Women shouldn’t be charged more than men for substantially similar products. But the marketplace is riddled with examples of such injustice, and that’s why Consumer Federation of California (CFC) is sponsoring Senate Bill 899 (Hueso).

Many common consumer items that people rely on every day – from health and personal care products to clothing – cost more for girls and women than equivalent items that are marketed for boys and men. It’s sometimes called “the gender tax” or “the pink tax,” but it wasn’t imposed by any government. Instead, corporations seeking higher profits take it upon themselves to pad their prices for women’s and girls’ goods and pocket the difference. SB 899 will remedy that in California.

“All consumers, regardless of their gender, should pay the same price for the same product. Pink packaging or gender-based marketing is no justification for charging more. Anything less than an equal price is discrimination and blatantly unfair,” said Richard Hobober, CFC’s Executive Director.

Research conducted for the California Legislature in 1994 concluded that women paid $1,350 more than men for equivalent products and services annually. AB 1100 (Speier), the Gender Tax Repeal Act of 1995, barred gender-based pricing for services, such as dry cleaning and haircuts. Unfortunately, provisions that addressed price discrimination in products were amended out of the bill as it moved through the Legislature.

“It is unfair that female products are priced higher than men’s,” Senator Ben Hueso (D-San Diego) said when he introduced SB 899 earlier this year. “Why are retailers pulling extra money from women when data already shows that they earn about 84 cents for every dollar men earn? This needs
CFC Sponsors SB 899 (Hueso) To End Gender Bias In Retail Prices

Products for women and girls cost more 42% of the time.

to change. It’s about time we stand up to the retailers and fight for equal product pricing for all.”

SB 899 reflects the latest research on the issue: “From Cradle to Cane: The Cost of Being a Female Consumer,” published by the New York City Department of Consumer Affairs in December 2015. It examined nearly 800 individual retail items that are available nationwide and “had similar male and female versions and were closest in branding, ingredients, appearance, textile, construction, and/or marketing.” Overall, the study found products for women and girls cost more 42 percent of the time; on average, the difference was 7%.

Some of the most brazen examples:

- Senior and home health care products (canes, ankle and wrist braces, adult diapers, etc.): Studying over 100 items, researchers found that those marketed to women cost an average 8% more than similar products for men. Personal urinals – plain plastic containers for people with limited mobility, with little or no difference between men’s and women’s models – averaged 21% higher; supports and braces for backs and joints were 15% higher.

- Personal care products (the most frequently used – and bought – category): Of 122 items studied in this category, women’s cost 13% more overall, with items such as shampoo and conditioner running 48% higher and razors, razor cartridges and lotions all 11% higher – when the only apparent differences were in packaging, contours and color.

- Adult clothing: Of 292 comparable items, women’s apparel cost 8% more on average. Shirts for women averaged 15% higher than men’s, “dress shirts” 13%, and jeans 10%.

- Toys and accessories: With 106 products examined, average prices ran 7% higher for girls; female skateboarders’ and cyclists’ protective helmets and pads typically cost 13% more.

- Children’s clothing (168 items studied): Girls’ prices averaged 4% higher overall – and 13% higher for shirts in particular.

2016 LEGISLATIVE SUMMARY

SB 819 (Huff) Would prohibit the Department of Alcoholic Beverage Control from issuing a license to manufacture, distribute, or sell powdered alcohol, on penalty of license revocation; would also prohibit the possession, purchase, sale, distribution, manufacture, or use of powdered alcohol.

SB 1150 (Leno) Would prohibit a mortgage servicer or lender, upon notification that a borrower has died, from recording a notice of default for at least 30 days after requesting reasonable documentation of the death from the successor in interest. This would clarify the responsibilities of a lender under California’s Homeowner Bill of Rights when a borrower dies leaving a surviving homeowner who wishes to assume the loan.

SB 1441 (Leno) Would prohibit the Public Utilities Commission from allowing the cost of natural gas lost in the form of vented or fugitive natural gas emissions from being recouped from ratepayers. Would also set a January 1, 2020, deadline for the State Air Resources Board to adopt methane emissions reduction measures in order to achieve a reduction in methane emissions of at least 40% below 2012 methane emissions levels by 2025.

CFC-Opposed Bills

AB 2315 (Olsen) Would establish additional hurdles for civil actions pertaining to asbestos tort claims pursued by plaintiffs who may be suffering from fatal asbestos-related diseases such as mesothelioma and lung cancer; would also further burden plaintiffs over the age of 70 who seek an expedited trial due to their age.
On March 31, 2016, the Federal Communications Commission (FCC) voted to start writing rules to protect the privacy of broadband Internet customers. The Commission provided only a preliminary sketch of its potential regulation of Internet Service Providers (ISPs). These are companies that provide a higher-speed connection to the Internet, and include AT&T, Verizon, Comcast and Time Warner Cable.

The Consumer Federation of California (CFC) applauds this first step towards regulating the sale or sharing of Internet users’ names, addresses and other private data, such as the websites we visit and the search words we use.

FCC Chairman Tom Wheeler presented his outline for possible privacy rules. He would establish three information-sharing domains: No-Opt (a consumer cannot restrict personal information sharing) when the information is needed to provide the broadband service or the ISP wants to market other Internet services to you; Opt-Out (a consumer must take an extra step to stop the sharing of personal information) for the ISP to share with its affiliates to sell you other services; and Opt-In (the ISP must take an extra step to get your permission to share) before ISP hands your information to any other strangers.

These rules generally follow the three information-sharing domains of California’s path-breaking financial privacy law (SB 1 of 2003). Consumer Federation of California helped win this law, which has become the national standard for banks and brokerage firms.

In the coming months, the FCC will write the regulations that will determine whether Chairman Wheeler’s concept actually turns into meaningful privacy rights. The CFC plans to weigh in with our comments on several elements of privacy protection.

One crucial battle to come: Should consumers pay for privacy?

In CFC’s press release issued the day of the FCC vote I stated, “It is essential that any final FCC rule prohibits broadband carriers from charging extra for privacy. Privacy is a right that should not be available only to the wealthy.” My comments were prompted by AT&T’s rollout of new “Gigapower” Internet service in 20 cities. AT&T won’t stalk your online activity if you pay an additional $29 a month. We believe privacy is a right, not a luxury with a price tag. The FCC must not allow ISPs to charge a privacy fee which discriminates against consumers who can’t afford it.

Among other unresolved items the FCC must address: Who is an ISP’s “affiliate.” If a joint marketing arrangement defines an affiliation, the regulations would be gutted. CFC will call for affiliate definitions that include common branding and a high percentage of shared ownership. The FCC should also require ISPs to rigorously secure personal data from malicious attacks and negligent release, and define privacy rights to protect consumer and business Internet usage.

Broadband companies will certainly mount a fierce assault on any restrictions that the FCC may adopt on the swapping of private consumer information. Before the FCC voted 3-2 to start a privacy proceeding, CTIA, a trade association representing Verizon, AT&T and other telecom companies, urged the agency to refrain from adopting new rules. AT&T called FCC privacy regulation “bad for consumers.”

The ISPs are crying foul because the FCC has not asserted its jurisdiction over so-called “edge” providers such as Google, Facebook and other search engines, social networks and streamers of entertainment. In 2015 the FCC reclassified broadband providers as common carriers, like telephone companies. This gave the federal agency the authority to set privacy rules for ISPs. We disagree entirely with the likes of AT&T and Verizon. We believe that establishment of strong consumer privacy rights for ISP customers will pave the way for privacy protection throughout the online world.

Look for our action alerts asking you to add your voice in support of strong Internet privacy rights. Comments to the FCC are due by May 27.
ABOUT US
The Consumer Federation of California (CFC) is a nonprofit advocacy organization. Since 1960, CFC has been a powerful voice for consumer rights, campaigning for state and federal laws that place consumer protection ahead of corporate profit. Each year, CFC testifies before the California legislature on dozens of bills that affect millions of our state’s consumers and appears before state agencies in support of consumer regulations.
Contributions are not tax deductible.

KEEP IN TOUCH
Consumer Federation of California
1107 9th Street, Suite 625
Sacramento, CA 95814
Phone: (916) 498-9608
Fax: (916) 498-9611
Email: mail@consumercal.org
Website: www.consumercal.org
Jim Gordon, President
Richard Holober, Executive Director
Brian Taylor, Newsletter Editor

PRIVACY REVOLT

The Privacy Revolt Has Begun!
Protecting your personal right to privacy is a priority at Consumer Federation of California. Now we’ve doubled down on those efforts through a new campaign, Privacy Revolt! We’re building a grassroots movement through the campaign’s website – privacyrevolt.com – where you can take action against the invasion of privacy by corporate profilers and governmental snoops.

Calls to action are displayed on the home page. Please join the revolt on the website, and follow it on Facebook and Twitter: facebook.com/PrivacyRevolt, @privacyrevolt