



# A.10188 (Magnarelli)

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<p><b>BILL</b></p> <p>A.10188 (Magnarelli)</p>
<p><b>SUBJECT</b></p> <p>Online Grocery Delivery Pricing</p>
<p><b>DATE</b></p> <p>April 20, 2026</p>
<p><b>OPPOSE</b></p>

The Business Council of New York State opposes A.10188 (Magnarelli) which adds a new article 38-C to the General Business Law to require food retailers that offer grocery deliver services disclose whether the online price for items is more, less or the same as its in-store price.

Online grocery sales have grown over the years as consumer behavior has shifted. Some retailers utilize in-house platforms, while others rely on third-party platforms. Given the rapid expansion of this service, The Business Council supports pricing transparency for consumers. Yet, while the intent of this legislation is to enhance transparency around grocery deliver and in-store pick up services, it could have severe unintended consequences for consumers, retail food businesses (large and small) and grocery delivery platforms because it fails to address several operation concerns.

Due to the real-time disclosure for every item offered on a delivery/online platform, this legislation will require businesses to adopt a highly complex and labor-intensive process of monitoring price changes for thousands of products across storefronts. This is an enormous operational task for a larger retailer and could completely deter a smaller retail business or corner grocery store from offering online grocery delivery (via third-party platforms) because of operational and compliance burdens. If this were to happen, it could have consequences for that business by inadvertently shrinking its footprint, customer base, and revenue, and reducing competition in the market. In recent years, there have been many policy proposals around market concentration and market competition. This bill will most certainly squeeze smaller business out of the online grocery market. It would also directly impact consumers, like those that are homebound and unable to get to the grocery store and could further diminish food access in food deserts and underserved communities.

Enactment of this legislation could also exacerbate affordability concerns and increase grocery prices. Stores would have to invest in additional technology to meet the demands of this burdensome and unmanageable process and hire

additional staff to comply with new administrative requirements, which adds to operational costs, and therefore, the cost of doing business. Further, this process could potentially disincentivize beneficial dynamic pricing practices that allow stores to place items "on sale" or implement day of promotional pricing.

The Business Council requests changes to the language of the bill which would address our concerns:

- The bill currently requires that the disclosure should indicate whether "the online price is higher or lower than the in-store price." Rather, we propose language that would provide a solution to our operational concerns, while still satisfying the underlying intent of the bill: "the online price of products may differ from the in-store price."
- Any changes to current practice will require technological enhancements. Therefore, the effective date proposed in the legislation is unworkable. We propose the effective date be extended to one-hundred and eighty days to allow for platforms and retailers to make the necessary changes to comply with the requirements of this legislation.

Absent changes to the legislation to address our concerns, The Business Council opposes the adoption of A.10199 (Magnarelli) and respectfully urges the Legislature to reject passage.