

STATE OF NEW YORK

11599

IN ASSEMBLY

June 5, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Blumencranz)
-- read once and referred to the Committee on Consumer Affairs and
Protection

AN ACT to amend the general business law, in relation to establishing
safeguards against deceptive algorithmic pricing practices while
preserving lawful consumer discounts, innovation, and dynamic pricing
systems

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "fair cart act".

3 § 2. Legislative findings and intent. The legislature finds that
4 advances in artificial intelligence, algorithmic pricing systems, elec-
5 tronic shelf labeling technology, and digital commerce have created
6 substantial opportunities for innovation, operational efficiency, inven-
7 tory management, waste reduction, and consumer savings. These technolo-
8 gies may enhance market competition and provide consumers with
9 discounts, loyalty rewards, subscription savings, promotional pricing,
10 and personalized offers that reduce costs.

11 The legislature further finds, however, that certain uses of algorithmic
12 and data-driven pricing systems may undermine consumer trust where
13 such systems are used to impose undisclosed individualized price
14 increases, exploit inferred economic vulnerability, or create materially
15 different prices for substantially similar goods or services based upon
16 personal data, geolocation, behavioral profiling, or inferred purchasing
17 power.

18 The legislature recognizes the importance of preserving lawful and
19 beneficial pricing practices, including loyalty programs, electronic
20 shelf labeling systems, promotional pricing, first-time customer
21 discounts, subscription savings, geographic promotions, and personalized
22 offers that lower consumer prices.

23 Accordingly, the purpose of this act is to establish reasonable trans-
24 parency and consumer protection standards governing algorithmic pricing

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

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1 systems while preserving innovation, lawful discount practices, opera-
2 tional efficiency, and healthy market competition.

3 § 3. The general business law is amended by adding a new article 22-C
4 to read as follows:

5 ARTICLE 22-C

6 ANTICOMPETITIVE AND DECEPTIVE ALGORITHMIC PRICING PRACTICES

7 Section 350-o. Definitions.

8 350-p. Prohibited practices.

9 350-q. Permitted pricing practices and safe harbors.

10 350-r. Consumer pricing transparency.

11 350-s. Compliance guidance and enforcement.

12 350-t. Educational outreach.

13 § 350-o. Definitions. 1. "Algorithmic pricing system" shall mean any
14 computational, automated, artificial intelligence, machine learning,
15 predictive analytics, or data-driven system used to recommend, deter-
16 mine, adjust, personalize, or influence the price of goods or services.

17 2. "Baseline public price" shall mean the standard publicly available
18 price for a substantially similar good or service absent individualized
19 upward pricing adjustments.

20 3. "Covered entity" shall mean any retailer, online marketplace,
21 grocery delivery platform, food delivery platform, transportation
22 network company, ticket seller, lodging provider, hospitality provider,
23 e-commerce platform, or other person offering goods or services to
24 consumers within the state.

25 4. "Deceptive algorithmic price inflation" shall mean the use of
26 personal data, inferred characteristics, geolocation data, behavioral
27 data, consumer profiling, or inferred economic status to increase a
28 consumer's offered price above a baseline public price without clear and
29 conspicuous disclosure.

30 5. "Dynamic pricing" shall mean pricing that changes based upon
31 supply, demand, inventory, time, operational costs, market conditions,
32 or similar business considerations.

33 6. "Electronic shelf labeling system" shall mean a digital or auto-
34 mated price display technology used by retailers to display or update
35 pricing information.

36 7. "Personal data" shall mean information relating to an identified or
37 identifiable consumer, including purchasing behavior, browsing activity,
38 transaction history, geolocation data, device information, demographic
39 indicators, or inferred economic characteristics.

40 8. "Personalized discount" shall mean any coupon, rebate, loyalty
41 reward, subscription benefit, promotional pricing, referral discount,
42 retention offer, introductory offer, geographic promotion, seller-funded
43 incentive, or other individualized pricing practice that lowers a
44 consumer's offered price.

45 9. "Price transparency" shall mean the clear and conspicuous disclo-
46 sure of pricing information, fees, and material pricing factors to
47 consumers prior to purchase.

48 § 350-p. Prohibited practices. 1. No covered entity shall utilize an
49 algorithmic pricing system to:

50 (a) deceptively increase prices offered to a consumer above a baseline
51 public price based upon personal data, inferred economic status, geolo-
52 cation data, behavioral profiling, or individualized consumer character-
53 istics without clear and conspicuous disclosure;

54 (b) engage in unfair or deceptive individualized price inflation prac-
55 tices that materially disadvantage consumers;

1 (c) misrepresent the basis upon which prices are determined, adjusted,
2 or displayed to consumers; or

3 (d) falsely represent a personalized or individualized price as
4 universally available where materially different prices are simultane-
5 ously offered to similarly situated consumers.

6 2. Nothing in this article shall be construed to prohibit lawful
7 dynamic pricing practices that are not deceptive or unfair under this
8 article.

9 § 350-q. Permitted pricing practices and safe harbors. 1. Nothing in
10 this article shall prohibit or restrict:

11 (a) loyalty or rewards programs;

12 (b) coupons, rebates, promotional pricing, or targeted discounts;

13 (c) introductory, retention, referral, subscription-based, or first-
14 time customer discounts;

15 (d) geographic promotions or store-specific sales;

16 (e) personalized offers, recommendations, or discounts that reduce a
17 consumer's offered price;

18 (f) electronic shelf labeling systems;

19 (g) dynamic pricing based upon supply, demand, inventory, operational
20 costs, time, or market conditions;

21 (h) seller-funded or vendor-funded discounts;

22 (i) app-based, device-based, or platform-based promotional pricing;

23 (j) anniversary discounts, birthday promotions, registry-linked
24 savings, or milestone-based offers;

25 (k) algorithmic systems designed to improve inventory management,
26 reduce waste, optimize operations, or enhance efficiency; or

27 (l) pricing systems utilizing purchase history or behavioral informa-
28 tion solely for the purpose of providing discounts, savings opportu-
29 nities, or consumer benefits.

30 2. Nothing in this article shall require a covered entity to disclose
31 proprietary algorithms, trade secrets, confidential business informa-
32 tion, or protected intellectual property.

33 § 350-r. Consumer pricing transparency. 1. Covered entities utilizing
34 algorithmic pricing systems shall clearly and conspicuously disclose
35 when:

36 (a) prices are materially personalized;

37 (b) personal data materially influences price determination; or

38 (c) individualized consumer profiling materially affects the final
39 offered price.

40 2. Such disclosures shall be provided in a manner reasonably designed
41 to inform consumers prior to purchase.

42 3. Covered entities shall provide consumers with clear and accurate
43 pricing information, including all mandatory fees and charges, prior to
44 the completion of a transaction.

45 § 350-s. Compliance guidance and enforcement. 1. The division of
46 consumer protection and the office of the attorney general shall have
47 authority to enforce the provisions of this article.

48 2. Prior to the commencement of any civil enforcement action, the
49 enforcing agency shall provide written notice of the alleged violation
50 and allow the covered entity thirty days to cure such violation, where
51 appropriate.

52 3. Any covered entity that knowingly violates the provisions of this
53 article shall be subject to a civil penalty not to exceed ten thousand
54 dollars per violation.

55 4. In determining penalties, the enforcing agency shall consider:

56 (a) whether the violation was knowing or intentional;

1 (b) the efforts undertaken to cure or mitigate the violation;
2 (c) the extent of consumer harm; and
3 (d) whether the covered entity acted in good faith reliance upon
4 compliance guidance issued by the division of consumer protection.

5 5. The division of consumer protection may issue guidance, advisory
6 opinions, and best practices to assist covered entities in complying
7 with this article.

8 § 350-t. Educational outreach. 1. The division of consumer protection
9 shall develop educational materials informing consumers of their rights
10 concerning algorithmic pricing systems and pricing transparency.

11 2. The division may convene industry stakeholders, consumer advocates,
12 technology experts, and academic institutions to develop voluntary best
13 practices promoting fairness, innovation, and transparency in algorithmic
14 pricing systems.

15 § 4. This act shall take effect on the one hundred eightieth day after
16 it shall have become a law.