

July 8, 2025

Senator Thomas Umberg  
Chair  
California Senate Judiciary Committee  
Capitol Office, 1021 O Street, Suite 7510  
Sacramento, CA 95814-4900

Senator Roger Niello  
Vice-Chair  
California Senate Judiciary Committee  
Capitol Office, 1021 O Street, Suite 7510  
Sacramento, CA 95814-4900

**RE: AB 322, Oppose Unless Amended**

Dear Chair Umberg and Vice Chair Niello ,

On behalf of the Network Advertising Initiative (NAI), I am writing to oppose AB 322 unless it is amended. The NAI and our members strongly support the goals of this legislation to create necessary protections for Californians' sensitive precise geolocation data, but we are concerned that the bill as currently drafted is overly broad and would have the unintended consequence of limiting valuable services to California residents, and creating a market imbalance where only the largest technology platforms can provide free apps with essential location services and marketing capabilities.

Specifically, I urge you to amend AB 322 to allow for valuable uses of precise geolocation data by enabling collection, processing, and selling of precise geolocation data for legitimate business purposes, as long as this data is not reasonably associated with sensitive points of interest (POIs) that lead to heightened risk of harm to California residents.

**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.<sup>1</sup> 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 data 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. Since 2022, the NAI has encouraged location service providers to adopt its *Precise Location Information Solution Provider Voluntary Enhanced Standards* ("Enhanced Standards"), which includes restrictions on processing location data associated with Sensitive Points of Interest ("SPOIs").<sup>2</sup> The NAI's goal in

---

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

<sup>2</sup> 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>

developing these Enhanced Standards and putting forth categories of SPOIs was to enable responsible uses of location data while limiting or eliminating certain uses of location data that pose a heightened risk of harm if misused.

## **II. The NAI Supports the Goals of AB 322, But We Urge the Committee to Adopt a Tailored Amendment to Preserve Essential Marketplace Uses of Precise Geolocation Data**

The NAI supports the goals of AB 322 to increase protections around precise geolocation data. However, as currently drafted, AB 322 would also unnecessarily prohibit substantially beneficial uses of this data. Specifically, by prohibiting the “sell[ing,] trade, or lease”<sup>3</sup> of *all* precise geolocation data, AB 322 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.

The bill’s prohibition of disclosing precise geolocation data with federal, state, and local governments<sup>4</sup> provides sufficient protections to meet the bill’s objective to prevent the misuse of this data, such as to violate a consumer’s reproductive health rights or to enforce immigration policy absent a valid legal request for this data. The NAI strongly supports these objectives, and they are consistent with the objectives of our Enhanced Standards as discussed below.

AB 322 would also prohibit retaining geolocation data beyond one year from a consumer’s last interaction.<sup>5</sup> While the NAI supports data retention policies that discourage extensive, unnecessary data retention, this arbitrary time period contrasts with the bill’s recognition of the need to retain data for as long as reasonably necessary to provide a requested product or service. The CCPA already mandates transparency in retention practices and limits data storage to periods that are reasonably necessary for a disclosed purpose.<sup>6</sup> AB 322 should be aligned with the existing CCPA data retention requirements.

The NAI therefore urges the Committee to adopt a tailored amendment to AB 322 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 Enhanced Standards as a model to form the basis of a technical amendment that allows responsible transfers of this data, but prohibits the selling of location data associated with sensitive points of interest. As you may be aware, the California Privacy Protection Agency (CCPA) recently recognized this distinction when it proposed a definition for *Sensitive Locations* in its rulemaking covering CCPA Updates, Cybersecurity Audits, Risk Assessments, ADMT, and Insurance Companies.<sup>7</sup>

---

<sup>3</sup> A.B. 322, 2025 Leg., § 1 proposed 1798.122(b)(3).

<sup>4</sup> See *id.* at 1798.122(b)(4-5).

<sup>5</sup> See *id.* at 1798.122(b)(2).

<sup>6</sup> See Cal. Civ. Code § 1798.100(a)(3).

<sup>7</sup> If adopted, these regulations would create a requirement for businesses to conduct a risk assessment when associating a consumer with a Sensitive Location. See California Privacy Protection Agency Proposed Text, Cal. Code Regs. tit. 11 (updated May 9, 2025) at § 7001(aaa) (“Sensitive location means any of the following physical places: healthcare facilities including hospitals, doctors’ offices, urgent care facilities, and community health clinics; pharmacies; domestic violence shelters; food pantries; housing/emergency shelters; educational institutions; political party offices; legal services offices; union offices; and places of worship.”) (quotations removed); § 7150(b)(5) (requiring a business to conduct a risk assessment when “Using automated processing to infer or extrapolate a consumer’s intelligence, ability, aptitude, performance at work, economic situation, health (including mental health), personal preferences, interests, reliability, predispositions, behavior, or movements, based upon

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 highlight how location data provides wide-ranging benefits for consumers and businesses.

### **III. The NAI's Enhanced Standards Provide Robust Protections for Precise Geolocation 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 precise geolocation data. Specifically, the NAI's *Enhanced Standards* are comprised of two key sections that align closely with the restrictions created by AB 322:

1. Prohibit the use, sale, and transfer of precise geolocation data related to sensitive POIs in the United States. The *Enhanced Standards* identify sensitive POIs such as places that may be used to infer refugee or immigrant status, as well as places of worship, correctional facilities, and medical facilities that cater predominantly to sensitive conditions or categories of data, among others.
2. Prohibit participating companies from processing, selling, or sharing any U.S. precise geolocation data for law enforcement or national security purposes, except when needed to comply with a valid legal requirement (this prohibition is consistent with AB 322).

Several years ago, the NAI recognized 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. California has the opportunity with AB 322 to take the leading step of enacting the NAI's heightened protections into law.

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 precise geolocation 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 requirements<sup>8</sup> for the responsible use of precise geolocation 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 geolocation data<sup>9</sup> and providing a variety of methods that companies could use to render precise geolocation data imprecise, therefore reducing the risk of misuse of this sensitive data.<sup>10</sup>

---

that consumer's presence in a sensitive location."); *see also* The Network Advertising Initiative, Comment Letter on Proposed Rule on CCPA Updates, Cybersecurity Audits, Risk Assessments, ADMT, and Insurance Companies (Jun. 2, 2025), <https://thenai.org/wp-content/uploads/2025/06/NAI-Comment-on-CCPA-Updates-6.2.2025.docx.pdf>, (supporting the proposal to define *Sensitive Locations* while highlighting its differences with the NAI's list of sensitive POIs).

<sup>8</sup> See *2015 Update to the NAI Mobile Application Code*.

<https://thenai.org/2015-update-to-the-nai-mobile-application-code/>

<sup>9</sup> See *NAI Opt-in Consent Guidance*, 2021. <https://thenai.org/opt-in-consent/>

<sup>10</sup> See *NAI Guidance for Members: Determining Whether Location is Imprecise*, 2020.

<https://thenai.org/nai-imprecise-location-guidance/>

#### **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 percent 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.<sup>11</sup>

Marketers have effectively delivered location-based digital advertising for decades, and 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. In summary, the location data industry provides the following benefits to consumers, businesses, and researchers:

- 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.

#### **V. A Comprehensive Prohibition on Selling all Precise Geolocation Data Will Harm Californian 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 disrupt these services, as the definition of a “sale” is broad under the California Consumer Privacy Act, and it would likely 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 business customers who rely on it to provide advertising and marketing services.

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 or utilize third-party data. 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 technology companies. This is an outcome that would create a substantial imbalance in the digital media industry and result in a severe disservice to consumers.

---

<sup>11</sup> *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>

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

Precise geolocation 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. The following are just a few examples of this work:

- **Identification of Characteristics of National Forest Users Displaced Due to Wildfires:** NAI member company precise geolocation 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.<sup>12</sup>
- **Evaluation of Urban Heat Traps in U.S. Cities:** NAI member company precise geolocation 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.<sup>13</sup>
- **Analyzing Evacuation Behaviors During a Hurricane:** NAI member company precise geolocation 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.<sup>14</sup>

## VII. Conclusion

Again, the NAI urges the Committee to adopt a tailored amendment to AB 322 to enable the legislation to achieve the desired objectives, while allowing responsible sharing of consumers' precise geolocation data for beneficial advertising and marketing purposes that monetize the vast majority of mobile apps and websites, and for critical research.

---

<sup>12</sup> 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>

<sup>13</sup> 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>

<sup>14</sup> 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 Californians' precise geolocation 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 black ink, appearing to read "Leigh Freund", is centered within a rectangular box. The signature is fluid and cursive, with the first name "Leigh" and last name "Freund" clearly distinguishable.

Leigh Freund  
President & CEO  
Network Advertising Initiative (NAI)