

May 3, 2025

Senator Floyd Prozanski
Chair, Senate Judiciary Committee
900 Court Street
Salem, OR 97301

Senator Kim Thatcher
Vice Chair, Senate Judiciary Committee
900 Court Street
Salem, OR 97301

RE: Recommendation to Amend HB 2008

Dear Chair Prozanski and Vice Chair Thatcher,

On behalf of the Network Advertising Initiative (NAI), I am writing to urge the Committee to adopt a tailored amendment to HB 2008. The NAI and our members strongly support the goals of this legislation to create strong protections for Oregonians sensitive location data, but we are concerned that the bill as passed by the House is overly broad and would have the unintended consequence of limiting valuable services to Oregon residents, and creating a market imbalance where only the largest technology platforms can provide free apps with essential location services and marketing capabilities.

I. About the NAI

Founded in 2000, the NAI is the leading non-profit, self-regulatory trade association for advertising technology companies. For 25 years, the NAI has promoted strong consumer privacy protections, a free and open Internet, and enabled small businesses to thrive by promoting the highest voluntary industry standards for the responsible collection and use of consumer data.¹ The NAI has nearly 80 member companies that span the ad-tech industry, including many businesses that provide advertising and marketing services driven by consumer location data, which we refer to as location solution providers.

Location solution providers analyze consumer location data in order to gain insight into the points of interest (POIs) that this data relates to, such as which latitude and longitude coordinates correspond to coffee shops, or clothing stores, or gas stations. These companies maintain a variety of clients and partners—including advertisers, publishers, digital advertising platforms, financial institutions, municipalities, and scientific researchers—that rely on them to provide context to precise location data such as latitude and longitude coordinates.

II. The NAI Supports the Goals of HB 2008, But We Urge the Committee to Adopt a Tailored Amendment to Preserve Essential Uses of Consumer Location Data

The NAI supports the goals of HB 2008 to increase protection around children's data and precise consumer location data. However, as currently drafted, HB 2008 would also unnecessarily prohibit substantially beneficial uses of this data. Specifically, by prohibiting all "sales" of precise location data, HB 2008 would effectively disable location services provided in apps by third-party advertising technology companies, such as location solution providers, rendering most apps incapable of performing critical functions and cutting off essential revenue for app providers, jeopardizing the wide range of free apps for consumers.

¹ See *History of the NAI*, The Network Advertising Initiative, <https://thenai.org/about-the-nai-2/history-of-the-nai/>.

The NAI therefore urges the Committee to adopt a tailored amendment to HB 2008 to enable the legislation to achieve the desired objectives, while allowing responsible sharing of consumer location data for beneficial advertising and marketing purposes, and for critical research. The NAI recommends that the Committee use the NAI's *Voluntary Enhanced Standards for Location Information Solution Providers (Enhanced Standards)*,² as a model to form the basis of a technical amendment that allows responsible transfers of this data, but prohibits any selling for law enforcement, immigration, or national security purposes, and prohibits the selling of location data associated with sensitive points of interest.

Below we discuss our *Enhanced Standards* in greater detail, explain how location data is a vibrant component of the digital media industry that powers free and low-cost services and apps, and we also highlight how location data provides wide-ranging benefits for consumers and businesses.

III. The NAI's Enhanced Standards Provide Robust Protections for Consumer Location Data, While Preserving Valuable Uses of this Data

In 2022, the NAI developed the *Enhanced Standards*, becoming the first policy document that created a list of sensitive POIs where consumers expect greater protections surrounding the processing and sharing of their location data. Specifically, the NAI's *Enhanced Standards* prohibit the use, sale, and transfer of U.S. consumer precise location data related to sensitive POIs. The *Enhanced Standards* identify sensitive POIs such as places of worship, correctional facilities, places that may be used to infer refugee or immigrant status, and medical facilities that cater predominantly to sensitive conditions. They also restrict participating companies from processing, selling, or sharing any U.S. consumer precise location data for law enforcement or national security purposes, except when needed to comply with a legal requirement.

Several years ago, the NAI recognized then that not all companies across the location data industry are responsible stewards of data, and we sought to raise the bar by creating this heightened voluntary set of standards that would enable the most privacy-forward companies to differentiate themselves in the marketplace. Currently, four NAI member companies have publicly committed to adhere to these standards: Cuebiq, Foursquare, InMarket, and Outlogic. While we have not previously promoted the *Enhanced Standards* be codified in legislation, Oregon has the opportunity to take this leading step, one that we hope could become a broader trend, and perhaps someday a national standard.

As the leading self-regulatory association for advertising technology companies, and specifically location solution providers, the NAI has long been a leader in promoting voluntary protections around consumer location data, all of which have become common industry practices over the last decade, even if not all mandated by federal or state laws. In 2013, the NAI first established a set of requirements³ for the responsible use of location data. Over the following decade, the NAI built upon these requirements including requiring enhanced notice at the time consumers are asked to consent to sharing their precise

² See *NAI Precise Location Information Solution Provider Voluntary Enhanced Standards*, updated October 2024. <https://thenai.org/wp-content/uploads/2025/03/NAI-Precise-Location-Information-Solution-Provider-Voluntary-Enhanced-Standards.pdf>

³ See *2015 Update to the NAI Mobile Application Code*. <https://thenai.org/2015-update-to-the-nai-mobile-application-code/>

location data⁴ and providing a variety of methods that companies could use to render location data imprecise, therefore reducing the risk of misuse of this sensitive data.⁵

IV. The Location Data Industry is a Strong U.S. Economic Driver, Benefiting Consumers and Small Businesses

The U.S. location data industry was valued at approximately \$5 billion in 2023 and is projected to reach \$16.3 billion by 2032, growing at an annual growth rate of more than 14% from 2024 to 2032. This growth is being driven by the increasing use of connected devices, the rapid expansion of mobile applications, and the rising demand for real-time spatial analytics.⁶

Marketers have effectively delivered location-based digital advertising for decades, but the location data industry is also increasingly being utilized to power offline decision making, where aggregated location data has enormous benefits for individuals, commerce and public works. For instance, when leading retailers are analyzing where to put their stores, insights about consumer movements in and around town are essential. For cities and local governments, location data is also a valuable tool for informing public works projects and driving smart cities, determining where to build public infrastructure like hospitals and schools, and deciding where to allocate resources more effectively based on the location and needs of consumers. In summary, the location data industry provides the following benefits to consumers, businesses and governments:

- Provides consumers access to a wide range of free apps funded by location-based ads, preventing them from having to pay a subscription fee for every app and every news source they use.
- Provides small businesses and nonprofits access to effective advertising tools and data to help them compete with larger businesses.
- Enables local and independent advertisers to compete with dominant Big Tech platforms that don't rely on third-party data to perform digital services and reach key customers.
- Enables smart public works initiatives, such as data-driven transportation and infrastructure.

V. How a Ban on Selling of Location Data Will Harm Oregon Consumers, While Also Benefiting the Largest Technology Companies

Location solution providers are businesses that work with app providers in the collection and processing of consumer location data to provide critical location-based functionality of apps, while also utilizing that data to provide advertising and marketing services that helps monetize apps, making them available for free or low cost. However, an outright ban on “selling” this data would likely disrupt these services, as the definition of a “sale” is broad under the Oregon Consumer Privacy Act, and it could be interpreted to apply to the sharing of location data between apps and location solution providers, as well as instances where these companies share this data with their customers who rely on it to provide advertising and marketing services.

⁴ See NAI Opt-in Consent Guidance, 2021. <https://thenai.org/opt-in-consent/>

⁵ See NAI Guidance for Members: Determining Whether Location is Imprecise, 2020. <https://thenai.org/nai-imprecise-location-guidance/>

⁶ Location Intelligence Market to USD 63.8 Billion by 2032, Driven by Rising Demand for Spatial Data Analytics. SNS Insider. 2025. <https://www.globenewswire.com/news-release/2025/04/22/3065171/0/en/Location-Intelligence-Market-to-USD-63-8-Billion-by-2032-Driven-by-Rising-Demand-for-Spatial-Data-Analytics-Research-by-SNS-Insider.html?pdf=1>

On the contrary, mobile operating system providers and some of the other largest technology companies are able to offer apps and provide their own location-based services and advertising, without needing to partner with location solution providers. Therefore, a ban on the sale of consumer location data would substantially curtail the availability of small and medium-sized app providers, while continuing to allow similar services from only the largest companies. This is an outcome that would create a substantial imbalance in the digital media industry and result in a severe disservice to consumers.

VI. Location Data Also Drives Critical Research and Services that Benefit Citizens and Society as a Whole

Precise location data not only drives the essential business use cases described above, but it is also increasingly used for valuable research and public services. If location information solution providers are unable to partner with apps to provide services, this will also put a halt to beneficial research. Following are just a few examples of this work.

- **Evaluation of Urban Heat Traps in Portland and Other U.S. Cities:** NAI member company data was utilized in research to provide a better understanding of urban heat exposure in cities based on patterns of human mobility. These findings contribute to a broader understanding of the intersection of human network dynamics and environmental hazard exposures in cities to inform more integrated urban design and planning to promote health and sustainability.⁷
- **Identification of Characteristics of National Forest Users Displaced Due to Wildfires:** NAI member company location data was used to identify characteristics of national forest users potentially displaced due to recreation site closures from a wildfire event. This information is useful for assisting forest managers with the formulation of effective public outreach that targets high volumes of people where wildfire-related displacement is most likely and where messaging campaigns might have the greatest audience.⁸
- **Analyzing Evacuation Behaviors During a Hurricane:** NAI member company data was used to analyze evacuation behaviors in Florida during Hurricane Irma. The findings revealed that 57.92% of residents in mandatory evacuation zones evacuated, compared to approximately 33% in areas with no or voluntary evacuation orders. Additionally, the study highlighted the significance of mobility behaviors during times of normality in influencing evacuation decisions, providing valuable insights for disaster management agencies.⁹

VII. Conclusion

Again, the NAI urges the Committee to adopt a tailored amendment to HB 2008 to enable the legislation to achieve the desired objectives, while allowing responsible sharing of consumer location data for beneficial advertising and marketing purposes, and for critical research.

⁷ Huang, X., Jiang, Y. & Mostafavi, A. *The Emergence of Urban Heat Traps and Human Mobility in 20 U.S. Cities*. *npj Urban Sustain* 4, 6 (2024). <https://doi.org/10.1038/s42949-024-00142-3>

⁸ Gurung, B., Peterson, B. A., Fleming, S., Drury, S., Thomas, A., Sánchez, J. J., & Perry, E. E. (2025). *Identification of High Fire Potential and High-Use Spatial Intersections at a National Forest to Understand Recreation Displacement Related to Wildfire Events*. *Annals of the American Association of Geographers*, 1–11. <https://doi.org/10.1080/24694452.2025.2463503>

⁹ Aref Darzi, Vanessa Frias-Martinez, Sepehr Ghader, Hannah Younes, Lei Zhang (2021). *Constructing Evacuation Evolution Patterns and Decisions Using Mobile Device Location Data: A Case Study of Hurricane Irma*. Cornell University. <https://arxiv.org/abs/2102.12600>

Thank you in advance for your consideration of this request. We would welcome the opportunity to work with you to develop an amendment to this legislation to achieve its key objectives to protect Oregon consumer location data, while still allowing valuable uses of this data in ways that will not pose a significant risk to consumers.

Sincerely,

A handwritten signature in blue ink, appearing to read "Leigh Freund", enclosed within a light gray rectangular border.

Leigh Freund
President & CEO
Network Advertising Initiative (NAI)