POINT OF SALE ORDINANCE

CONSUMER PROTECTION ORDINANCE

REQUESTING CONCEPTUAL APPROVAL



CURRENT PROCESS & AUTHORITY

- From the California Business and Professions Code (BPC 12024.2),
 "It is unlawful for any person, at the time of sale of a commodity,
 to...charge an amount greater than the lowest price posted on the
 commodity itself or on a shelf tag that corresponds to the
 commodity"
- To enforce this regulation, inspectors can do price verification inspections to check the error rates on scanners, or Point of Sale (POS) devices.
- Staff walk around the store, pick a random sample of items, and write down the advertised price of the item, including any sales tags.
- The cashier scans each item, and the inspector checks to see if the scanned price is correct.



INSPECTIONS

- Between November 2024 and February 2025, the Department of Weights & Measures conducted 63 price verification inspections on stores throughout the county.
- These stores included:
 - Grocery stores
 - Dollar stores
 - Auto parts stores
 - Feed stores
 - Hardware stores
 - Retail stores like Walmart, Target, or TJ Maxx



FINDINGS

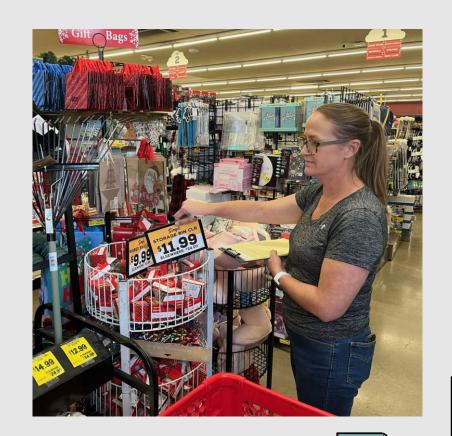
- 1. Of our 63 inspections:
- 27 (42.9%) resulted in overcharges
- 26 (41.3%) resulted in undercharges
- Some stores had both undercharges and overcharges.
- The total number of inspections with errors was 34 (54%)
- Over half of inspections resulted in a POS error of some kind.



4 25-1274 B 4 of 7

OVERCHARGES

- In transactions where overcharges occurred, an average of 8.5% of items were overcharged, although in some stores it was much higher.
- In one store, out of 26 items scanned, 9 of them (34.6%) resulted in overcharges.
- When an item was overcharged, the consumer was charged an average of 24.7% more than the price of the item.



25-<mark>12</mark>74 B 5 of

UNDERCHARGES

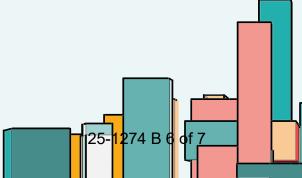
Undercharges represent lost revenue for local businesses and less sales tax collected for local governments.

In transactions where undercharges occurred, an average of 6.0% of items were undercharged.

When an item was undercharged, the consumer was charged an average of 19.8% less than the advertised price.

Consumer savings due to undercharges were far outweighed by the cost of overcharges.





THANK YOU

LeeAnne Mila

Agricultural Commissioner,

Sealer of Weights & Measures

