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Senator Rachel May Advances Consumer Protection Bill Targeting Surveillance Pricing

Legislation Would Ban Companies from Using Personal Data to Raise Prices

(Albany, NY) The New York State Senate passed Senator Rachel May’s legislation ([S8623](#)) to protect consumers from surveillance pricing, a practice that uses personal data such as purchasing history, online activity, and other consumer information to tailor prices, often resulting in higher costs for some consumers.

“New Yorkers shouldn’t have to wonder if the price they see is based on who they are instead of what they’re buying,” said Rachel May. “Companies are using personal data, like browsing history, device type, and even device battery level, to charge people different prices for the same product. That kind of surveillance pricing is unfair, and we can’t allow it. My bill bans it and ensures transparency in automated pricing so consumers know they’re being treated fairly,” said Senator Rachel May.

Several investigations and attempts to uncover surveillance pricing practices have shown unfair practices that threaten to upend our market economy. [Consumer Reports](#) found different prices for the same goods on Instacart, potentially costing families over \$1,000 a year. A [Federal Trade Commission](#) market study also found widespread use of personal data being used to set individualized prices. As technology improves, such as a [“willingness to pay” AI model](#) pioneered in the flight industry, there is huge potential for individualized pricing to upend the fair pricing for all model that consumers rely on.

The legislation was carefully crafted to preserve common consumer discounts, including loyalty, rewards, membership, and other promotional programs, as long as they are offered fairly and based on clearly disclosed criteria. By allowing fair discounts while preventing unfair pricing

practices, this surveillance pricing ban will maximize consumers' ability to comparison shop and secure the lowest possible prices.

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