

FLOOR ALERT

AB 446 (Ward) – OPPOSE

Job Killer/Cost Driver

AB 446 (Ward) will increase prices on Californians by forcing businesses to end existing, consumer-friendly discounts or face litigation around those discounts! AB 446 will make it harder for businesses to offer discounts as described in the 3-step process below:

- **(1) AB 446 Outlaws All Information-Based Consumer-Friendly Discounts Across All Industries in California as “Surveillance Pricing” (See Sections 7200(c) & 7202(a)).** For example, a discount for “LA local residents” or “firefighters” would be outlawed as “surveillance pricing” because the discount is based on so-called “personally identifiable information” under **AB 446** – such as the address or profession of the customer.
- **(2) AB 446 Forces Employers to Cancel or Re-write Their Existing Discounts to Comply with AB 446’s Limited Forms of Allowable Discounts.** (See 7202(b)(2)-(5))
- **(3) AB 446 Further Limits Discounts by Requiring Businesses to Comply with Unworkable New Data/Privacy Obligations that Conflict with the California Consumer Privacy Act (CCPA).** Because these new obligations for discounts are unworkable or conflict with the CCPA, they will push businesses to end existing discounts to avoid violating **AB 446**.

We have offered amendments to go neutral. These amendments would have outlawed targeting any consumer for price increases, allowed discounts to continue, and removed data obligations that infringe on the CCPA’s text or regulations. Notably, the Senate has already passed a bill with a similar “discount exemption” – SB 259 (Wahab). However, these amendments have been repeatedly rejected.

VOTE NO ON AB 446 (Ward)

