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New York Senate Majority Advances Legislation to Lower Costs and Increase Pricing Transparency for New Yorkers

(Albany, N.Y.) Today, the Senate Democratic Majority is advancing a comprehensive legislative package to lower costs for New Yorkers and ensure greater transparency in pricing across essential goods and services. From prescription drug costs and energy rates to subscription services and grocery prices, this package addresses financial burdens that impact families across the state, strengthening the Senate Democratic Majority's commitment to affordability and consumer protection.

This sweeping package targets key cost drivers that burden New Yorkers daily, tackling hidden fees, deceptive pricing, and barriers to financial transparency. It includes measures to crack down on prescription drug price manipulation, requiring disclosure of anti-competitive "pay-for-delay" agreements that keep generic medications off the market. It strengthens energy pricing transparency, mandating clear comparisons between energy service company (ESCO) rates and standard utility prices. It also ensures honest grocery pricing by requiring online food retailers to disclose when their prices differ from in-store rates. Additionally, the package makes it easier for consumers to cancel subscription services, preventing companies from locking users into costly, hard-to-exit contracts. And to support both local farmers and low-income families, the legislation expands access to fresh, locally grown food by providing SNAP recipients with extra purchasing power when buying nutritious produce. Together, these reforms offer immediate financial relief and long-term protections for consumers, making New York a fairer and more affordable place to live.

Senate Majority Leader Andrea Stewart-Cousins said, "This legislative package is about putting money back where it belongs—in the hands of hardworking New Yorkers. By cracking down on hidden fees, deceptive pricing, and corporate practices that drive up costs, we're standing up for consumers and holding corporations accountable. From stopping prescription

drug price manipulation to increasing transparency in grocery and energy pricing to making it easier to cancel unwanted subscriptions, we are addressing the everyday challenges that strain family budgets. We remain committed to building a fairer economy and a stronger future for all. I want to thank the bill sponsors for their dedication to this fight and their commitment to easing the financial burden on New Yorkers."

The legislation being passed by the Senate Democratic Majority includes:

- **Disclosure of Pay-for-Delay Agreements**: This bill, <u>S.488</u>, sponsored by Senator Nathalia Fernandez, would require drug manufacturers to report all pay for delay agreements to the Attorney General's Office (AG). The AG's office would subsequently report to other state and outside entities and post the notice in a searchable database on its website. Brand-name drug manufacturers typically use pay for delay agreements to delay the entry of lower-cost generic drugs into the market.
- Making it easier to cancel subscription services through mobile apps: This bill, S.4391, sponsored by Senator Andrew Gounardes, would require mobile applications on cell phones, smart phones, and tablets that offer a subscription service to provide an option to cancel the subscription on its application.
- Requires comparison of prices charged by energy service companies: This bill, S.3876, sponsored by Senator Brad Hoylman-Sigal, would require a side-by-side comparison on the first page of ESCO customers billing statements of the price the ESCO charged during the prior billing period, compared to the price the customer would have paid if they received service from their local utility corporation or municipality.
- **Prescription Drug Supply Chain Transparency Act**: This bill, <u>S.438</u>, sponsored by Senator Zellnor Myrie, requires pharmacy services administrative organizations, switch companies, and rebate aggregators to register with the Department of Financial Services. These companies will have to provide certain disclosures like ownership, structure, and audited financials to the Department. The Department will post the information in a searchable database on its website.
- The New York Healthy Incentive Program (NYHIP): This bill, <u>S.1281</u>, sponsored by Senator Roxanne J. Persaud would establish NYHIP to allow recipients to receive earned SNAP dollars for every dollar they spend on locally grown produce and other locally grown healthy foods. The program would incentivize fresh and healthy food purchases using SNAP benefits and increase local investments in farms and farm-to-consumer entities.
- Ensuring pricing transparency for online grocery delivery and pick-up services: This bill, <u>S.4433</u>, sponsored by Senator James Skoufis, would require grocery stores, food retailers and third party platforms to clearly state and disclose on their website and or app if there is a difference in the price of a product ordered online compared to the price of the same product if it is bought in-store.

Bill Sponsor Senator Nathalia Fernandez said, "New Yorkers are paying the price for prescription drug monopolies that put profits before people. The Manufacturer Disclosure and Transparency Act (S488) will expose the pay-for-delay deals that keep affordable medication off

the market and drive up costs for consumers. Transparency is the first step toward accountability, and this bill ensures that drug manufacturers can no longer hide behind secrecy while everyday people struggle to afford their prescriptions."

Bill Sponsor Senator Andrew Gounardes said, "New Yorkers deserve straightforward, honest business practices when they're using mobile apps, but too many tech companies are forcing them into Pan's Labyrinth just to unsubscribe from a service. This is a classic digital hustle, and it's time to put a stop to it. My bill requires all mobile apps designed to deliver digital services to provide users the option to cancel the subscription through the app itself, the same way they signed up. Easy, fair, no nonsense—the way it should be."

Bill Sponsor Senator Brad Hoylman-Sigal said, "While the Trump administration is focused on cutting taxes for billionaires, thanks to Majority Leader Stewart-Cousins the New York State Senate is making life more affordable for working class New Yorkers. The package of bills we are passing today will help eliminate hidden fees and ensure that New Yorkers have the information they need to make the best financial decisions for their families. My bill, S.3876, will require energy service companies (ESCOs) to list side-by-side comparisons on their bills to show what they are charging for their energy services compared to what local utility companies are charging. ESCOs often claim to be saving New Yorkers money. Our bill will simply require them to put their money where their mouth is and demonstrate evidence backing up those claims on each bill."

Bill Sponsor Senator Zellnor Myrie said, "Too many New Yorkers are forced to choose between paying for prescriptions and keeping a roof over their head or food on the table. I'm proud the Senate is passing my legislation to pull back the curtain on middlemen driving up costs at the pharmacy counter, helping more New Yorkers afford the medications they need. I'm grateful to my Senate colleagues for adopting this legislative package to reduce the cost of living, and look forward to getting this bill signed into law."

Bill Sponsor Senator Roxanne J. Persaud said, "S1281 is a piece of legislation that benefits both food-insecure households and farmers by creating a statewide SNAP Healthy Incentives Program. This program would enable SNAP recipients to use their benefits to purchase community-supported agriculture (CSA) shares. By incentivizing New Yorkers to buy fresh, healthy, and locally sourced food with their SNAP benefits, the program will enhance public health and give struggling families more purchasing power."

Bill Sponsor Senator James Skoufis said, "Busy lives necessitate convenience, and online ordering and grocery delivery has grown exponentially in the past decade. This is great for convenience, but when retailers and third-party services mark up the price of products over the price offered in stores - in addition to delivery and service fees - it can be hard on the wallet. With affordability top of mind for all New Yorkers, this bill provides transparency, requiring a clear disclosure of pricing changes. For some, time is money, and convenience is worth paying for, but this law would allow consumers to make an informed choice for themselves."

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