

POINT OF SALE ORDINANCE

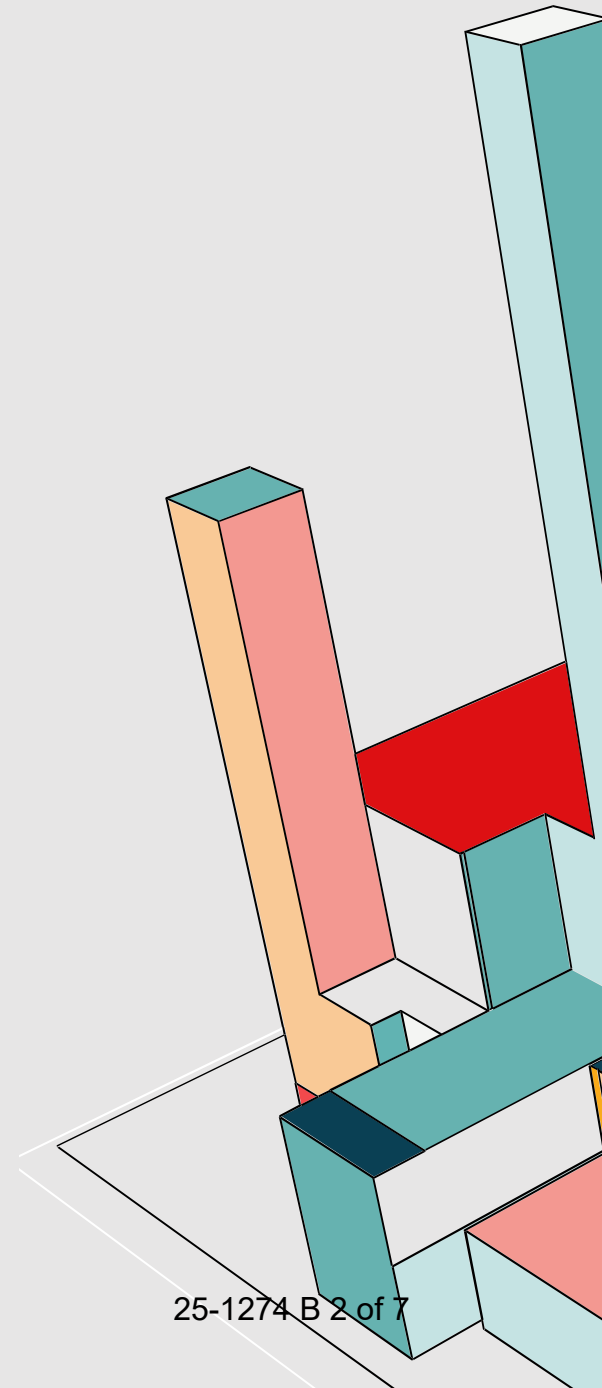
CONSUMER PROTECTION ORDINANCE

REQUESTING CONCEPTUAL APPROVAL



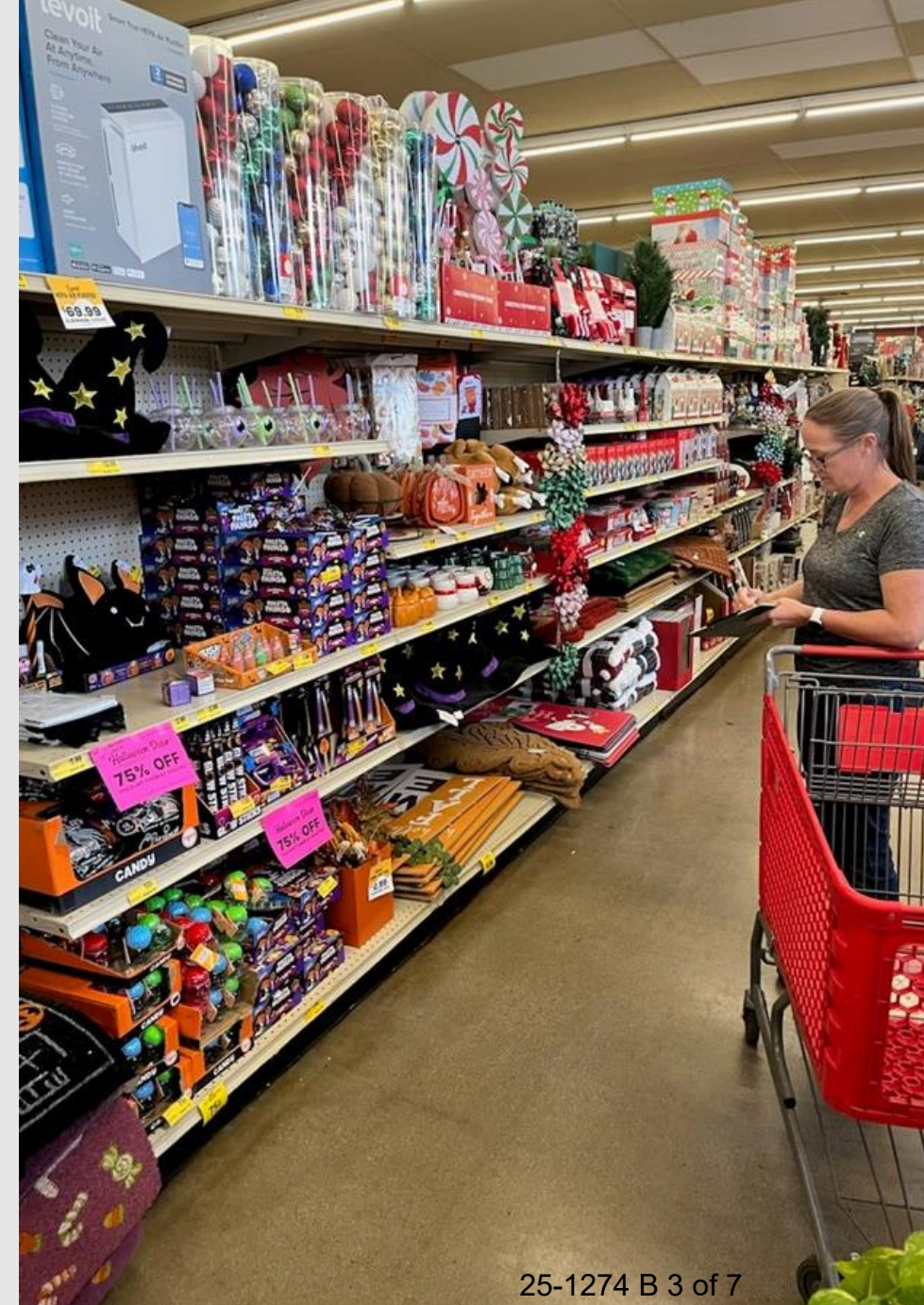
CURRENT PROCESS & AUTHORITY

- 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.



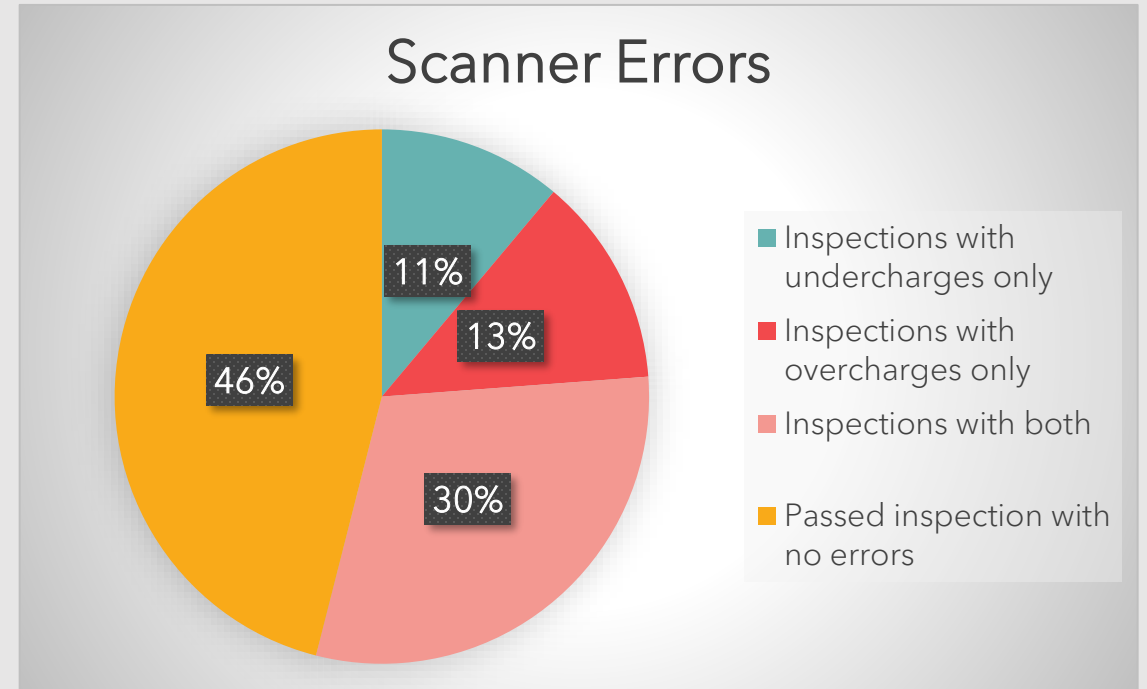
INSPECTIONS

- 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



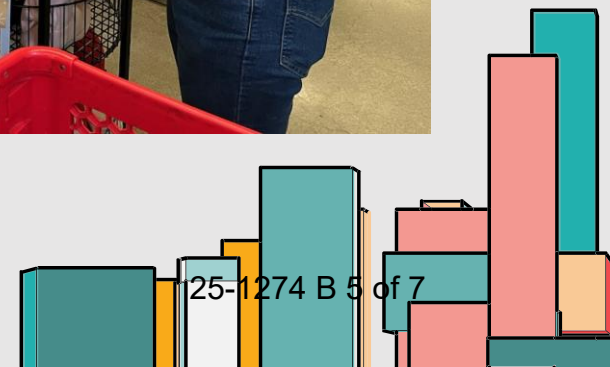
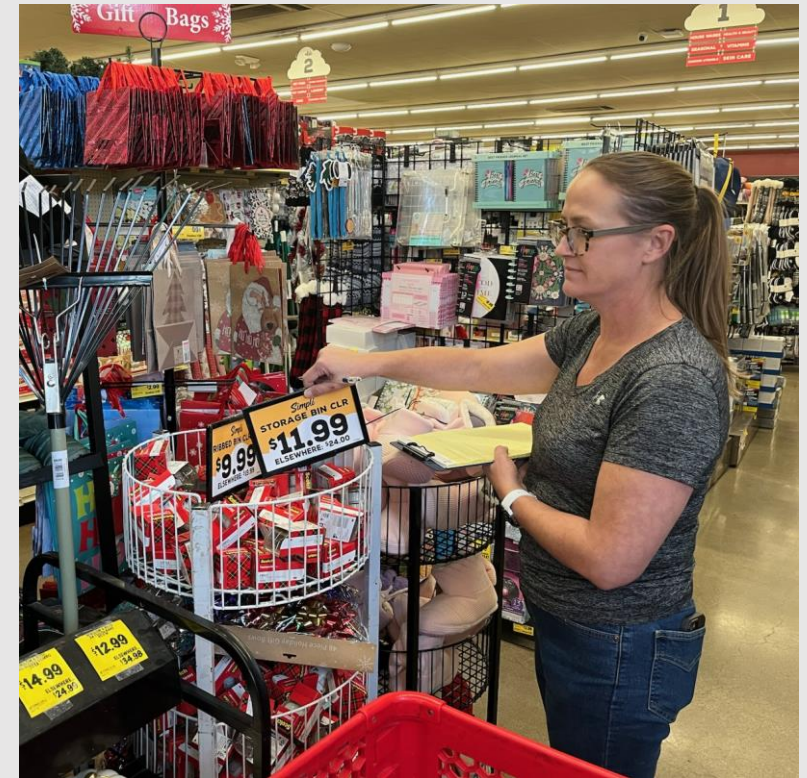
FINDINGS

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.



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.



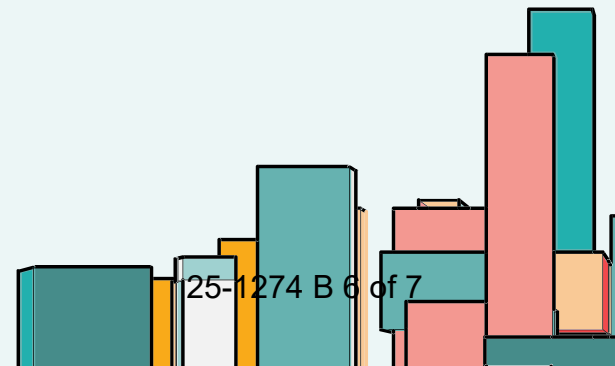
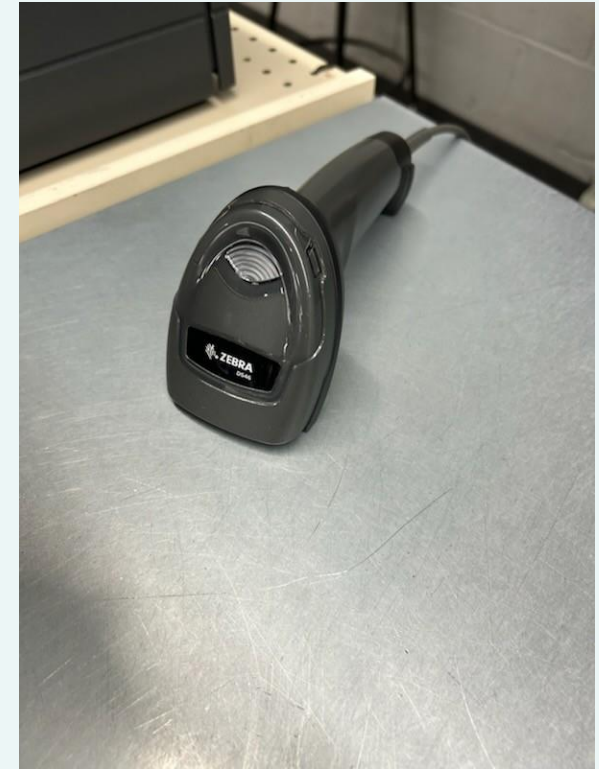
UNDERCHARGES

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

