



**SB889 Consumer Protection and Labor and Employment – Electronic Shelving Labels 3 and Surveillance–Based Price and Wage Setting – Prohibitions**  
**Position: FAV**

March 12, 2026

The Honorable Pam Beidle, Chair  
Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, Maryland 21401  
cc: Members, Senate Finance

Chair Beidle and Members of the Committee,

Economic Action Maryland Fund is here in strong support of SB387.

Each year, our Securing Older Adult Resources (SOAR), Tenant Advocacy, and Fair Housing programs serve nearly 2000 older adults and renters who struggle to make ends meet.

The high cost of groceries came up as a point of stress for them again and again. In a recent survey we conducted of more than 500 Marylanders, 73% said that skyrocketing food prices had the greatest impact on their economic security.

Maryland families work hard to put food on the table. But this is becoming harder and harder to do. While there are many factors that contribute to the soaring cost of groceries that are outside of our control, technology is something that we can manage to ensure it does not contribute to rising prices.

Technology can be used to increase price transparency and competition but instead grocery store chains are collecting reams of personal data in order to charge people different prices for the same bag of groceries. Grocery stores are doing this through the use of dynamic pricing and surveillance pricing. Grocery stores are moving from traditional labels to electronic labels which can change prices at the flip of a switch-and that’s part of the issue.

Surveillance pricing is when grocery store chains collect reams of personal data on customers in order to charge people different prices for the same bag of groceries. Why should one customer be charged more for a loaf of bread than another based on personal data? This practice distorts the market, may be based on error-filled data, and skews the market by using these ‘black box’ models to set prices.

*Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.*

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This predatory pricing model is often used online as well. It hits older adults hard since many rely on online shopping where it is more difficult for them to compare items between stores or see price differences. Similarly 36% of Baltimore City households do not have cars. These residents and those of people with mobility issues are uniquely vulnerable to these black box pricing models since they are more likely to either shop at the nearest store or rely on online retailers for their groceries.

### **Technology and Wages**

As new technologies emerge, they hold the potential to both spur innovation as well as reinforce discrimination. Many companies are embracing the use of algorithms to assist in a number of ways including employment screening. However, a recent survey of 500 employers found that a number of industries including customer service, logistics, healthcare, and retail are using black box AI and algorithms to set compensation and calculate individual wages.

This flies in the face of the U.S. long embrace of meritocracy-if you work hard, you will be successful. Instead, with the use of these technologies, corporations can set individual wages per hour. Inverting the idea of hard work leads to better wages, research has found that the longer hours individuals worked, the lower their pay<sup>1</sup>.

Predictive analytics may assess a worker's 'elasticity' for low pay; system errors such as penalizing drivers for others accidents or road work when the system was supposed to assess road conditions results in unfair errors that affected pay, and the black box nature of the data may impede organizing for better wages and working conditions, particularly for gig workers. As low-wage and gig workers live from paycheck to paycheck, Maryland must ensure technologies help workers to thrive rather than depress wages and bonuses.

SB889 simply protects hardworking Marylanders from predatory technology that eliminates the public price of a good and sets higher prices for certain individuals based on the time that they shop or personal characteristics. It also addresses the use of algorithms in hiring. These tools distort the marketplace, create asymmetrical information, and have the potential to harm Marylanders as workers and consumers.

For all these reasons, we support SB889 and urge a favorable report.

Best,

Marceline White  
Executive Director

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<https://equitablegrowth.org/how-artificial-intelligence-uncouples-hard-work-from-fair-wages-through-surveillance-pay-practices-and-how-to-fix-it/>

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