



DIANNE JACOB
VICE CHAIRWOMAN
SUPERVISOR, SECOND DISTRICT
SAN DIEGO COUNTY BOARD OF SUPERVISORS

AGENDA ITEM

DATE: June 17, 2003
TO: Board of Supervisors
SUBJECT: **Creating Consumer Awareness About Scanner Accuracy (District: All)**
SUMMARY:

Overview

Recent projections by San Diego County's Department of Agriculture, Weights, and Measures estimate that automated price scanner overcharges could be costing this region's consumers in excess of \$100 million annually.

This action proposes steps that will empower the consumer with information that will protect them from point of sale scanning errors and overcharges through a program designed to publicly identify those stores that fail scanner inspections and to also recognize those stores that do pass scanner inspections.

Recommendation(s)

VICE CHAIRWOMAN JACOB:

- 1) Direct the Chief Administrative Officer to create a program to post, in each store with overcharges, a sign notifying the consumers of a failed scanner inspection.
- 2) Direct the Chief Administrative Officer to create a voluntary program to post, in each store showing no overcharges, a sign notifying the consumers of a positive scanner inspection.
- 3) Direct the Chief Administrative Officer to create a public notification program for consumers notifying them of their rights at every scanner location in the region.

Fiscal Impact

There is no fiscal impact as a result of this action.

BACKGROUND:

On January 12, 1999, the Board of Supervisors passed the "Consumer Protection Act of 1999" which requires all San Diego County retailers employing automated price scanning devices to register their scanners with the County and authorized County staff to test the systems for accuracy.

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Recent projections by San Diego County's Department of Agriculture, Weights, and Measures estimate that automated price scanner overcharges could be costing this region's consumers in excess of \$100 million annually.

The study found that errors in prices charged to customers are consistently in favor of the retailer across all categories of retail sales. Data collected from July 1999 through April 2003 show that more than half (54.5%) of inspections found violations that resulted in overcharges. The data also shows overcharges outnumber undercharges three-and-a-half to one.

Currently, the County's Department of Agriculture, Weights, and Measures provides a list of store locations with scanner violations to the public on their website, www.sdcawm.org. The department also has a complaint line for consumers that discover errors or inconsistencies between the shelf price and the scanned price.

But, more can and should be done to inform and protect local consumers. This action proposes to implement a requirement for a "posting" on-site of a failed inspection to warn consumers that there were recent overcharges at that particular location. Also, stores that show no overcharges may post a positive notification that will reward compliance and potentially may result in an increase of consumer confidence at that store.

This action further proposes to require the placement of consumer rights stickers or "postings" on every scanner to inform the consumers that they are entitled to the lowest advertised or posted price, despite the scanned price. The complaint line may also be posted on this sticker for consumers to report any suspected violations.

The data collected by the County of San Diego in the last four years can be projected to prove that local shoppers are losing millions of dollars due to scanner overcharges. With this knowledge, it is critical that the Board of Supervisors take a strong stance on behalf of consumers in order to empower local shoppers with information and resources to protect them from scanner overcharges.

I urge your support to protect consumers throughout San Diego County from scanner overcharges.

Respectfully submitted,

DIANNE JACOB
Vice Chairwoman
Supervisor, Second District

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AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	<input type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input type="checkbox"/> No
GROUP/AGENCY FINANCE DIRECTOR	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input type="checkbox"/> No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A

Other Concurrence(s):

ORIGINATING DEPARTMENT: Supervisor Dianne Jacob, Second District

CONTACT PERSON(S):

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AUTHORIZED REPRESENTATIVE: _____

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AGENDA ITEM INFORMATION SHEET
(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

BOARD POLICIES APPLICABLE:

BOARD POLICY STATEMENTS:

CONTRACT NUMBER(S):

SUBJECT: Creating Consumer Awareness About Scanner Accuracy (District: All)

FISCAL IMPACT STATEMENT

DEPARTMENT:

PROGRAM:

PROPOSAL:

FUTURE YEARS ESTIMATED BUDGET OF PROPOSAL IF ADOPTED				
(a)	(b)	(c)	(d)	(e)
Budgeted Amount For Proposal	Proposed Change in Budgeted Amount	Proposed Revised Current Year Budget (a+b)	1st Subsequent Year	2nd Subsequent Year

Direct Cost

Revenue/Other Offset

**NET GENERAL
FUND COST**

Staff Years

Sources of Revenue/Other Offset for Proposed Change and Subsequent Years:

Space-Related Impacts: Will this proposal result in any additional space requirements? Yes N/A

Support/Other Departmental Impacts: Yes N/A

Remarks: Yes N/A