



March 26, 2026

The Honorable Robert Britto
Chairman, Senate Commerce Committee
Rhode Island State House
Providence, RI 02903

Oppose S2428

Dear Chairman Britto and Members of the Senate Commerce Committee:

On behalf of the Rhode Island Retail Federation and our member businesses across the state, I respectfully submit this letter in **opposition to S 2428, the proposed “Surveillance Pricing and Online Retailing Act.”**

Retailers share the General Assembly’s commitment to fairness and transparency in the marketplace. Consumers should not be misled or subjected to deceptive practices. However, S 2428, as drafted, creates significant legal ambiguity and operational challenges that may ultimately increase costs and reduce innovation in Rhode Island’s digital economy.

The bill prohibits “algorithmic price increases” when prices are influenced by individualized personal data and exceed a defined “baseline price.” While well-intentioned, the concept of a single, uniform baseline price does not reflect the realities of modern e-commerce. Online pricing is dynamic and influenced by numerous legitimate factors, including inventory levels, supplier costs, shipping logistics, regional demand, fraud prevention measures, and competitive conditions. Determining what a uniform price “would have been” absent certain data inputs introduces uncertainty and potential dispute.

Retailers use data analytics to enhance efficiency, manage risk, and deliver competitive pricing. These tools allow businesses to optimize supply chains, reduce waste, and tailor promotions in ways that often benefit consumers. Restricting the use of data in pricing decisions — particularly through a broad and undefined standard — risks chilling innovation and creating compliance burdens that disproportionately affect smaller retailers and emerging digital businesses.

The bill also creates enforcement exposure under Rhode Island’s deceptive trade practices framework, with penalties assessed per violation. For retailers operating in multiple states, a Rhode Island-specific pricing regime would require complex system adjustments, monitoring

mechanisms, and legal review. Those costs do not disappear — they are absorbed into operational expenses and may ultimately impact consumer pricing.

Importantly, existing federal and state consumer protection laws already prohibit deceptive or unfair pricing practices. Retailers remain accountable under those standards. Creating a new and distinct regulatory structure for algorithmic pricing may generate overlap, inconsistency, and unintended consequences.

Rhode Island retailers are committed to transparency and consumer trust. S 2428 would impose substantial compliance challenges without clear evidence of widespread abuse that existing law cannot address.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink that reads "Laurie White". The signature is written in a cursive, flowing style.

Laurie White, President
Rhode Island Retail Federation