

HB25-1264: Prohibiting Surveillance Data to Set Prices and Wages

Sponsors: Rep. Mabrey & Garcia and Sens. Jodeh & Weissman

Large corporations collect information about where we go, what we watch, what we like, who we know, what food we buy, our financial circumstances, and our political affiliations. Giant firms run those data points through algorithms to set individualized prices and wages, rigging the market to charge us as much as possible for goods and services and pay us as little as possible for our work. Such surveillance price and wage setting poses extraordinary risks to our privacy, allows large, dominant corporations to increase their power in the market and over all of us, and results in higher prices and lower wages at a time when people across the country are struggling to make ends meet.

Although the prevalence of surveillance prices and wages may be difficult to measure, a January [2025 Federal Trade Commission report](#) suggests that surveillance pricing tools are actively being developed and marketed across a range of industries, including consumer-facing businesses like “grocery stores, apparel retailers, health and beauty retailers, home goods and furnishing stores, convenience stores, building and hardware stores, and general merchandise retailers such as department or discount stores.” Two of the companies the FTC examined specifically market to financial services companies, including credit card companies.

HB25-1264 would ban surveillance-based price and wage discrimination in Colorado:

- Prohibits surveillance based price discrimination from generating individualized prices based on personal characteristics, behaviors, or biometrics
- Prohibits surveillance based wage discrimination from generating individualized wages based on private personal data that is divorced from the performance of work
- Protects people’s privacy by reducing incentives to gather, purchase, and process personal data
- Protects the free market from increased domination by the large corporations with unique access to the data and processing power needed to engage in these practices
- Allows dynamic pricing that changes over time, individualized pricing based on data provided in a consumer report covered by the Fair Credit Reporting Act, differential prices based on differences in cost, individualized insurance premiums based on risk-relevant data, and discounts for groups that comply with anti-discrimination laws
- Allows performance and cost-based wage setting related to worker geography, performance, and seniority

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