



August 2, 2019

The Honorable Hannah-Beth Jackson
California State Capitol, Room 5150
Sacramento, CA 94249-0024

Re: **AB 846 – as amended 07-11-19
SUPPORT**

Dear Senator Jackson:

We are organizations dedicated to protecting consumer data privacy. We write to inform you that we support AB 846, as amended on July 11.

This bill would amend the California Consumer Privacy Act to add a new Section 126, which would provide that a business may offer a different price or quality in connection with a loyalty club. The bill would provide the following safeguards: the consumer's participation would have to be voluntary (part a); the differences in price or quality could not be unjust, unreasonable, coercive, or usurious (part b); and a business could not sell personal information collected as part of a loyalty club (part e).

We strongly oppose pay-for-privacy systems, in which a business may charge a consumer a higher price if they refuse to allow the business to have their personal information. Nonetheless, we do not oppose statutory authorization of loyalty clubs to provide discounts to consumers who share their personal information, provided that such loyalty clubs are forbidden from selling this information. *See* Letter of June 27, 2019.

We request one additional privacy safeguard. Specifically, please add the following as a new Section 126(f): “A business that offers a loyalty, rewards, premium features, discounts, or club card shall comply with subdivision (b) of Section 1798.125.” This will ensure, for example, that when a consumer refuses to allow a loyalty club to collect their personal information, the club cannot charge them a higher price that lacks a direct and reasonable relationship to the value of the information.

Sincerely,

Ariel Fox Johnson, Common Sense Media
Joe Rideout, Consumer Action
Susan Grant, Consumer Federation
Maureen Mahoney, Consumer Reports
Lee Tien, Electronic Frontier Foundation
Tracy Rosenberg, Media Alliance and Oakland Privacy
Emory Roane, Privacy Rights Clearinghouse

Cc: Members and Committee Staff, Senate Judiciary Committee