, through the empowerment of partnership with Verisign, is now launching the first tool for our nation’s youth, using digital certification. The unprecedented Digital Credential program works to reduce the vulnerability of America’s students in all grades, K-12, with a unique digital credential that helps protect students as they engage in two way communications online.

The Digital Credential is in the form of a small USB Token, which can be carried on a key chain and used at school, home; or on any computer with a USB port. The Digital Credential allows the kids and teens to enter an age centered chat room, or conduct two way communication, with confidence that everyone logged in will be who they say they are—chatters actual ages and genders can be confirmed from the digital credential token. The digital credential helps to safeguard the integrity of the child’s online experience.

The digital credential is distributed through the i-SAFE Safe School Program at the time of enrollment (with parental consent) helping confirm to parents that this program is offered through a trustworthy source.

The schools database, which remains with the school, provides all the necessary information contained on the digital credential and validation is provided to assure that the token is valid at the time of usage. Neither i-SAFE or Verisign has access to this information. The identity of the student is never disclosed, just the students age and gender. The program allows for easy revocation of the credential when the student transfers, graduates or is not longer enrolled in the schools.

I am showing you screen shots of how this new tool will be deployed and the interaction between the user and technology.

We currently use digital certificates to execute online financial transactions. Businesses use this technology to protect their monetary assets. In September there will be a deployment of a pilot project, which will be launched within the i-SAFE program, that will allow parents to opt in to have their son/daughter be issued their first digital certificated which is being deployed nationwide as the i-Stik.

Protecting our children is at the very heart of this hearing. Thank you, Chairman Upton and Ranking Member Markey, for inviting me to testify before the Subcommittee on Telecommunications and the Internet. In my testimony, today, I addressed the paradigm shift that has occurred within our society due the advancements in web technologies and the advent of two way communications that could be deployed within the kids.us domain to facilitate the establishment of an enjoyable environment for our nations youth. I have touched upon one technological approach that i-SAFE is launching to empower our nations youth with a “tool” to help protect our children from falling victim to online predators.

In conclusion, there is no single solution for protecting our children. However, the value of empowering our children—through education—with the knowledge and critical-thinking skills that they need to be able to independently assess the every-day

situations they will encounter, while online, cannot be overstressed. Children must be able to effectively protect themselves from cyber predators, to recognize potentially harmful or inappropriate actions, to actively disengage from negative behaviors or compromising situations, and to seek help when threatened. These lessons are learned. Education and empowerment are key.

Mr. UPTON. Well, I appreciate all of you coming this morning and sharing with us your testimony. At this point, members will be allowed to ask 5 minutes of questions each.

You know, I have said this a lot of times. I visit a school every week, and a lot of those schools are elementary schools, and, often, I ask third and fourth graders or younger, "How many of you use a computer?" Everybody now raises their hand. I have been asking this for years. It did not used to be everybody, but now it really is.

And then I also ask the question, "How many of you have seen something inappropriate?" and every hand also goes up, and that is one of the things that drove me and other members of this subcommittee to push for this legislation. We are all delighted that we have so many that have at least reserved a space, but a little disappointed that there are only 13 that are actually on board.

I know Mr. Shimkus shared some frustration with getting the Shimkus.kids up online. We are working with a new Web preparer for my office. Just to give you a little challenge, I will bet you a Michigan quarter that we get the Cubs.kids online before the Cardinals.kids. There is a ChicagoCubs.org. I was on it last night. Yes, we will get one on. We will do that little challenge.

But more has to be done. And, Mr. Gallagher, we very much appreciated your boss, Secretary Evans, sending the letters to 39 companies and organizations. As I looked over the list and heard you speak, I think all of them do need to be on board.

I am curious to know if you have had any response since last month. I know last month is only a week away, passed us, but have you had any response from any of those companies?

Mr. GALLAGHER. We have not had any direct response, other than I would say that the Children's Television Workshop is a part of the PBS deployment, so we would count them in the appreciated category, and then there is at least action there. We have not heard back from anybody else definitively.

Oh, excuse me. I am corrected. National Geographic responded favorably.

Mr. UPTON. Good. Now I have looked at a number of these sites that are online already, and, though there was nothing in the legislation to prohibit commercial development, I noticed that there was one trampoline advertiser and we have a trampolinist now because of that. I had a bet with my kids that if they would stop jumping on the bed, I would get them a trampoline, and it worked.

Is there any thoughts on commercial activity like that?

Mr. GALLAGHER. Clearly, the intent of the legislation is to make this as much as possible a commercial-free zone, so it is for the education and enrichment of children, but, if it complies with the terms of the statute and it is done in such a way as to not be offensive in that way, then it would certainly comport with what is allowed and what we would be required to allow and what NeuStar would be implementing.

Mr. UPTON. Mr. Tindal, do you have any comment on commercial activity by some of the providers?

Mr. TINDAL. Yes, I think the observation that we would make is that the predominant number of names and sites so far are non-commercial in nature. We think, on the evidence that we have so far, that the most likely folks to put live Web sites up are going to be nonprofit and educational. So we are not concerned that the space is going to become dominated by commercial activity by any means.

Mr. UPTON. Also, what do you make of the i-SAFE digital certificate proposal that was talked about by Ms. Schroeder?

Mr. TINDAL. We think it is an excellent program. We look forward to chatting with them about potential synergies. As I think we are all aware, the problem that we all face, there are a number of tools to solve it. Kids.us is one of them, and we think that safety tools in chat rooms is another important piece.

As you know, in the kids.us, we prohibit links, and we prohibit chat interaction of that type, and, for folks who have very complicated, rich sites—for example, PBS—they typically have these sorts of things in their sites. So if we want to reduce the impediments to people who want to have sites, I think it is important that there be supplementary tools that allow things like safe links and safe chatting.

So we think it is a great program.

Mr. UPTON. And the last question from me, Mr. Tindal, is, you know, we have 13 active .kids sites. We have more than 1,700 names that are registered, and we heard a little bit about cybersquatting. Obviously, there is a frustration with a number of us that want to actually get our site there. Do you have any guess as to how many of those might be a cybersquatter just looking to sell their name to somebody else?

Mr. TINDAL. Yes. Of course, we cannot see into the minds of the people buying, but, as we look at the names and the identities of the folks who own them, we think that there is probably of the 1,700 about 300 names that we would ascribe to people who have bought the name purely to protect it or potentially to speculate in the generic, and so, as we look at our marketing program, for example, that we are launching in June, we are really focused on the other 1,400 who prima facie have an intent to put a site up.

Mr. UPTON. Appreciate your testimony.

Mr. Cox?

Mr. COX. Thank you, Mr. Chairman.

I want to address a topic of incentives or the lack of them. Right now, a lot of very useful content that is on the Internet at large is paid for in one way or another by commercial activity. Sometimes there is a payment in the form of simply being able to acquire information about people when they register, what-have-you, or even something as simple as e-mail addresses.

All of these things for a variety of good reasons are forbidden on the .kids.us domain. So perhaps we should not be surprised that there is not a gold rush mentality for people to want to get on to this domain.

What can we do, to the extent that the normal commercial incentives are not there, to get people to spend their own money to build

a counterpart to what they have already done on the main Internet?

Let me just throw out as an idea to stimulate further suggestions from you, not necessarily to get you to opine definitively on this one idea, but just to give you an idea of the kind of incentive that I am thinking of.

For for-profit companies who have already constructed a Web site, the task would be to adapt it to this domain, make modifications in it, make it appropriate, suitable, and make sure it lives within the law. Somebody has to do that, must be paid to do that. There is an expense. The government could make those expenses tax deductible.

For nonprofit organizations, the expense is the same. They have to hire people to do exactly the same Web site construction. From a tax standpoint, nonprofit organizations, albeit they do not turn a profit, do have to hire lawyers and accountants and deal with their unrelated business income. Perhaps we could give them a 100-percent offset, a deduction, as it were, against their unrelated business income.

Are there things like this that we should be thinking about so that the real world elements are taken into account so that people will be a little bit more willing to make the investment that is necessary to put their sites up?

And I will address it to anyone on the panel who wants to leap in.

Mr. GALLAGHER. I would be happy to just briefly respond with several thoughts along the lines of incentives. You know, first, in our estimation, you have to put the anchor tenants in the mall, and, with the anchor tenants, then we can fill in other places, and then the mall becomes an attractive place to go.

If a mall is being constructed, it is not that interesting. There are no stores there yet. There is no parking. It is just a big dirt area. Well now, we are beginning to put those tenants in. We have the structure in place. We need to attract those anchor tenants.

And the second thing that we need to be very focused on as an incentive is awareness, and it is awareness not just among parents, because I think that as parents learn about the special features of this space, they will clearly be attracted to it with their children, and they can begin to take steps.

They are not going to really be aware until you start seeing the anchor tenants more visibly participating, which is the thrust of your question. It is also awareness to the respective anchor tenants that they do not need to recreate their entire Web site and put it in the .kids space.

It is a difficult proposition to take a significant commercial Web site and then to, all right, now translate this into a .kids-adequate environment. Instead, they should just strip off the pieces that make the most sense—the background information, the parts of their business that do have appeal to children on the content level, not so much on the commerce level.

Mr. UPTON. And what might be some incentives to encourage that?

Mr. GALLAGHER. The one that you mentioned about the Tax Code. You know, I am particularly limited in what I can mention

in that regard because of the division of labor within the administration, and we tend to look to OMB and the White House to give us that guidance. I am not so sure it is financial. I think it is much more the echo chamber of leadership.

The simple fact is reminding this committee with its broad jurisdiction, the administration with its reach into the community, in partnership with the folks that we already have with us of this opportunity and then getting past the chicken-and-egg stage that we are in. That is probably a much more constructive use of our effort than any specific potential legislative action.

Mr. COX. Mr. Tindal?

Mr. TINDAL. Yes, I would like to endorse all of Michael's comments there.

I would like to make what we think are a couple of very important observations about the adoption rate of live sites. As you know, we have 1,700 names, which is quite a good number, and we have a relatively small number of live sites.

The first point I would like to make is that that sort of slow adoption rate is a very common phenomena in the Internet Web hosting industry. As we look at our .us and our .biz business lines, for example, typically from when a customer buys a domain name to when they have a live site varies between 6 and 18 months, and that is in spaces where there are not the special rules and requirements of .kids.

Mr. COX. But, Mr. Tindal, how many live sites are there right now?

Mr. TINDAL. There are 13.

Mr. COX. Right. I mean, so this is just pitiful. Nobody is going to use this.

Mr. TINDAL. Sure. And we are not happy by any means with that, but the point I am making is—

Mr. COX. And then saying, you know, 18 months from now, we should check back, I mean, we need to hurry this along a little bit.

Mr. TINDAL. Of course, we understand completely and agree with that. I am just making the point that I think that there are probably many, many domain holders who are currently implementing their plans, designing and constructing their sites with an intention to go live.

We have certainly seen that phenomena in other domain spaces, so that would be the first observation.

Mr. COX. But we have also seen that the ratio of live sites to registered sites is something like 1:4 or 1:3 on the main Internet. So I have 1,700. You are still looking at a pretty small fraction that are going to go live, even if they are all work in progress.

So, I mean, I think we need to be talking about a lot more than what has already signed up, and, when you look at who has signed up, you know, in some cases, there is some filler in there and squatters and, you know, other people.

Mr. TINDAL. That is correct.

Mr. COX. My time has expired, and so, therefore, I am going to leave it to the panelists to finish up with the question, but I just want to remind you the question is about incentives because I think we need some. You can just say we do not, and then that

would be answer. Or if we do need incentives, what do you think will work?

Mr. TINDAL. Yes. We endorse the notion that our marketing program is going to drive additional domain holders and it is going to drive more folks to put up their Web sites. We also recognize that, with the special rules and requirements for kids that are quite unique on the Internet, that is what makes the kids.us a safe place. We understand that that puts special challenges on the domain holders and adds to the time line before a site is raised.

So we do not want to diminish the notion that we need to work more aggressively, that is the focus of our marketing program, but I do want to give some comfort that the sort of adoption rate that we have at the moment is not necessarily indicative of what we will be seeing in the future.

Mr. UPTON. Okay.

Mr. Shimkus?

Mr. SHIMKUS. Thank you, Mr. Chairman.

I cannot speak for my colleague, Mr. Cox, but I think he is pleading for suggestions on how we can be helpful, and I think that is all he is asking. So I would encourage you all to look at and talk to folks who have tried to get on and struggled. Why have they decided to go? Some of it is through prodding. Some of it is they are going to see a return somewhere in the future.

You know, I am a conservative Republican who supports business, understanding risk and reward, understanding the expense and capital. It is a challenge. But I look at Mr. Cox's question as there is more that we can do legislatively to be helpful, and we ought to move forward and do that.

So, with that in mind, I think you will find a very receptive legislative body to do what we can, and I think Chairman Upton would agree and all my other colleagues.

Mr. Gallagher, it is good to have you on board. We encourage the Senate to move to make you "official." Don't hold your breath, but I am not sure if you would be viewed as controversial, but everything is controversial over there these days.

And please send thanks to Secretary Evans for his support. The letters that he sent out, I think, again, is very, very helpful, and we look forward to the rollout this summer and all that hopefully can be obtained in that process.

My initial question was going to be very, very similar to Chris Cox's line. So I think my comments were: Come back to us and tell us how we can help incentivize.

I was interested on this commercialism bent. As, you know, one of the coauthors, I have been supportive. To think that people who are on the site, whether it be PBS or whether it be Disney, do not realize that, in essence, by being on this site, they are developing clients or constituents or a consumer of a product that they are producing, whether it is a for-profit or a not-for-profit, is kind of silly to me.

I mean, we want kids to be focused on PBS and look at all that great stuff. If they are starting to click away at age 4 and age 5 on a very, very safe site, they may be then more apt to do the more lucrative site in the future. So I do not have a problem with tram-

poline.kids.us or others, as long as it meets within the parameters of the legislation.

So I am not hung up on that and I think we want to encourage it because it does start addressing this commercial debate, which is a return-on-investment debate, that we need to have an incentive for people to get on the site.

And the other point in the testimony, Ms. Schroeder, was when you were going through your presentation. Congressman Cox and I were talking through it because we were listening to the testimony and we were bouncing ideas against each other and stuff. I am sure you have your presentation broken more minute by age groups.

Now remember .kids.us is 13 and under. Some of your age groups went from 8 to 18 or 9 to 18. I used to teach high school. Well, how do we break up our schools? You know, the school my kids go to is kindergarten through eighth grade, but most public school systems have grade school, middle school and then high school, and it is because kids are changing, you know, in those environments.

The role via the middle school teacher is probably the most challenging avenue. It is just a wacky place, and I applaud those who go in there. I did my student teaching at a middle school.

So I think what we need to focus on for .kids.us is that it really should be viewed as the safest of the safe places for the kids to first get their first experience. I am concerned, as was mentioned in the PBS testimony, what happens if you click on a scary site?

Well, we do not want them to click on a scary site. That is the whole idea of kids.us. We want, as safe as we can make it, a child-safe site on the Internet. So, for my grade-school kids, I do not want them to click on a scary site.

Now my 11-year-old is probably at the point where I can talk to him and try to train him and work with him. My 9-year-old, the last thing I want him to do is click on a scary site. My 11-year-old, I think, can handle it, and I can talk him through it, and I can talk to him about how to click out and train him. So I think that is where we need this discussion to continue.

Mr. Chairman, I have gone way over my time, but, if I may, since I threw a whole bunch of issues out, allow any of the panelists in as brief amount of time as possible to respond, I think, that would only be fair, and so, with your permission, would anybody like to respond to any of those comments? Ms. Johanson?

Ms. JOHANSON. Thank you for your comments.

First, I would like to respond to the issue of commercialism. You are absolutely right, and, even for an organization like PBS, we are not for-profit, but I like to say that does not mean not for revenue. There is a business model that makes us and allows us to do what we need to do.

The issue of concern that we have raised, however, as we went back and read over the last few days your intent for .kids.us and your description of the section in the library for children, that is very powerful, and we agree that is the right analogy and aspiration of what this should be. When you click on certain sites, that almost, if you continue the analogy, would feel like you were going

to the library and pulling a toy catalog off of the shelf of the library.

Your intent, as I read the language, was for educational content, and, yes, you are right, in every space, there is going to be a business model behind that. I would urge that as the criteria is refined for the content providers that there is some content there.

I want to also respond to Congressman Cox's question of incentives. I think that there is an element of an incentive for content providers of wanting to understand what kind of company will be in and what the editorial goals are of the space because, as users come into click to the space, as they click on certain sites, there is an expectation you are setting, and, if you click and you find a couple of sites that do not really necessarily, you know, deliver on the promise, you are not going to see the return traffic.

At a minimum, for PBS right now, having users and visitors to the site—and I am sure that is the same for the other content providers—is very important. So I would urge with incentives that there be a little bit more cultivation of the editorial sites because, right now, if you click on every genre, the same sites come up, and, just as there is a librarian in the children's section of the library helping users understand the content, that is important for the providers and for the users.

I also would like to say that I do believe financial incentives of any form, from my conversations with other children's content providers, I think, might be helpful. It is a real struggle, as every organization, commercial or noncommercial, are looking at resource issues, constraints. I do think that that is an interesting idea to pursue.

I would also finally recommend that the administration process to move your sites to .kids.us, I think, can be streamlined. We had our site ready to launch in February, and it just recently launched on the .kids.us, and I think that moving that process along now that the organization is set up, you will hopefully see more content soon.

Thank you.

Mr. TINDAL. Yes, I would like to make just a brief observation on the incentives. In the marketing program that we are implementing, there is a component that does have financial rebating incentives to end users and to the registrar channels, so I would like to get that on the record.

But I really would like to endorse the comments that Michael made a few minutes ago on the fundamental marketing strategy here. I like the analogy he gave of the mall. If you do get those anchor tenants in and other folks see that there are good, high-quality sites there, that is the most powerful thing to bring in additional people, and that is the focus of our program.

Ms. SCHROEDER. I would like to comment on what you had shared earlier. You are absolutely correct in terms of the kids at specific ages seeing various things and also their activities, and that is the reason why we start at grade kindergarten and work up to 12th grade.

However, what we have found in the schools is that the kids that are at the most risk are fifth, sixth, and seventh. Those are the ones that are really out there. They kind of take off on their own

in terms of going to look for things, whether it be research and/or going out to meet with people.

What we have really focused on is, because of that aspect of the way that the Internet is and the medium that it is, letting kids actually go to cyberspace and collectively do independently what they want to do. We felt that the best way to make an impact upon those kids was to enhance their critical thinking skills, so when they do see something, they do have the knowledge on how to handle that appropriately.

We continue to know that, if you are going to have anyplace collectively where you are wanting to garner the attraction of kids, it has to be attractive to them, and that is something consistently that the kids in schools around the Nation have told us.

So, for this particular purpose, if there is a consideration in terms of even though the tenants do come and they build, will the kids come, will they spend the time there to do their activities?

Mr. SHIMKUS. Well, I would hope that i-SAFE would set up an i-SAFE.kids.us to help educate the public to all the great programs that you have.

Ms. SCHROEDER. Thank you very much.

Mr. SHIMKUS. Mr. Gallagher?

Mr. GALLAGHER. Very briefly, first, I wanted to express appreciation for the availability of leadership from this committee, and we will follow up on that, and we will use it.

The second thing that I would want to pass along is that with respect to my confirmation, we could probably work with Senator Lott to develop a Web site, billfish.kids.us, and maybe that would help build awareness.

I also appreciate the gratitude to Secretary Evans. I will personally pass that along to him. He greatly values the opinions, insights, and the challenges that are faced in this body and by this committee.

Also, just as you mentioned, Mr. Shimkus, you know, "commerce" is not a bad word around my building, and, certainly, there is an equation that is tried and true in America that if you build the awareness of children and young consumers about just the general goodness of your product that that does yield benefit down the line, and we will look forward to doing that.

And finally, two other points I would raise is that foundations may be a wonderful target for us to leverage their resources to drive the awareness and attract the tenants that we have talked about.

And then the final thought—and it has been, I think, very well encapsulated by PBS, with respect to today—we have to remember our audience. You know, our audiences are tough. They are tough customers. Kids are sophisticated. They go to where things are interesting, where things are captivating, and, if we do not keep them there or it is not right the first time, they will not come back.

Mr. SHIMKUS. Yes, but I would say that that is where the age group issue is. I mean, there is a break at fifth, sixth, and seventh grade versus Grade 4 and younger. My 9-year-old, he is not, I mean, so I think that is where the benefits of the kids.us site is also.

Thank you, Mr. Chairman.

Mr. UPTON. I yield to another dad on the subcommittee, Mr. Pickering.

Mr. PICKERING. Thank you, Mr. Chairman, and I appreciate this hearing. I appreciate Mr. Shimkus and his leadership on this issue.

As I listen to the comments of the witnesses and the panel and the members, it seems like we have, you know, two basic issues, one, how do you incent greater participation on kids.com, and how do you inform people, parents and teachers and schools, that this exists.

I would assume that if we did market research or polled this site or this domain, capability is not known to any great extent, and what I would like to ask is a couple ways how can we both incent and inform. What I will do is I will ask all my questions at one time, and then I will step back and let you all go from there.

To Mr. Gallagher, are there grants with NTIA that you can give to various institutions? And is there an interagency process with the Department of Education that you could enter into where you are informing school districts across the country, as well as content-based or potential, using your words, mall tenants, of how they can cooperate together? Do you have grant capability to try to develop that?

The other thing that came to my mind: As you know, we use the e-rate to hook up schools and libraries. Is there a way that we could use the e-rate as a funding mechanism to create the educational content? Not only do we want the linkages, but do we want an electronic library that would be appropriate for our children so that you have curriculum and you have content working with PBS and Department of Education and others, that not only do you have the good linkages, but we give our schools that are across the country content that they could really use and that children would want to have.

So is the e-rate a potential funding source to incent and create this capacity?

As far as on the informational side, to PBS and Ms. Johanson, do you all run Public Service Announcements about your site?

And, also, Mr. Chairman, is this something that we could get NAB to run, Public Service Announcements that would highlight and advertise this site and this domain as something that parents and children would want to use as a way to hopefully broaden the knowledge and the understanding of this capacity?

And the last question would be to Ms. Schroeder. How do you protect and monitor? And this is to anybody. What kind of technology-filtering software do you use; how effective is it, as you create this .kids domain to make sure that it is reliably safe and reliably appropriate; and how effective and efficient have you been or we been in keeping the right material in and the wrong material out?

With those questions, I will turn back and give you all the time you need.

Ms. SCHROEDER. Well, I will go ahead and address the question that you had asked me. We really feel that education is the best tool for the kids. The reason being is that filtering does not filter out where do you live, what are you wearing, you know, what is your address.

Because of the fact that these kids are engaging online—and I am talking about two-way communication—with individuals, it is really key that they know how to have appropriate communications and also be able to be equipped and educated. If they are in the process of being groomed, they know that, and they know what to do about it and also know how to report it.

For those smaller kids, as a foundation, we do not really get into the filtering aspect of it nor do we support one filtering company after another. Personally, as a parent, I think that for smaller kids, absolutely. You know, we look at this as kind of training wheels in terms of sequestering them as to what they can do.

It is the same thing as parents when we help our kids going next door, we walk them next door when they are little. Afterwards, they start going around the neighborhood alone.

So we have really found out that, from the aspect in terms of from the kids and the assessments we have been getting and the feedback from them, education has been paramount. They really have been able to become critical decisionmakers and make those independent decisions. If they get into a site and it looks very inappropriate, they on their own will back out, and I am talking of kids in, you know, third, fourth, fifth, sixth, seventh grade.

Mr. PICKERING. But, as far as the .kids domain, it is set up to have a constant monitoring of what goes in. Has that been effective, reliably so?

Ms. SCHROEDER. I really could not answer to that question.

Mr. PICKERING. Who performs that responsibility?

Mr. TINDAL. Yes, we perform that function, and we perform it frequently and periodically. Before a Web site is enabled, the content is reviewed, before it is live to the public, to see that it is conforming with the policy. After it has gone live, we perform very frequent both automated software and manual reviews of the content.

We are pleased to say that, at this stage, there is very little evidence of abuse, particularly intentional. There are a couple of sites that we have pulled down. When we detect a violation of the content, from a technology perspective, we disable the name servers so that the Internet can no longer find those Web sites.

There has been very little abuse so far. That which has occurred has predominantly been in one of the content policies, which is that it does not permit links outside the kids.us. These links have not necessarily been to bad sites, but, nevertheless, it is a zero-tolerance policy on links.

So, so far, the operational machinery for ensuring that the content is of appropriate quality is working very effectively.

Mr. GALLAGHER. Just responding, Mr. Pickering, to your questions, first, about grants, NTIA administers two grant programs, the Technology Opportunity Program and the PTFP, or Public Television Funding Program, that we have at NTIA.

The only one that would be appropriate for action in this particular area would be the TOP Program, and it is targeted at non-profit corporations. It is a requirement of the statute that it be for nonprofits and similar institutions.

The application period for grants for this year, which is certainly the relevant time period for our discussion today, has passed. That closed recently, and that is, you know, done pursuant to rule which

is done pursuant to the statute. However, for next year, we do have some flexibility in defining the criteria for what types of grants are invited and we could certainly change those requirements.

But I, you know, do have to caution the committee that this is a grant program that the President has said should be eliminated, and, in each of the budgets that have come from the White House and been delivered to the Hill, the number has been zero each year, and, of course, that discussion goes back and forth with Congress, and it ends up being funded, and then I, in my position, will completely and faithfully fulfill the requirements of the law and do what is necessary, but I just wanted to respond directly to that grant question.

Mr. PICKERING. I would encourage you and Mr. Shimkus and Mr. Upton, as you do your grants for next year, try to target this particular promotion, and, if you could, integrate it with education and see if there is an interagency process that would complement and pull in shareholders like PBS and others so that it can be not only an effective way to get the content and the investment, but also get the information and the education out.

Mr. GALLAGHER. And with respect to working with the Department of Education, very willing to do that. And then the direct response to the request that you just made, of course, we will work within the scope of our statutory authority to accomplish that and have it as a specific item that would be attractive to the community so we can help put resources where they are necessary.

You also asked a question about the e-rate. You know, as I sit here, I do not have the statute in front of me, but I do realize we are wading into significantly deep waters when we talk about universal service, which is where e-rate is funded today by the FCC.

But my understanding is that that is very limited by statute, what it provides for, it is also limited by FCC regulation, what it is targeted to provide for, and I think that the content is a reach too far at this point according to existing statute and rules.

I would just note, it might be a blinding glimpse of the obvious, but, you know, this is a \$6-billion-a-year program. The burden is currently carried by an industry that is severely stressed and that also has been identified as an area for legislation in 2005 by the Senate Commerce Committee.

Mr. UPTON. Thank you.

I yield yet to another dad, the father of Jonathan, Mr. Bass, from New Hampshire.

Mr. BASS. This is an interesting day. I just came down from upstairs where Congressman Stearns is having a hearing on Internet pornography. We certainly are covering the bases here today.

Mr. Chairman, I do not really have any questions. However, just off the top of my head, I am wondering whether maybe we could tie these two hearings together a little bit. The subject of the hearing upstairs is peer-to-peer and child pornography. Is there any relationship between the .kids issue and the issue of peer-to-peer communication? IM, Instant Messenger, is a peer-to-peer environment. Can you enlighten me on any issue involving that mechanism for communication?

Mr. GALLAGHER. The one thing that I would offer just in a general response is that this hearing is the flip side of that one. This

hearing is meant to focus on the safe environment that is constructed from the beginning, as Mr. Shimkus mentioned in his opening statement, to avoid all these problems that we are seeing upstairs, so that you are not allowed to do those types of communications in this space, and it is meant to be an attractive environment for the specific activities of education and entertainment of children. So that is the focus.

What drives, certainly, our concern, as I mentioned in my opening statement, is that, in the last 6 years, as you probably heard upstairs, there has been a 2,000 percent increase in the number of cases opened by the FBI for precisely those types of absolutely despicable activity so that is the motivation behind creating this environment.

Mr. SHIMKUS. If the gentleman would yield, let me just also ask about the other pending issue that we are hearing in the Consumer Protection Committee, a debate on spyware. Now, you know, spyware is also interactive and actually follows you and sometimes you know. Well, you should know. A lot of times, you do not know.

Say, you are a kid on the kids.us site. Are you still subject to spyware applications on your computer or is the technology such that we can say, here, you know, no peer-to-peer, which is what it was intended to do, and no spyware, no computer programs that you do not want to be loaded and watching your computer?

Mr. Tindal?

Mr. TINDAL. Yes. You know, I will consult with some of my technology colleagues. I give that caveat. But, to my knowledge, there ought not to be within the kids.us Web sites any concerns of that nature. Typically, the sort of programs that lurk and attach themselves to someone's browser come from the Web site, and so we certainly have not seen any evidence of that. From a technology perspective, to my knowledge, that ought not to be a problem within the kids.us space, but I will get consult.

Mr. SHIMKUS. So not only safe for the individual user, but also, in essence, safe for the computer and the programs because, in spyware, we are seeing so much unaccounted-for programs clogging up your computer that it is running slower and people think it is broken, and it is just all these programs. They have no idea what is on there.

Mr. TINDAL. Correct.

Mr. SHIMKUS. Again, it just makes more proud of what we did, Mr. Chairman, and I thank you. We are going to keep working on making it a success.

I yield back to my colleague.

Mr. BASS. I yield back to the Chairman.

Mr. UPTON. Mr. Pickering, do you have additional questions?

Well, ladies and gentlemen, we appreciate your time well spent with us today. That is for sure. We also appreciate your hard and diligent work over the last number of months to really see .kids become a reality. We knew we could not just force it to happen. It took the cooperation of a lot of folks, both in the public and private sector.

As parents, every one of us on this panel—and I speak for parents across the country—are elated that this is beginning to happen, and we look forward to having it flourish.

We may well, indeed, have a hearing at some point next year as to where we are headed. We want to see it continue to expand. It was great, as I looked myself at a number of the .kids sites in preparation for this hearing, and I know that kids across the country will be well pleased with the content that is on there. As parents, we will be well pleased that, in fact, they are not getting to the stuff that they are talking about upstairs in the other subcommittee.

Mr. Bass?

Mr. BASS. I hate to wreck your fabulous closing statement. Could I just ask one more question very briefly?

Mr. UPTON. You can.

Mr. BASS. If my daughter turns on the computer, how does she take advantage of this program? Just describe to me how she gets on and what is available, but very briefly. What does she do? What does she type in?

Mr. TINDAL. She types in www.kids.us, if she does not know the particular destination that she wants to go to—and that is a site that we manage—she will see a directory categorized.

Mr. BASS. Suppose she went to a search engine and typed in—

Mr. TINDAL. That is going to be a different story. If she went to a search engine and she typed in kids.us, for example, possibly she might be brought to—

Mr. BASS. And then once she gets that, then what happens?

Mr. TINDAL. When she gets to our site and the directory?

Mr. BASS. Yes.

Mr. TINDAL. She would choose a category.

Mr. BASS. So there is a Web site kids.us?

Mr. TINDAL. That is it.

Mr. BASS. And then there are a whole bunch of—

Mr. TINDAL. There are about, I think, 14 categories—entertainment, music, et cetera—and then she would choose, you know, which one to go to.

The issue, of course, we have at the moment is that there are not a lot of sites there. There is some very rich content there.

Mr. BASS. Can you download these games?

Mr. TINDAL. You play them from the—

Mr. BASS. Are there advertisers?

Mr. TINDAL. With some of them, there are, yes.

Mr. BASS. Okay. Very well.

And just to follow up, there are software applications in which someone could then limit the child, if they want to go on the Internet, to sign up with a password to solely go to a kids.us site.

Mr. GALLAGHER. The technology is certainly available, and you can construct your browser as a parent, as the administrator of your system at home. You are your own systems administrator in your own home, many people do not know that, but you can then define the arena that they are allowed to participate in.

Mr. BASS. Great. Thanks.

Sorry, Mr. Chairman. I am just very emotionally engaged in this.

Mr. UPTON. That is okay, Mr. Bass.

Mr. BASS. Mr. Chairman, now you can give your closing statement again. We would love to hear it twice. It was so eloquent.

Mr. UPTON. I was going to mention that there is an add-on. You missed this because you were upstairs with the other subcommittee. For a trampoline, I was going to suggest that maybe they would have a hula hoop for you.

So, with that, we will adjourn the hearing. We, again, appreciate your time. It is well spent. Thank you.

[Whereupon, at 11:08 a.m., the subcommittee was adjourned.]

