



June 10, 2026

The Honorable Christopher Cabaldon  
Chair, Senate Privacy, Digital Technologies, and Consumer Protection  
1020 N Street, Room 568  
Sacramento, CA 95814

**Re: A.B. 2564 – SUPPORT**

Dear Chair Cabaldon:

I write today on behalf of the Electronic Frontier Foundation, a San Francisco-based, non-profit organization that works to protect civil liberties in the digital age. EFF represents more than 32,000 individual active donors and members, including thousands of people in California. We are pleased to support A.B. 2564, which prohibits retailers from engaging in surveillance pricing. Using this invasive practice, corporations offer the same product to two different people at two different prices, based on scrutiny of their personal data.

A 2025 report from the Federal Trade Commission examined the practices of six companies that provide surveillance pricing services to hundreds of other companies, including grocery stores and apparel retailers.<sup>1</sup> The report found that surveillance pricing draws upon customers' browsing history, physical location, and shopping transaction history. Customers' data can come from the vendor itself, from its surveillance pricing service provider, or from third-party data brokers. Customers are sorted into groups based on their personal data, as is done for targeted ads. As a result of surveillance pricing, a business might offer two customers different prices for the same product, based for example on whether they are a new parent, or whether they live near a business's competitor.

This practice is harmful in many ways. First, surveillance pricing invades our privacy. Vendors offer us a price only after scrutinizing our personal data about what we've clicked online and where we've travelled offline. Moreover, surveillance pricing incentivizes all businesses to harvest as much of our personal data as possible. Some businesses will use it for their own surveillance pricing. Other businesses, which might not themselves use it this way, will sell it to data brokers, which in turn will sell it to others for use in surveillance pricing.

Second, surveillance pricing can disparately burden people of color and other vulnerable groups. For example, surveillance pricing led to Asian people being offered a higher price for test prep services,<sup>2</sup> older people being offered a higher price for dating services,<sup>3</sup>

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<sup>1</sup> <https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-surveillance-pricing-study-indicates-wide-range-personal-data-used-set-individualized-consumer>.

<sup>2</sup> <https://www.propublica.org/article/asians-nearly-twice-as-likely-to-get-higher-price-from-princeton-review>.

<sup>3</sup> <https://www.mozillafoundation.org/en/blog/new-research-tinders-opaque-unfair-pricing-algorithm-can-charge-users-up-to-five-times-more-for-same-service/>.

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and people living in non-white neighborhoods being offered a higher price for a ride home.<sup>4</sup>

Third, surveillance pricing is opaque. Many people don't even know when they've been subjected to it. Those that do often cannot determine the unknown reasons for the price they're offered. As a result, consumer advocates will be less able to publish meaningful price comparisons to help consumers make choices. And regulators will be less able to identify unlawful pricing practices.

The key term of S.B. 2564 is short and sweet: "a retailer shall not engage in surveillance pricing." The banned practice is defined as: "[i] a customized price for a good for a specific consumer or group of consumers, [ii] based, in whole or in part, on personally identifiable information collected through electronic surveillance," including if that information is "acquired from a third party." In other words, "surveillance pricing" is a customized price based on personal information. The bill ensures effective enforcement by both government agencies and a private right of action.

For these reasons we respectfully ask for your AYE vote on A.B. 2564. Thank you.

Sincerely,



Rindala "Rin" Alajaji  
Associate Director of State Affairs  
Electronic Frontier Foundation

cc: The Honorable Chris Ward; Honorable Members and Committee Staff, Senate  
Committee Privacy, Digital Technologies, and Consumer Protection

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<sup>4</sup> <https://venturebeat.com/technology/researchers-find-racial-discrimination-in-dynamic-pricing-algorithms-used-by-uber-lyft-and-others>.