



June 11, 2026

The Honorable Sen. Cabaldon

Chair, Senate Privacy, Digital Technologies, and Consumer Protection Committee

1020 N Street, Room 568

Sacramento, CA 95814

RE: SUPPORT: AB 2564 (Ward) End Surveillance Pricing Act

Dear Chair Cabaldon and Members of the Committee,

We the undersigned write in strong support of AB 2564 (Ward), the End Surveillance Pricing Act, which will prohibit retailers from using consumers' personally identifiable information (PII) — including age, gender, marital status, geolocation, and online search history — to adjust the price of goods based on their perceived willingness or ability to pay. The bill would put California at the forefront of protecting affordability, at a time when rising costs are front of mind for consumers.

California consumers face a new and growing threat to fair pricing. Companies now possess the technology to collect vast amounts of consumer data and deploy artificial intelligence to charge each shopper a personalized price — one calibrated not to the market, but to the maximum that an individual can be made to pay. This practice, known as surveillance pricing, exploits detailed consumer profiles built from purchase histories, location data, browsing habits, and more.

Investigations have already uncovered real-world harms. Consumer Reports revealed that Kroger built 60-plus page profiles for individual consumers from loyalty program data to infer willingness to pay.¹ A KARE 11 investigation found that Target altered app prices based on whether a customer's geolocation showed they were already in the store.² In 2022, the County of San Diego settled a \$5 million lawsuit against Target for exactly this kind of geolocation-based price manipulation.³ A SFGate investigation found that the most popular hotel booking sites show prices substantially higher to San Franciscans using their online booking platforms compared with users browsing from less affluent cities, like Phoenix and Kansas City.⁴ These are not isolated incidents — they reflect an industry trend. A study from the FTC found that businesses utilizing surveillance pricing tools increased their revenue 2-5%.⁵

While California consumers benefit from some privacy protections under the California Consumer Privacy Act, no existing federal or state law prohibits companies from using the data they collect to charge consumers individually different prices. AB 2564 closes this gap. Without legislative intervention, surveillance pricing will become the industry standard, disproportionately harming lower-income Californians who already face the highest costs of living in the nation and have the fewest alternatives.

AB 2564 protects sensible, transparently offered discounts—including for loyalty programs. The bill's exemptions permit a vast array of discounts, and transparency provisions help ensure that discounts are not secretly discriminatory. The bill does not restrict businesses from offering lower prices — it prevents them from secretly charging higher ones based on personal data profiles.

The right to fair and affordable pricing should not be a privilege for the few but a fundamental protection for all Californians. We strongly urge an AYE vote on AB 2564 when it comes before you.

Sincerely,

Sara Flocks, Legislative Director, California Federation of Labor Unions (Sponsor)

Justin Brookman, Director Technology Policy, Consumer Reports (Sponsor)

Samantha Gordon, Chief Program Officer, TechEquity (Sponsor)

Symphony Barbee, Legislative Advocate, ACLU Cal Action

Amy Schur, Campaign Director, Alliance of Californians for Community Empowerment (ACCE) Action

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Ben Winters, Director of AI and Privacy, Consumer Federation of America

Robert Herrell, Executive Director, Consumer Federation of California

Jamie Court, President, Consumer Watchdog

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Brian Hofer, Executive Director, Secure Justice

Beth Malinowski, Government Relations Advocate, SEIU California

April Grayson, Political Director, Sister Warriors Freedom Coalition

Louie Costa, Safety and Legislative Director, SMART - Transportation Division

Sacha Haworth, Executive Director, Tech Oversight California

Kevin De Liban, President, TechTonic Justice

Teja Stephens, Legislative Advocate, UDW/AFSCME Local 3930

Jenna Sherman, Campaign Director, UltraViolet Action

Tina Rosales-Torres, Policy Advocate, Western Center on Law and Poverty

1 Consumer Reports. “Consumer Reports Investigation Uncovers Kroger’s Widespread Data Collection.” May 2025.
<https://www.consumerreports.org/media-room/press-releases/2025/05/consumer-reports-investigation-uncover-s-krogers-widespread-data-collection-of-loyalty-program-members-to-create-secret-shopper-profiles/>

2 KARE 11. “How to Avoid Target App Parking Lot Price Switch.” 2019.
<https://www.kare11.com/article/money/consumer/how-to-avoid-target-app-parking-lot-price-switch/89-9ef4106a-895d-4522-8a00-c15cff0a0514>

3 AP News. “San Diego Settles \$5 Million Lawsuit Against Target.” 2022.
<https://apnews.com/article/technology-business-lawsuits-california-target-corp-35db1e4f1ea1d43ef7a1f7f2b4630c41>

4 SFGate. “Hotel booking sites show higher prices to travelers from Bay Area.” 2025.
<https://www.sfgate.com/travel/article/hotel-booking-sites-overcharge-bay-area-travelers-20025145.php>

5 Federal Trade Commission “FTC Surveillance Pricing 6(b) Study: Research Summaries A Staff Perspective” 2025.
https://www.ftc.gov/system/files/ftc_gov/pdf/p246202_surveillancepricing6bstudy_researchsummaries_redacted.pdf