

May 22, 2025

The Honorable Buffy Wicks, Chair Assembly Appropriations Committee 1021 O Street, Suite 8220 Sacramento, CA 95814 The Honorable Kate Sanchez, Vice Chair Assembly Appropriations Committee 1021 O Street, Suite 8220 Sacramento, CA 95814

RE: AB 325 (Aguiar-Curry) – Algorithmic Price Fixing

Dear Chair Wicks, Vice Chair Sanchez and members of the committee:

As a representative of the more than four million small businesses in California, Small Business Majority is pleased to support AB 325, which updates California's antitrust laws to combat the growing use of digital pricing algorithms for illegal price fixing, ensuring that modern technology does not become a tool for anti-competitive behavior that harms consumers and small businesses.

Small Business Majority is a small business organization with offices across California and throughout the United States that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our national network of more than 85,000 small businesses and 1,500 business and community organizations to deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth. Our work is bolstered by extensive research and deep connections with the small business community that enable us to educate stakeholders about key issues impacting entrepreneurs, with a special focus on the smallest businesses and those facing systemic inequities.

By passing AB 325, California will ensure that our antitrust laws keep pace with technological advancements and modern business practices. This legislation is crucial to preventing digital collusion, protecting consumers from artificially inflated prices, and safeguarding fair competition for small businesses. California must act decisively to prevent a regulatory gap that allows illegal price-fixing schemes to flourish.

Further, our research shows that there is a growing unlevel playing field between small and large companies, as underregulated technology platforms, corporate consolidations and pernicious business practices dramatically restrict markets and stifle competition.

A new opinion poll of 500 small business owners nationwide reveals that our nation's entrepreneurs are being harmed by myriad anti-competitive practices, and they strongly support policies to create a more equitable environment in which to do business – 84% of small businesses strongly favor a number of policies to make it easier for them to compete, and a staggering 83% agree for a more equitable playing field with their larger competitors

For these reasons, Small Business Majority supports and urges your support for AB 1312 (Schiavo).

Sincerely,

Bianca Blomquist California Director Small Business Majority