



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

HB 148: AI Price Gouging And Wage Fixing Prohibition

Economic Matters Committee

Tuesday, February 10th - 1:00 PM

Chair Valderrama, Vice Chair Charkoudian, and Members of the Economic Matters Committee:

Advances in artificial intelligence and machine learning have fueled the mass collection and commercialization of personal data. While these technologies can improve efficiency and convenience, Maryland’s current legal framework has not kept pace with their most harmful economic uses, particularly surveillance pricing, digital redlining, and algorithmic wage suppression.

HB 148 addresses a growing problem: the use of surveillance data and artificial intelligence to set individualized prices and wages. These systems rely on extensive personal and behavioral data to predict how much a consumer is willing or able to pay, and how little a worker is willing to be paid without leaving. This practice enables price gouging, market manipulation, and discrimination at scale, often without consumers or workers ever knowing it is happening.

A Consumer Watchdog investigation documented numerous examples of what it calls “surveillance pricing.” Target charged customers up to \$100 more for the same television based solely on their physical location.¹ The Princeton Review used zip-code–based pricing that resulted in higher prices for students in areas with larger Asian populations.² Amazon adjusts prices millions of times a day.³ Google showed fewer ads for high-paying jobs to women.⁴ Instacart has been found to charge different customers different prices for the same item.⁵

These practices are not transparent, not meaningfully disclosed, and not subject to meaningful oversight. While companies argue these tools improve efficiency, they also create new forms of digital collusion and discrimination that traditional consumer protection laws were never designed to address.

¹ Kloczko, J. (2025, February 7). [New report details how companies use surveillance to charge different prices for the same item](#). *Consumer Watchdog*.

² “Asians Nearly Twice as Likely to Get Higher Price from Princeton Review.” *ProPublica*

³ “Amazon Dynamic Pricing: How It Works & What Sellers Need to Know.” *Influencer Marketing Hub*

⁴ “Asians Nearly Twice as Likely to Get Higher Price from Princeton Review.” *ProPublica*

⁵ “Instacart is using AI Algorithms to Charge Customers Different Prices for the Same Items” *More Perfect Union*

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The same logic is now being applied to wages. Surveillance-based wage fixing uses personal and demographic data unrelated to job performance—such as race, gender, financial stress, or employment history—to determine the lowest possible compensation a worker will accept. This risks entrenching existing inequities and disproportionately harms workers already vulnerable to wage theft, discrimination, and unsafe working conditions.

By prohibiting the use of artificial intelligence and surveillance data for price gouging and wage fixing, HB 148 modernizes Maryland’s consumer and labor protections for the digital economy. It draws a clear line: emerging technologies may be used to innovate, but not to exploit, discriminate, or undermine fair markets.

I urge the Committee to give a favorable report on HB 0148.