

SENATE BILL NO. 228

Introduced: 01/19/83

Referred to Committee on Business & Industry: 01/19/83
Died in Committee.

BILL NO. 228

INTRODUCED BY

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Lynch *Ed* *Law* *Jefferson* *Boyer* *Hoff* *Astoria*
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A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A GROCERY STORE USING AN AUTOMATIC CHECKOUT SYSTEM TO DISCLOSE THE PRICE OF CONSUMER COMMODITIES IN A CONSPICUOUS MANNER; REQUIRING THE DEPARTMENT OF COMMERCE TO INVESTIGATE POSSIBLE VIOLATIONS OF THIS REQUIREMENT; AND PROVIDING A PENALTY FOR VIOLATION."

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

Section 1. Definitions. Unless the context requires otherwise, in [this act] the following definitions apply:

(1) "Automatic checkout system" means a computer capable of interpreting the universal product code or any other code on an item offered for sale to determine the price of items being purchased, regardless of whether the code entry is accomplished manually by a human or automatically by a machine.

(2) "Consumer commodity" means:

(a) food, including all material, solid, liquid, or mixed, whether simple or compound, used or intended for consumption by human beings or domestic animals normally kept as household pets and all substances or ingredients to be added thereto for any purpose;

(b) napkins, facial tissue, toilet tissue, foil wrapping, plastic wrapping, paper toweling, and disposable plates;

(c) detergents, soaps, and other cleansing agents; and

(d) nonprescription drugs, hygiene products, and toiletries.

(3) "Department" means the department of commerce provided for in 2-15-1801.

(4) "Grocery department" means an area within a general retail merchandise store that is engaged primarily in the retail sale of packaged food rather than food prepared for immediate consumption on or off the premises.

(5) "Grocery store" means a store engaged primarily in the retail sale of packaged food rather than food prepared for consumption on the premises.

(6) "Sale item or special" means any consumer commodity offered in good faith, for a period of 14 days or less, on sale at a price below the normal price the item is usually sold for in that store.

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

Section 2. Disclosure of price required. Except as provided in [section 3], in any grocery store or grocery department using an automatic checkout system, a consumer

1 commodity sold or offered for sale at retail must have the
2 total price in Arabic numerals conspicuously affixed to the
3 commodity by a stamp, tag, label, or other marking device.

4 Section 3. Exemptions to disclosure requirement. The
5 provisions in [section 2] do not apply to any unpackaged
6 fresh food produce or to any consumer commodity under 3
7 cubic inches in size, weighing less than 3 ounces, or priced
8 under 40 cents; any consumer commodity offered as a sale
9 item or as a special; any business that has as its only
10 regular employees the owner thereof or the parent, spouse,
11 or child of such owner or, in addition thereto, not more
12 than two other regular employees; identical items within a
13 multi-item package; or items sold through a vending machine.

14 Section 4. Investigations. The department shall
15 investigate complaints made to it concerning possible
16 violations of [section 2]. The department shall, upon its
17 own initiative, conduct investigations that it considers
18 appropriate and advisable to obtain information on possible
19 violations.

20 Section 5. Report of violation to county attorney --
21 notice. (1) Whenever the department has reasonable cause to
22 believe that [section 2] has been violated, it shall report
23 the violation, together with all pertinent information, to
24 the county attorney for the county in which the violation
25 occurred, who shall institute appropriate proceedings.

1 (2) The department shall give written notice, together
2 with a copy of the report, to the person named in the report
3 as having violated [this act]. The notice must state that
4 the report has been submitted to the county attorney and
5 state the penalty provided in [section 6].

6 Section 6. Penalty. (1) A person who operates a
7 grocery store or grocery department in violation of [section
8 2] is guilty of a misdemeanor punishable as provided in
9 46-18-212.

10 (2) Each day of continued violation with respect to a
11 particular consumer commodity after receipt of the notice
12 provided for in [section 5] is a separate offense.

-End-

STATE OF MONTANA

REQUEST NO. 174-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 22, , 19 83 , there is hereby submitted a Fiscal Note for Senate Bill 228 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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:

Senate Bill 228 is an act requiring a grocery store using an automatic checkout system to disclose the price of consumer commodities in a conspicuous manner; requires the Department of Commerce to investigate possible violations of this requirement; and provides a penalty for violation.

ASSUMPTIONS:

- 1) It is assumed at least two investigations per year should be conducted. One investigation can be conducted at the time the weighing devices are inspected by the Bureau of Weights and Measures. The second investigation would require additional time and travel resulting in a cost of \$13,489.

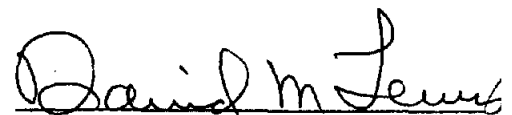
FISCAL IMPACT:

Additional cost to the general fund is \$13,489.

TECHNICAL NOTE:

Only stores using automatic checkout systems are required to give disclosure of prices on consumer commodities in a conspicuous manner. It appears that stores without this equipment would not have to comply with the disclosure.

FISCAL NOTE 6:K/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-25-83