
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 446 (Ward) - Surveillance pricing

Version: July 17, 2025

Urgency: No

Hearing Date: August 29, 2025

Policy Vote: JUD. 10 - 2

Mandate: No

Consultant: Liah Burnley

Bill Summary: Prohibits surveillance pricing by grocery establishments, as specified.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on August 29, 2025

Fiscal Impact:

- The Department of Justice (DOJ) indicates a fiscal impact of approximately \$1 million or less (Unfair Competition Law Fund). DOJ notes that implementation of this bill will be dependent upon the appropriation of funds. DOJ will be unable to absorb the costs to comply with or implement the requirements of the bill within existing budgeted resources. DOJ reports that the Consumer Protection Section (CPS) within the Public Rights Division anticipates increased workloads in enforcing AB 446 beginning on January 1, 2026, and ongoing. The workload includes enforcement AB 446. CPS will require additional resources consisting of 2.0 Deputy Attorneys General (DAGs), 1.0 Associate Governmental Program Analysts (AGPA), 1.0 Special Investigator, and 1.0 Legal Secretary.
- Unknown, potentially significant costs to the state funded trial court system (Trial Court Trust Fund, General Fund) to adjudicate civil actions. Creating a new private cause of action that allows for the recovery of attorney's fees, and authorizing a new civil penalty with significant statutory damages, may lead to additional case filings that otherwise would not have been commenced. Expanding civil penalties and creating new causes of action could lead to lengthier and more complex court proceedings with attendant workload and resource costs to the court. The fiscal impact of this bill to the courts will depend on many unknowns, including the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.

Committee Amendments:

- Provide that "Grocery establishment" has the same meaning as "grocery establishment" as defined in subdivision (d) of Section 2502 of the Labor Code.

- Define “Surveillance pricing” as offering or setting a customized price *increase* for a good or service for a specific consumer or group of consumers, based, in whole or in part, on personally identifiable information collected through electronic surveillance technology. “Surveillance pricing” includes the use of technological methods, systems, or tools, including, but not limited to, sensors, cameras, device tracking, biometric monitoring, or other forms of observation or data collection, that are capable of gathering personally identifiable information about a consumer’s behavior, characteristics, location, or other personal attributes, whether in physical or digital environments.
- Prohibit a grocery establishment from engaging in surveillance pricing.
- Make conforming changes.

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