

STATE OF NEW YORK

6765

2025-2026 Regular Sessions

IN ASSEMBLY

March 12, 2025

Introduced by M. of A. TORRES -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the general business law, in relation to requiring disclosure of algorithmically set prices

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 349-a of the general business law is renumbered
2 349-h and a new section 349-a is added to read as follows:

3 § 349-a. Pricing. 1. As used in this section, the following terms
4 shall have the following meanings:

5 (a) "Algorithm" means a computational process that uses a set of rules
6 to define a sequence of operations.

7 (b) "Clear and conspicuous disclosure" means disclosure in the same
8 medium as, and provided on, at, or near and contemporaneous with every
9 advertisement, display, image, offer or announcement of a price for
10 which notice is required, using lettering and wording that is easily
11 visible and understandable to the average consumer.

12 (c) "Consumer" means a natural person who is seeking or solicited to
13 purchase, lease or receive a good or service for personal, family or
14 household use.

15 (d) "Consumer data" means any data that identifies or could reasonably
16 be linked, directly or indirectly, with a specific natural person or
17 device, excluding location data.

18 (e) "Dynamic pricing" means pricing that fluctuates dependent on
19 conditions where models retrain or recalibrate on information in near
20 real-time, excluding promotional pricing offers, loyalty program bene-
21 fits or other temporary discounts or changes to pricing related to
22 retention of existing customers.

23 (f) "Personalized algorithmic pricing" means dynamic pricing derived
24 from or set by an algorithm that uses consumer data as defined in this

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD10796-03-5

1 section, which may vary among individual consumers or consumer popu-
2 lations.

3 (g) "Person" means any natural person, firm, organization, partner-
4 ship, association, corporation, or any other entity domiciled or doing
5 business in New York state.

6 2. Any person who knowingly advertises, promotes, labels or publishes
7 a statement, display, image, offer or announcement of personalized algo-
8 rithmic pricing using consumer data specific to a particular individual
9 shall include with such statement, display, image, offer or announcement
10 a clear and conspicuous disclosure that states:

11 "THIS PRICE WAS SET BY AN ALGORITHM USING YOUR PERSONAL DATA".

12 3. Whenever there shall be a violation of this section, an application
13 may be made by the attorney general in the name of the people of the
14 state of New York to a court or justice having jurisdiction by a special
15 proceeding to issue an injunction, and upon notice to the respondent of
16 not less than five days, to enjoin and restrain the continuance of such
17 violations; and if it shall appear to the satisfaction of the court or
18 justice that the respondent has, in fact, violated this section, an
19 injunction may be issued by such court or justice, enjoining and
20 restraining any further violation, without requiring proof that any
21 person has, in fact, been injured or damaged thereby. Whenever the court
22 shall determine that a violation of this section has occurred, the court
23 may impose a civil penalty of not more than one thousand dollars for
24 each violation. In connection with any such application, the attorney
25 general is authorized to take proof and make a determination of the
26 relevant facts and to issue subpoenas in accordance with the civil prac-
27 tice law and rules.

28 4. Nothing in this section shall apply to any insurer licensed, regu-
29 lated, or otherwise authorized to do business in the state of New York
30 under the insurance law or any excess lines insurer, including any
31 persons, agents, or affiliates acting on behalf of such insurer.

32 5. Nothing in this section shall apply to financial services, includ-
33 ing but not limited to financial institutions, financial institution
34 affiliates, broker-dealers, registered investment advisors, and entities
35 that provide consumer credit products such as credit cards, personal
36 loans, and mortgages.

37 § 2. Subdivision 3 of section 396 of the general business law is
38 renumbered subdivision 4 and a new subdivision 3 is added to read as
39 follows:

40 3. a. For purposes of this subdivision, "protected class data" means
41 information about an individual person or groups of people that direct-
42 ly, in combination, or by implication identifies a characteristic that
43 is legally protected from discrimination under the laws of this state or
44 under federal law, including but not limited to ethnicity, national
45 origin, age, disability, sex, sexual orientation, gender identity and
46 expression, pregnancy outcomes and reproductive health care.

47 b. No person, firm, partnership, association or corporation, or agent
48 or employee thereof, shall use protected class data in setting a price
49 for, offering, marketing, or selling any good or service if (1) the use
50 of that data has the effect of withholding or denying any of the accom-
51 modations, advantages, and privileges accorded to others, or (2) the
52 price for such good or service is different from the price offered to
53 other individuals or groups based in whole or in part on the use of
54 protected class data.

55 c. Nothing in this subdivision shall apply to any insurer licensed,
56 regulated, or otherwise authorized to do business in the state of New

1 York under the insurance law or any excess lines insurer, including any
2 persons, agents, or affiliates acting on behalf of such insurer.

3 d. Nothing in this subdivision shall apply to financial services,
4 including but not limited to financial institutions, financial institu-
5 tion affiliates, broker-dealers, registered investment advisors, and
6 entities that provide consumer credit products such as credit cards,
7 personal loans, and mortgages.

8 § 3. Paragraph d of subdivision 4 of section 396 of the general busi-
9 ness law, as added by chapter 689 of the laws of 2022 and as renumbered
10 by section two of this act, is amended to read as follows:

11 d. In addition to any other remedies provided in this section, any
12 person aggrieved by a violation of subdivision three of this section may
13 file an action in accordance with section two hundred ninety-seven of
14 the executive law. Nothing in this section shall in any way limit rights
15 or remedies which are otherwise available under law to the attorney
16 general or any other person authorized to bring an action under this
17 section.

18 § 4. This act shall take effect on the sixtieth day after it shall
19 have become a law.