

## ALGORITHMIC PRICING

Introduced

Risk: High

Comprehensive

Last Action (Feb 18, 2026): Added Co-Sponsor Rep. Michael Crawford

## Summary

The Preventing Algorithmic Pricing Act mandates disclosure of algorithmic pricing based on personal data, prohibits its use under specific conditions, amends the Consumer Fraud and Deceptive Business Practices Act, and limits home rule. It exempts financial services and insurers.

## Business Impact

If you use AI for pricing in Illinois, you must disclose algorithmic pricing based on personal data by January 1, 2025, or face penalties.

## Key Provisions

- Requires disclosure of algorithmic pricing based on personal data.
- Prohibits the use of algorithmic pricing under specific conditions.
- Empowers the Attorney General to seek injunctions for violations with a 5-day notice to the defendant.
- Imposes civil penalties of up to \$1,000 per violation.
- Exempts licensed insurers, excess lines insurers, and certain financial services from the Act.
- Classifies violations as unlawful practices under the Consumer Fraud and Deceptive Business Practices Act.
- Limits home rule authority regarding algorithmic pricing regulations.
- Defines terms related to algorithmic pricing.

## Compliance Checklist

- Include clear disclosure in advertisements for algorithmic pricing. | Who: Businesses utilizing personalized algorithmic pricing. | Penalty: Up to \$1,000 for each violation.
- Avoid using protected class data in pricing decisions. | Who: Businesses involved in pricing goods or services. | Penalty: Classified as an unlawful practice under the Consumer Fraud Act.

## Industries Affected

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Financial Services

E-commerce

Technology

Finance

Advertising

Retail

Consumer Protection

## Topics

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Automated Decision-Making

AI Privacy

Algorithmic Pricing

## Bill Sponsors

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Name	Party	Role
Kathleen Willis		Primary
David B. Reis		Primary
Patrick J. Verschoore		Primary
Michael J. Zalewski		Primary
Michael J. Madigan		Primary
Aaron Schock		Primary
Monique D. Davis		Primary
Thomas Holbrook		Primary
MADIGAN,MJ		Cosponsor
CURRIE		Cosponsor
MURPHY		Cosponsor
MORROW		Cosponsor

## Related Bills

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- HB5323 (IL)
- HB4717 (IL)
- S07033 (NY)

## Official Source

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<https://www.ilga.gov/Legislation/BillStatus?DocNum=4544&GAID;=18&DocTypeID;=HB&SessionID;=114&GA;=104>

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