

LFC Requester:

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)**

*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** 2/18/2025 *Check all that apply:*  
**Bill Number:** House Bill 285 Original  Correction   
 Amendment  Substitute

**Sponsor:** Sarah Silva & Javier Martinez **Agency Name and Code:** Economic Development Department  
**Short Title:** Use of Certain Dynamic Pricing as Unfair **Number:** 41900  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	0		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: House Bill 285 amends the Unfair Practices Act to prohibit the use of dynamic pricing in grocery and retail stores under certain conditions. Specifically, it prevents price changes during emergencies or high demand events and prohibits pricing adjustments based on personal data or purchasing patterns. The bill also mandates conspicuous signage informing customers of dynamic pricing practices and their rights regarding personal data collection.

#### **FISCAL IMPLICATIONS**

The bill does not include a direct appropriation. However, the New Mexico Attorney General's Office who would enforce these new provisions may require additional resources. Increased enforcement efforts could impact the need for additional staff or technology, leading to potential indirect fiscal impacts.

#### **SIGNIFICANT ISSUES**

The bill addresses concerns regarding fairness and consumer protection in digital pricing. Dynamic pricing can lead to price changes that disproportionately impact low-income individuals, especially during emergencies or supply chain disruptions. The prohibition of price adjustments based on consumer data aims to prevent potential privacy violations and discriminatory pricing. However, the bill could limit the flexibility of small businesses to respond to supply and demand fluctuations.

The requirement for conspicuous signage ensures transparency, but enforcement mechanisms for compliance are not mentioned in the bill. It also does not specify penalties for noncompliance, which could impact its effectiveness.

#### **PERFORMANCE IMPLICATIONS**

#### **ADMINISTRATIVE IMPLICATIONS**

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

#### **TECHNICAL ISSUES**

The bill does not define the process for enforcing violations or outline penalties for noncompliance.

The definition of “supply chain disruptions” may require a more specific definition to determine when dynamic pricing would be restricted.

#### **OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**