

1 HOUSE BILL NO. 49
2 INTRODUCED BY BRADLEY

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE RETAILERS
5 USING COMPUTERIZED CHECK-OUT SYSTEMS TO DISCLOSE THE PRICE
6 OF CONSUMER COMMODITIES IN A CONSPICUOUS MANNER; PLACING
7 AUTHORITY AND RESPONSIBILITY IN THE DEPARTMENT OF BUSINESS
8 REGULATION."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Definitions. In this act the following
12 definitions apply:

13 (1) "Consumer commodity" means any food, drug, device,
14 cosmetic, or other product of any kind or class, except
15 drugs sold only by prescription, which is customarily
16 produced or distributed for sale through retail sales
17 agencies or instrumentalities for consumption or use by
18 individuals.

19 (2) "Department" means the department of business
20 regulation provided for in Title 82A, chapter 4.

21 (3) "Person" means individual, partnership,
22 corporation, or association.

23 (4) "Total price" means the full purchase price of a
24 consumer commodity without regard to units of weight,
25 measure, or count.

1 Section 2. Disclosure of price required. (1) Whenever
2 a computerized check-out system is used with respect to a
3 particular consumer commodity, each person who sells, offers
4 for sale, or exposes for sale at retail such commodity shall
5 conspicuously disclose the total price in arabic numerals by
6 stamping or affixing the price on or to the commodity
7 itself.

8 (2) However, the total price shall be conspicuously
9 disclosed by attachment of a stamp, tag, or label on the
10 shelf on which the consumer commodity is displayed or by
11 such other conspicuous means as the department may by rule
12 provide, if the means of disclosure provided for in
13 subsection (1):

14 (a) would not, with respect to a particular consumer
15 commodity, conspicuously display the price information; or

16 (b) is physically impracticable, with respect to a
17 particular consumer commodity, and would work an
18 unreasonable hardship on the seller.

19 Section 3. Rule-making power. The department may adopt
20 reasonable rules for the enforcement of this act.

21 Section 4. Investigations. The department shall
22 investigate complaints made to it concerning possible
23 violations of this act. It shall, upon its own initiative,
24 conduct investigations which it considers appropriate and
25 advisable to obtain information on possible violations.

1 Section 5. Report of violation to county attorney --
2 notice. Whenever the department has reasonable cause to
3 believe that this act or the rules adopted under it have
4 been violated, it shall:

5 (1) report the violation, together with all pertinent
6 information, to the county attorney for the county in which
7 the violation occurred, who shall institute appropriate
8 proceedings; and

9 (2) give written notice, together with a copy of the
10 report, to the person named in the report as having violated
11 this act. The notice shall state:

12 (a) that the report has been submitted to the county
13 attorney; and

14 (b) that each day of continued violation with respect
15 to a particular consumer commodity, after receipt of the
16 notice, is a separate offense.

17 Section 6. Penalty. (1) Each person who violates this
18 act is guilty of a misdemeanor.

19 (2) Each day of continued violation with respect to a
20 particular consumer commodity, after receipt of the notice
21 provided for in section 5, is a separate offense.

-End-

STATE OF MONTANA

REQUEST NO. 11-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 7, 19 77, there is hereby submitted a Fiscal Note for House Bill 49 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 49 requires retailers using computerized checkout systems to disclose the price in addition to UPC (Uniform Product Coding) of consumer commodities in a conspicuous manner, placing authority and responsibility in the Department of Business Regulation.

ASSUMPTIONS:

1. Computerized checkout systems fall within the definition of weights and measures (Section 90-153, R.C.M., 1947) and therefore are within the jurisdiction of the Weights and Measures Division/Department of Business Regulation.
2. The computerized checkout system constitutes a measuring system (scales are electronically controlled) and would require a periodic check for accuracy by the Division of Weights and Measures in accordance with Section 90-160.1, R.C.M., 1947. The number of scales to be inspected will remain unchanged.
3. Montana has a potential of approximately 700 users of computerized checkout systems with an average of four (4) checkout stands each (total of 2,800 potential computerized checkout systems).
4. Individual retail store inventories contain thousands of items and would be randomly inspected to ensure compliance with House Bill 49.
5. The Weights and Measures program staff would require two (2) additional FTE employees (2 investigators).

FISCAL IMPACT:

	<u>FY 78</u>	<u>FY 79</u>
2 Investigators I/Grade 11 (at \$11,671)	\$23,343	\$25,093
Overtime (200 hours at time and one-half)	1,683	1,810
Benefits at 14.5%	<u>3,629</u>	<u>3,901</u>
TOTAL PERSONAL SERVICES	<u>28,655</u>	<u>30,804</u>
Supplies	800	800
Communications	400	400
Travel	<u>13,600</u>	<u>13,600</u>
TOTAL OPERATING EXPENSES	<u>14,800</u>	<u>14,800</u>
Equipment	<u>2,000</u>	<u>500</u>
TOTAL ADDITIONAL EXPENDITURES FOR PROPOSED LAW	<u>\$45,455</u>	<u>\$46,104</u>

TECHNICAL NOTE:

The Department of Business Regulation suggests that Section 2 of the proposed legislation needs clarification and that it should be made a part of Chapter 1, Title 90, R.C.M., 1947.

Richard L. Zang
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-11-77