

OAMA Threatens Cybersecurity, Privacy, and Competition

Lawmakers on both sides of the aisle support measures that increase competition and consumer choice and protect Americans' privacy and sensitive data online. Unfortunately, some members of Congress have pushed the Open App Markets Act (OAMA), a bill that has been widely <u>criticized by industry experts</u> and <u>lawmakers</u> on both sides of the aisle for its provisions that would undercut bipartisan privacy and cybersecurity goals and reduce competition, limiting the options that consumers currently have in the app store ecosystem.

Here's how OAMA would hurt American consumers and weaken privacy and cybersecurity:

Instead of protecting sensitive information online, OAMA would weaken privacy and cybersecurity protections, all while limiting app store options that American consumers value.

- OAMA would get rid of security measures that consumers, businesses, and governments rely on.
 - App stores currently have the ability to vet apps for security concerns and remove apps that present a risk to users. These measures also benefit other apps as such stores can ban apps that interfere with the operation of another app. These security controls can <u>provide</u> a stable, secure platform for apps, enabling thousands of developers to deliver hundreds of thousands of apps without impacting system integrity. OAMA would remove the vetting process that ensures apps on an app market meet rigorous safety standards, such as preventing app developers from evading operating system security protections.
- The current app store model includes tools that are critical for online privacy. OAMA would force companies to remove those tools.
 - Currently, app stores have the <u>ability</u> to put in place limits on how much user data can be collected and used for tracking by third-party apps. However, proposed legislation, like OAMA, would <u>mandate</u> the removal of the same privacy and security tools American companies have put in place to ensure that vulnerable third-party apps are not offered to users.



• OAMA would fundamentally change the current app market landscape, which promotes app competition, benefiting app developers and consumers.

App stores are incentivized to support developers, including those that compete
with the companies providing the app stores, as innovation attracts customers,
reinforcing innovation and competition in the ecosystem. That's why the current
app development industry is <u>flourishing</u>. However, OAMA includes provisions
that outlaw platform features that consumers like, which would <u>discourage</u>
developers from creating quality, innovative apps.

• The current app market system lets consumers pick the app ecosystem that works for them.

Consumers can currently choose to participate in app markets that provide users with different experiences. Given those different experiences, there is robust competition between app markets in the U.S. and globally. Additionally, as companies innovate, offering consumers new choices, businesses and consumers have the option to – and often choose to – easily and affordably switch to their preferred app store. Consumers wouldn't have those choices if Congress passed OAMA.

What the experts are saying:

Experts agree that OAMA would limit competition, hurt consumers, and undermine efforts to strengthen privacy and cybersecurity protections.

• Former Senator Scott Brown and Former National Security Adviser Robert O'Brien

 Similarly, the Open App Markets Act would place U.S. companies at a structural disadvantage vis a vis their Chinese competitors. Most importantly, the act would remove vetting safeguards that protect consumers from unscrupulous app designers, some of whom could be foreign agents.

• Shane Tews, American Enterprise Institute

"By 'opening the app market,' OAMA is effectively removing a crucial cybersecurity barrier that serves as a baseline for entry into the market. Apple takes an <u>additional step</u> to ensure apps are from a known source and tested to ensure user data has sufficient protection. This is done through the comprehensive screening procedure at the front end of the App Store process, which includes end-use disclosure of a consumer's data by the app and disclosure of any third-party sale or use of that data. The OAMA could remove these privacy- and safety-enhancing tools entirely"



• Daniel Savickas, Taxpayers Protection Alliance

"There are good reasons companies like Apple or Google might refuse to host an app developer on their app stores. One is a failure to reach an agreement on terms or compensation — a normal function of the free market. Another is an absence of demonstrated demand or upside — another possible, reasonable, free-market calculation. Yet another, however, is that the app-store provider determines that a developer poses a security threat to its users."

• Matt Schruers, CCIA

 OAMA "contemplates utility-style regulation for mobile ecosystems and would limit app stores' ability to protect their users from dangerous apps and other security risks. At a time when malicious actors pose a growing threat to the users of digital goods and services, businesses need flexibility to perform trust and safety operations."

Adam Kovacevich, Chamber of Progress

 "The Open App Markets Act is a disaster for consumers, opening phones up to a whole host of cybersecurity risks. The bill ties the hands of tech companies working to keep hateful and harmful apps off consumer devices."