

AdTech

in the Age of Privacy and AI

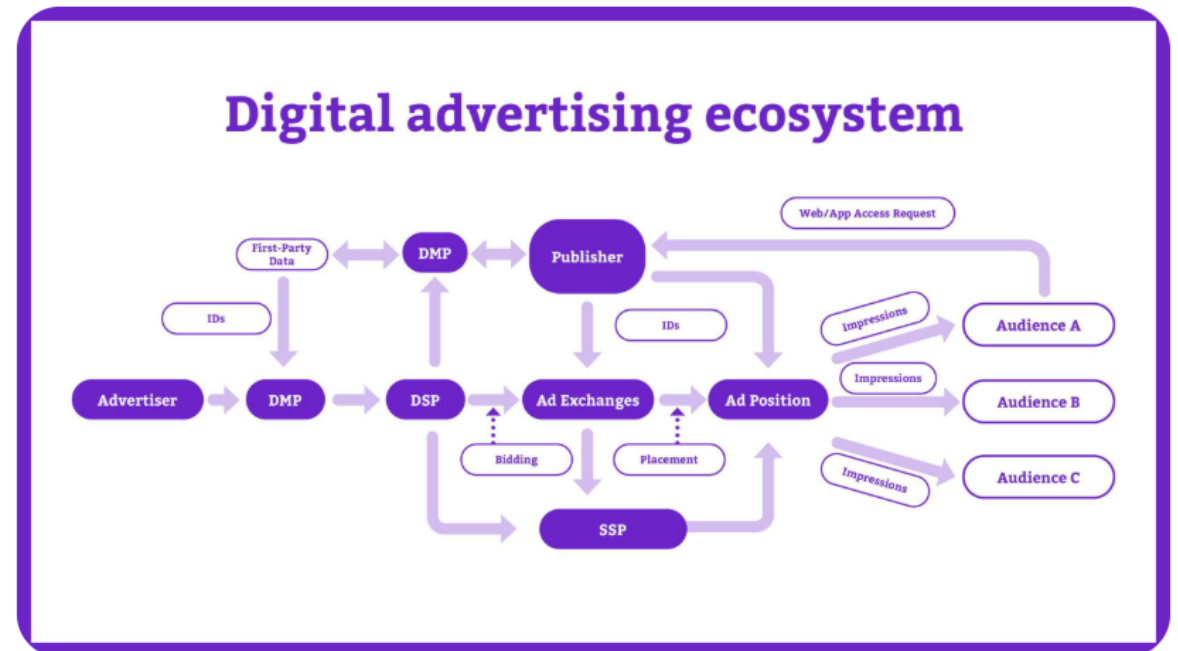
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AdTech Never Sleeps

1. Are You a Data Broker?
2. Preparing for the Opt-Out Earthquake
3. Location, Location, Location
4. Agentic Advertising



The State Data Broker Law Divergence

California Delete Act

- Knowingly collects + sells personal information to third parties, with no direct relationship with consumer.
- “Direct relationship” requires intentional interaction; relationship is at the data-level.

Connecticut SB 4

- Sells or licenses brokered personal data.
- “Brokered personal data”: any personal data obtained from a third party and organized for the purpose of selling or licensing to another person.

Navigating the Data Broker Topography

- Do we need parallel registration, deletion, and audit infrastructure across non-identical regimes?
- Should you register for all? Just some?

Don't Forget DROP!

- Delete Request and Opt-Out Platform (“DROP”) – California’s centralized deletion mechanism went live for consumers Jan. 1, 2026, and for registered brokers on Aug. 1, 2026.
- Consumers can send a single request to delete their personal information to all registered brokers.
- Penalties are huge:
 - \$200/day/request (no “up to”) – with 300k consumers signed up, failure to honor requests for even 10 days is \$600M.

California Opt Me Out Act

- Browsers must include built-in universal opt-out functionality
- Effective: Jan. 1, 2027
- Shifts opt-out from a setting users must seek to a default available at the platform layer

Open Rulemaking, Unresolved Issues

- Will rulemaking address signal specifications?
- Will the setting be on or off by default?
 - Browsers compete with ad-supported media.
 - Cookies weren't deprecated, but turning on all opt outs could have similar effect.
- Will these ever be applied to mobile?

How Can We Prepare?

- Audit opt-out infrastructure yesterday.
- Display confirmation when signal is honored.
- Ensure vendors honor downstream opt outs.

Precise Geolocation Data Sales Bans



- Sale/share/transfer of precise geolocation data increasingly restricted, not just opt outs.
- Oregon, Virginia, Connecticut, Maryland*
- Some states may impose de facto, limited bans (WA, NV).

Where are we headed?

- Opt outs → Opt in → Prohibition
- Geolocation at the bleeding edge – expect similar treatment for other sensitive categories.
- MD adding *inferred* sensitive data to sales ban

Practical Implications

- Location-based ad targeting models built on third-party data flows on life support.
- Downstream contractual obligations are critical, one downstream sale can trigger liability.
- There's always contextual ads, on-device processing, and PETs, right?

AI in AdTech

- Consent and opt-out frameworks assume a human user receives notice and signals choice – agentic workflows break that assumption.
- Three pressure points:
 - Honoring signals
 - Agent authority
 - Liability allocation

Handling Signals

- Cookie consent mechanisms and privacy signals may not function in an AI-mediated session, but must be honored regardless of whether sent by a human or agent.
- Don't assume privacy signals are being properly honored without consistent testing of how agentic workflows respond.

Binding the Human and Agent

- When do an agent's actions legally bind the user to carry the same legal effect as if the user had acted directly?
- Demonstrate:
 - Authority (express, implied, or apparent)
 - Intent to engage in the type of transaction the agent is performing
 - Notice and error correction

Contracting & Allocating Liability

- Explicitly allocate ownership between provider & customer
 - Inputs, outputs, model weights, modifications
- Match responsibility to control
 - Providers own design controls, use limitations, transparency
 - Customers own their inputs, oversight of outputs
 - Negotiate remaining workflows, disclosures
- Lock down data use
- Safeguards & restrictions for sensitive-category targeting

Questions?

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