

# S.8616 (Gianaris)

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<b>BILL</b> S.8616 (Gianaris)
<b>SUBJECT</b> Bans Beneficial Shelving Labels & Consumer Discounts in Grocery & Drug Retail Stores
<b>DATE</b> May 08, 2026
<b>OPPOSE</b>

The Business Council issues this Memo of Opposition on the “Protecting Consumers and Jobs from Discriminatory Pricing Act” (S.8616 Gianaris), which bans the use of electronic shelving labels (ESL) and personalized algorithmic pricing in grocery and drug retail stores. The Business Council with a variety of unintended consequences that will be created if this bill becomes law, including preventing beneficial pricing innovations and consumer discounts.

Proponents of this bill assert that grocery and drug stores change prices based on who is walking down the aisle, which is false. Stores that utilize ESL can offer lower prices to match competitor pricing, optimize inventory (ie. clearance pricing) and reduce price inaccuracies.

Electronic shelving labels (ESLs) offer retailers a range of meaningful operational and consumer benefits that make them a valuable investment across businesses of all sizes. On the labor side, ESLs free up associates from the time-consuming task of manually updating pricing signage, allowing staff to be redeployed toward more productive, customer-facing roles. Perhaps most significantly, ESLs enable retailers to respond rapidly to inflation and competitor pricing, ensuring shelf prices remain accurate and competitive without delay.

This agility also extends to perishable goods management – some stores have found that dynamically adjusting prices on near-expiration products helps significantly reduce food waste. Contrary to concerns about price manipulation, a 2025 study covering 2019–2024 found virtually no evidence of surge pricing linked to digital labels; in fact, discounts became *more* common after their introduction.

Banning or restricting ESLs would carry real unintended consequences: it could stifle beneficial pricing innovations like dynamic discounts on expiring items, raise overall prices by limiting inventory optimization, and disproportionately harm smaller retailers who rely on automated pricing tools to compete

efficiently. Rather than increasing price inaccuracy, ESLs help align shelf, checkout, and promotional pricing – reducing compliance risk and improving the overall shopping experience.

As New Yorkers grapple with affordability every day, the last thing the Legislature should consider is a bill which would prevent companies from offering them personalized discounts on everyday items which they frequently purchase or promotions, or enact laws which inhibit technological innovation that allow retailers to quickly and efficiently lower prices to match competitors or discount inventory.

To protect beneficial competitive pricing for consumers and to preserve consumer discounts, The Business Council urges the Legislature to reject passage of S.8616 (Gianaris).