HOUSE No. 03491

[Pin Slip]

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve

An Act relative to clear and conspicuous price disclosure..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 94 of the General Laws is hereby amended by striking out sections 184B

2 to 184E, inclusive, as appearing in the 2008 Official Edition, and inserting in place thereof the

3 following 4 sections:-

4 Section 184B. As used in this section and sections 184C to 184E, inclusive, the following words

5 shall, unless the context clearly requires otherwise, have the following meanings:

6 "Advertised price", the price of an item published or disclosed in any circular, newspaper,

7 magazine, television or radio commercial, or in any other medium, or any published correction

8 thereof.

9 "Automated checkout system", a cash register, computer terminal, or other device capable of

10 determining the price of an item from the item's code after searching the electronic price

11 database and printing an itemized sales receipt for a consumer.

12 "Card price", the price a loyalty card holder will be charged if different from the non-card price.

13 "Checkout price", the price of an item to be charged to the consumer whether purchased or not as14 listed on an automated checkout system display or on an itemized sales receipt.

15 "Clear and conspicuous", of such size, color or contrast so as to be readily noticed and16 understood by a reasonable person.

17 "Code", a unique identifier of an item including without limitation symbols, letters, numbers,18 bars or combinations thereof.

19 "Consumer price scanner", an electronic scanner provided for consumer use that is capable of
20 reading an item's code and displaying a description of the item and its correct price after
21 searching the electronic price database.

22 "Correct price", the advertised price in any circular, newspaper, magazine, television or radio commercial, or in any other medium, or any published correction thereof. If an item is not 23 advertised, the correct price shall be the lowest display price indicated on any store sign for the 24 25 item, but not if the checkout price is lower. If an item has no display price, the correct price shall be the price of the item on its unit price label, but not if such item is rung up at a lower price. If 26 27 no unit price label is displayed, the correct price shall be the price rung up by the food store's or 28 a a food department's automatic checkout system. If the foregoing provisions for establishing the correct price are not determinative in a particular situation, the correct price shall be the price on 29 30 the seller's current price list.

31 "Deputy director", the deputy director of the division of standards established pursuant to section32 5 of chapter 24A, or his designee including but limited to an inspector, a sealer or a deputy as

defined in section 1 of chapter 98. Deputy director is to be used interchangeably with director ofstandards and director.

35 "Discount", a percentage off or special price reflected in the checkout price and indicated on the36 itemized sales receipt.

37 "Display price", the price on a sign or label affixed to a display, table, shelf, or other upon38 which the unit is placed.

39 "Division", the division of standards established pursuant to section 5 of chapter 24A.

40 "Dual pricing system", a separate pricing system that allows for 1 correct price for non-loyalty41 cardholders and 1 correct price for loyalty card holders.

42 "Food", anything edible.

43 "Food department", any seller, other than a warehouse club or a food store, with any grocery 44 item section, area, or display and which sells 100 or more different food items for consumption 45 off the seller's premises at least in part to individuals for their own personal, family, or 46 household use; provided, however, that any food section which is within a larger business and is 47 the functional equivalent of a supermarket with its own separate checkout, may be deemed a 48 food store by the director of standards.

49 "Food store", any store, shop, supermarket, grocer, convenience store, or other seller, whose 50 primary business is selling either food for consumption off the seller's premises alone or in 51 combination with grocery items or other nondurable items typically found in a supermarket, and 52 such items are sold at least in part to individuals for their own personal, family, or household use. 53 For the purposes of this section and sections 184C to 184E, a warehouse club shall not be54 considered a food store.

55 "Grocery item", any food, pet food or supply, soap, household cleaner of any type, laundry56 product, light bulbs, or disposable paper or plastic products.

57 "Individual item", one of an item, to be used interchangeably with "unit."

58 "Item", a specific and distinct product, good or commodity available for sale differentiated from 59 another item by having a different universal product code or SKU for items so coded, and for 60 items not so coded, an item having any distinguishing characteristics compared to another item.

61 "Itemized sales receipt", a printed and dated sales receipt listing, at a minimum, the price62 charged to the consumer for each item and the quantity sold.

63 "Loyalty card," a card or other device issued that confers certain benefits to cardholders,

64 including discount prices upon presentation of the card. This shall not include membership cards

65 issued by warehouse retailers.

66 "Price accuracy rate", the percentage of individual items for which the checkout price in an

67 automated checkout system is consistent with the correct price during an inspection conducted

68 pursuant sections 184C to 184E, inclusive.

69 "Price list", an easily referenced list that indicates the code, the description and the current70 correct price of each item excluded under subsection (c) of section 184C.

71 "Scanner price", the price of an item as displayed on a consumer price scanner.

"Seasonal employment", services performed for wages for a seasonal employer during the
seasonal period in the employer's seasonal operations, after the effective date of a seasonal
determination with respect to the seasonal employer.

75 "SKU", the stock-keeping unit, number or code used to identify each unique product or item for76 sale in a food store or food department.

77 "Sticker price", the price on a sticker, ticket, tag or other label affixed to an individual item.

78 "Warehouse club", a retail store in which customers pay annual membership fees in order to79 purchase items at member-only prices.

Section 184C. (a) The correct price of an item offered for sale by a food store or a food
department shall be disclosed to consumers in a clear and conspicuous manner. The food store or
food department may elect to disclose the correct price using either an individual item pricing
system or a consumer price scanner system; provided, that the food store or food department has
been granted permission by the division of standards; and provided, further, that all prices
represented to the consumer shall be consistent with each other and the correct price.

(b) An individual item pricing system shall affix the correct price on each unit in a clear and 86 87 conspicuous manner by means of a sticker price; provided, that a food store or a food 88 department attaches a correct display price not less than 1 inch high for each separate SKU or separately-coded item. In the case of a food store or a food department that utilizes loyalty cards 89 90 or otherwise maintains a dual pricing system, the non-card price shall be affixed to the item if it 91 differs from the loyalty card price, provided further that a sign at the point of display shall include both the loyalty card price and the non-card price, so labeled if they differ, as well as 92 93 either the amount of savings per unit of the percent of savings.

94 (c) A consumer price scanner system shall have the code of an item affixed to each individual 95 unit by means of a sticker, ticket, tag or other label that can be read by a consumer price scanner 96 and automated checkout system to display the correct price. The item's code, its unabbreviated 97 description and its correct price shall be disclosed in a clear and conspicuous manner by a correct 98 display price not less than 1 inch high. In the case of a food store or a food department that uses 99 loyalty cards or otherwise maintains a dual pricing system, the sign at the point of display shall 100 include both the loyalty card price and non-card price, so labeled if they differ, as well as the 91 either the amount of savings per unit or the percent of savings.

(d) Upon a determination that: (i) a clear and conspicuous sign disclosing the item's code, its 102 103 description and its correct price is posted where these items are displayed; (ii) the cashier can 104 readily discern the item's correct price, (iii) the food store or food department maintains an 105 itemized price list for all exempted items, and (iv) the price list is available at each checkout and 106 can be reviewed by a customer upon request, a food store or a food department may exempt the following classes of items from its individual item pricing system : (1) unpackaged: produce, 107 meat, fish, poultry, delicatessen, bakery items, and any other items that are unpackaged and 108 109 offered from a bulk display; provided, however, that any such item weighed or wrapped to order 110 by a food store or a food department but paid for at a place other than at the point of such 111 weighing or wrapping shall have the correct price marked on the item; (2) gallons and half gallons of milk; (3) eggs; (4) cigarettes, cigars, tobacco and tobacco products; (5) individual 112 items within a multi-item package, if the package is marked with the correct price; (6) cakes, 113 114 gum, candy, chips, nuts and other snack foods, if offered for sale individually, and located at the checkout area; (7) individual greeting cards, if marked with a price code readily understandable 115 116 by the consumer; (8) individual containers of baby food of the same brand and price where

117 vegetable or fruit is the predominant ingredient other than water, but not including juices; (9) soft drink bottles and cans; (10) frozen food products; (11) items sold by length, area, weight or 118 volume, including without limitation chain, rope, flooring, lumber, fabric, stone or soil, that are 119 unpackaged; (12) items that must be retrieved for the consumer by store staff, including without 120 121 limitation large electronics or appliances, display or representative items or items displayed in a 122 locked case or out of reach of consumers; (13) packaged self-service items that are small in size and are offered for sale located at the checkout area; (14) live animals; (15) items sold in a coin 123 operated vending machine; and (16) for a food store or food department using an individual item 124 125 pricing system, not more than 60 additional items that are accessible to the consumer in a free 126 standing or end-aisle display that has at least 50 individual items of the same item; provided, however, that unless the deputy director determines otherwise, individual items that differ only 127 128 by color, flavor or scent shall be counted as the same item for the purpose of this clause if they are identical in all other aspects, including price, size and brand. 129

(e) Food stores or food departments utilizing an individual item pricing system shall be allowed 130 to exempt a number of additional items, the exact number of which shall be based on the number 131 132 of operable, but not necessarily active, cash registers located at the main checkout location. Food stores or food departments with 1 operable cash register shall be allowed to exempt twenty 133 134 additional items of their own choosing. Food stores or food departments with 2, 3 to 4, or 5 to 6 cash registers shall be allowed to exempt 50, 100 or 200 additional items respectively. Food 135 stores or food departments with 7 or more cash registers may exempt up to 400 additional items. 136 137 In the case of a food department, the number obtained in the above calculation shall be reduced by 75 percent. In no case shall the number of exemptions permitted by this exception exceed 4 138 and one-half per cent of the number of packaged grocery items carried by the seller. 139

140 All additional exemptions allowed under subsection (e) will be granted provided that the food store or food department maintains an electronic pricing system which has been determined to be 141 at least 95 percent accurate during a price accuracy inspection conducted by the division or their 142 designee, and further provided that a food store or a food department maintains a dated, written 143 price list of the items it has chosen to exempt. The price list shall include a readily 144 145 understandable description of each item and the code number understood by the seller's 146 automatic checkout system. Deletions may be made from the list at any time, but no additions, 147 substitutions, or changes may be made to the list except twice a year in January and July. The 148 exemption permitted by this section shall not apply to any item not on that price list and shall not 149 apply unless such price list has been established and is available upon request at the food store or 150 food department to any consumer or any representative authorized by the deputy director and 151 referenced easily by the person requesting it. No seller may choose to exempt items required to be price marked by other laws or regulations governing specific types of items, or may exempt 152 153 more than 200 items in any 1 department except in the dry grocery department.

(f) A food store or a food department utilizing a consumer price scanner system, may exempt the following items from displaying the correct price at its consumer price scanners, provided it complies with the criteria (i)-(iv) in subsection (d): (1) unpackaged and uncoded items to which a price sticker cannot be reasonably affixed; (2) loose produce with SKU numbers.

(g) Items purchased at a food store or a food department shall appear on an itemized sales receiptthat shall be provided to all consumers.

(h) If the consumer purchases a sale item or qualifies for a discount, including discounts granted
for displaying a loyalty card, the amount saved shall be reflected in the checkout price and
printed on the consumer's itemized sales receipt.

(i) Notwithstanding subsection (h) of section 184D if there is a discrepancy between the 163 advertised price, the sticker price, the scanner price or the display price and the checkout price on 164 any item, a food store or a food department shall charge a consumer the lowest price. If the 165 checkout price or scanner price is not the lowest price or does not reflect any qualifying discount, 166 the seller: (i) shall not charge the consumer for 1 unit of the item, if the lowest price is \$10 or 167 less; (ii) shall charge the consumer the lowest price less \$10 for 1 unit of the item, if the lowest 168 price is more than \$10; and (iii) shall charge the consumer the lowest price for any additional 169 170units of the item. This subsection shall not apply if: (1) there is evidence of willful tampering or 171 (2) the discrepancy is a gross error, in that the lowest price is less than half of the checkout price 172 and the seller, in the previous 30 days, did not intend to sell the item at the lowest price. All food stores and food departments, which use a consumer price scanner system, must post signage at 173 each register detailing this law. For each register that fails to display appropriate signage, the 174 food store or food department shall be subject to a fine of \$200, up to a maximum of \$500 per 175 inspection by the deputy director. All food stores and food departments shall maintain data on 176 177 price discrepancies. This data shall be provided to the division upon request. The provisions of 178 this subsection shall be clearly and conspicuously posted by all affected sellers.

(j) A consumer may submit a complaint to the office of the attorney general or to the deputydirector regarding compliance with this section.

181 (k) The deputy director may require sellers to disclose a consumer's rights under sections 184C182 to 184E, inclusive.

183 Section 184D. (a) The deputy director or his inspectors, and sealers of weights and measures and their deputies, as defined in section 1 of chapter 98, shall inspect each food store and food 184 department for compliance with sections 184B through 184E of chapter 94. The inspections shall 185 be conducted pursuant to the national industry standards adopted by the National Conference on 186 Weights and Measures of the National Institute of Standards and Technology or any other rules 187 188 or guidelines promulgated by the division pertaining to the implementation and enforcement of those sections; provided, that nothing shall inhibit the oversampling of sale items during 189 190 inspections. The food stores and food departments shall provide the inspector with access 191 necessary to conduct an inspection. The deputy director shall notify the food stores and food 192 departments in writing of violations of this section and of any fines imposed pursuant to sections 193 184B through 184E of chapter 94.

(b) The division shall not assess any fee upon a a seller that is not a food store or food
department using an individual item pricing system for an inspection pursuant to this section;
provided, however, that theseller shall be subject to fees imposed pursuant to section 56 of
chapter 98.

(c) Violations of the provisions of sections 184B through 184E, inclusive, for which fines shall
be levied shall include, but not be limited to: (1) having no price marked on any unit that is
required to be priced and is not exempted; (2) having an incorrect price on any unit; (3) having
an incorrect or missing sign; or (4) overcharging on any unit. A unit shall be deemed to be
overcharged once it is rung up at a price higher than any represented price. Notwithstanding the

method for determining the amount of civil fines pursuant to section 29A of chapter 98, a civil 203 204 citation may be issued for \$200 for each violation, up to a maximum of \$5,000 per inspection. If an item is advertised either in the food store, food department or in a circular as "on sale" or 205 discounted because of a loyalty card price and the item registers at a higher price at the checkout 206 counter than indicated by any "sale" or loyalty card price, a civil citation will be issued for \$300 207 for each violation, up to a maximum of \$5,000 per inspection. The deputy director shall not 208 issue a fine pursuant to this section and said sections 184B through 184E, inclusive, and section 209 56D of chapter 98 for the same violation. 210

(d) A fine imposed by the deputy director shall be paid within 21 days of issuance of the notice,
unless theseller appeals pursuant to the civil citation appeal process found in section 29A of
chapter 98. The food store or food department shall immediately correct any noncompliance
with section 184C when notified by the inspector.

215 (e) The deputy director or any representative authorized by the division may conduct inspections of any item and shall issue notices of violation to any food store or food department for any 216 217 violation of this section and sections 184B through 184E, inclusive, provided, however, that no food store or food department shall be inspected more than once a month, unless such inspection 218 is intended to verify the correction of violations found during a recent inspection or to verify the 219 220 validity of a specific consumer complaint made through the process in subsection (f) of section 221 184D. For purposes of this section each occasion that an item scans erroneously during an 222 inspector's attempt to verify its correct price shall constitute a separate civil violation. The seller shall immediately correct all violations including those where a tolerance was granted. 223

(f) A consumer may submit a complaint to the office of the attorney general or to the deputy 224 director regarding noncompliance with sections 184B through 184E. All food stores and food 225 departments subject to sections 184B through 184E shall provide, upon request, a complaint 226 form for the consumer to complete and submit. Each submitted complaint shall be investigated. 2.2.7 228 In the case of any verified consumer complaint, fines for overcharging shall be limited to 1 229 violation per item. A fine shall be issued upon verification of any consumer complaint alleging overcharging or improper price marking except for those units where the seller honored the price 230accuracy guarantee discounts as described in subsection (i) of section 184C. 231

232 (g) If the deputy director determines that a food store or a food department is either intentionally 233 or through gross negligence violating any provisions of this section and sections 184B through 234 184E, inclusive, then the deputy director shall provide written notice of such determination to the 235 food store or food department and said food store or food department shall have 30 days to cure 236 these violations. If upon re-inspection, and payment of a \$200 re-inspection fee, the deputy director determines that the food store or food department still is not in substantial compliance 237 with the provisions of this section and sections 184B through 184E, inclusive, then all the food 238 239 store's or food department's exemptions shall be rescinded for a period of 12 months, and the matter shall be referred to the attorney general for action against such food store or food 240241 department. Uncontested fines levied under said sections shall be paid within 21 days of issuance of the notice of violation. Any aggrieved seller may appeal any unjustified fines to the 242 director of standards if such appeal is filed within 30 days of issuance of the notice of violation. 243

(h) This section and sections 184B through 184E, inclusive, shall only apply to food stores and
to grocery items in food departments. Said sections shall not diminish any obligations under
other laws or regulations regarding item pricing for sellers other than food stores or for items

other than grocery items in food departments. Where a seller is also subject to the item pricing regulations or guidelines of another agency, in cases where a specified number of items is allowed to be exempted under 2 similar exceptions to the requirement of item pricing, such similar provisions shall not be additive. Compliance with another agency's regulations or guidelines which differ from said sections or any regulations issued hereunder by the deputy director shall not be a defense to a violation of said section or any regulations promulgated hereunder.

(i) The division may retain all registration fees and fines it collects under sections 184B through
184E of chapter 94and sections 56D and 56E of chapter 98 not to exceed \$3.5 million annually
in order to support its enforcement activities; provided, however, that any excess fees and fines
up to \$1 million in excess of this figure shall be used to fund the division of standards municipal
grant program for approved agents to assist the division in lieu of a legislative appropriation. In
the event that the division and the municipal grant program are fully funded, all additional
revenue shall be turned over to the General Fund.

Section 184E. (a) Any food store or food department wishing to convert from an individual item pricing system to a consumer price scanner system must seek a waiver from the division. The waiver shall be granted by the division provided that the food store or food department has no outstanding fines under sections 184B to 184D, inclusive, or section 56D of chapter 98 and pays a \$500 fee annually to the division if the retail space is less than 15,000 square feet, \$500 fee if the retail space is 15,000 square feet up to 30,000 square feet, or a \$1,000 fee if the retail space is 30,000 square feet or more. 268 (b) Pursuant to the regulations promulgated under this chapter, the division will require that each applicant complete a "no job loss" affidavit stating the number of people employed at the time of 269 the application process, including without limitation, establishment of a complaint process, so 270that full and part time employees will not suffer any wage or benefit loss due to said transfer. 271 After the filing of the affidavit, if there is any resulting job loss at the store due to the 272 273 implementation of the waiver, not attributed to seasonal employment or verifiable economic pressures, the store will be required to item price for one year pursuant to sections 184B through 274 184E, inclusive, or other applicable Massachusetts law or regulation promulgated hereunder, and 275 276 be subject to a fine of not more than \$5,000.

277 (c) All food stores or food departments using a consumer price scanner system shall be subject to 278 inspection by the deputy director for compliance with the provisions outlined in this section; 279 provided, however, that the deputy director shall not cause any food store or food department 280 using a consumer price scanner system to be inspected more than once per calendar month; 281 provided, however, the division may inspect any food store food department using a consumer scanner pricing system once every week until the food store or food department is found to be in 282 283 compliance with this section if: (1) within the previous 30 days, there is a verified pattern of 284 consumer complaints; or (2) upon regular inspection the food store or food department is not in 285 compliance with this section.

(d) Each food store or food department with more than 5,000 square feet of retail space that
employs a consumer price scanner system shall have at least 1 fully operational consumer price
scanner for every 2,500 square feet of retail space or part thereof. The location of a consumer
price scanner shall be disclosed via 1 clear and conspicuous sign at eye-level and 1 clear and
conspicuous sign above eye level. Consumer price scanners shall be located in convenient

291 places, roughly equally spaced throughout the store, in fixed locations. A food store or food department with more than 5,000 square feet shall have at least 1 fully operational consumer 292 293 price scanner capable of producing an individual item pricing tag. At all such scanner locations, the seller must also provide the consumer with a means by which such pricing tag may be affixed 294295 or appended to the item or its packaging, such as tape or an adhesive price tag. The deputy 296 director may, by regulation, authorize new technologies in lieu of required consumer price 297 scanners which further the intent of this section, including, but not limited to hand held or 298 shopping cart attached scanners which retain in memory and itemize all scanned items. Such 299 technologies may reduce the required number of consumer scanners by no more than 50 per cent.

300 (e) Consumer price scanners are to be deemed fully operational if: (1) the consumer price 301 scanner clearly and conspicuously identifies and displays the item by name or other 302 distinguishing characteristics; (2) the consumer price scanner displays the item's correct price 303 when the item is scanned at it and that, in the case of a food store or food department that uses loyalty cards or otherwise maintains a dual pricing system, the consumer price scanner displays 304 both the loyalty card price and the non-card price if they differ. Each consumer price scanner 305 306 must also display contact information for the deputy director so that consumers may report 307 broken consumer price scanners. Such consumer price scanners shall be in compliance with the 308 Americans with Disabilities Act Accessibility Guidelines, 28 CFR Part 36, Appendix A and the 309 Massachusetts architectural access board regulations 521 CMR 1.00, et. seq. Any violation of this subsection shall be considered in determining a consumer price scanner's pass or fail 310 311 designation as defined in subsection (h).

(f) Any food store or food department with more than 5,000 square feet of total space wishing toconvert from an individual item pricing system to a consumer price scanner pricing system must

314 within 3 months of such a conversion hire or maintain not less than 2 employees whose
315 responsibilities must include the maintenance of all consumer price scanners within said food
316 store or food department.

(g) An inspector may also elect to test a food store or food department's consumer price scanner 317 system for accuracy. The inspector may choose the sample size for accuracy tests provided that 318 the size of sample is no less than 50 items and does not exceed 200 items. Any scanning that 319 yields an incorrect price that also causes a food store or food department's consumer price 320 scanner accuracy rating to fall below 98 per cent shall constitute a separate violation. This 321 subsection shall not be used to impact a scanner's pass or fail grade as defined in subsection (h) 322 323 but the cumulative violations of this subsection in any particular store or department shall be 324 used in contributing toward the maximum fine imposed under the same subsection.

325 (h) Upon inspection, the deputy director shall notify the store manager, who shall provide the inspector with a map of the food store or food department outlining the consumer price scanner 326 327 locations and the food store or food department's square footage ofretail space. The food store or food department's number of scanners shall be sufficient for the food store or food 328 department's size as outlined in subsection (d). Any violation of this subsection shall result in a 329 fine of \$1,000, which shall not count toward the maximum fine established under subsection (i); 330 331 provided, however, that the deputy director may reduce this fine consistent with section 29A of chapter 98. 332

333 (i) Each consumer price scanner shall be graded on a pass or fail basis by inspectors, including
334 missing consumer price scanners or inadequate signage under subsection (d), which shall be
335 considered to have failed. Each scanner found to have failed the test shall constitute a separate

violation of this section. Notwithstanding the method for determining the amount of civil fines
pursuant to section 29A of said chapter 98, a civil citation may be issued for \$200 for each
violation, up to a maximum of \$2,500 per inspection; provided, however, that the deputy director
may reduce any fine imposed pursuant to this section consistent with section 29A of chapter 98.

340 SECTION 2. Chapter 98, of the General Laws is hereby amended by striking out section 56D, as341 appearing in the 2008 Official Edition, and inserting in place thereof the following section:-

342 Section 56D. (a) The director or his inspectors, and sealers and inspectors of weights and measures and their deputies, shall in every 24 month period, examine and test the operation of all 343 344 automated retail checkout systems, in all establishments with 3 or more cash registers, and shall upon complaint to said officials examine and test the operation of any automated retail checkout 345 346 system to determine whether the price which an item is offered or advertised for sale, including 347 any advertised special price offered to a customer with a store-issued discount or loyalty card, 348 conforms to the unit and/or net prices displayed to the customer on the visual display and 349 conforms to the price for which a purchaser is charged by such automated retail checkout system 350 to determine whether the total price for items purchased is correctly represented, and may issue 351 notices of violations of this section, pursuant to section 29A and this section; provided, however, that nothing herein shall prohibit the director or his inspectors and sealers and inspectors of 352 353 weights and measures and their deputies from examining and testing any system at any time irrespective of the number of cash registers within the establishment. 354

355 (b) If such examination and test reveals that there is evidence of price misrepresentation, or
356 misleading or deception of the purchaser of items, or that consumer price scanners, as defined in
357 section 184B of chapter 94, do not meet the operational standards set forth below, the owner,

manager or the designee of said owner or manager of aretail establishment using such automatic 358 359 checkout system shall be punished for the first failed inspection by a civil fine of \$200, for the second failed inspection by a civil fine of \$500, and for any subsequent failed inspection, by a 360 civil fine of \$1,000; provided, however, that there shall be no punishment for any inoperable 361 consumer price scanner that is deployed for reasons other than to obtain an exemption from any 362 363 law or regulation of the commonwealth requiring the individual price-marking of items offered for sale or for any inoperable consumer price scanner for which a retailer is able to demonstrate 364 to the satisfaction of the inspector that he has communicated in writing with an authorized repair 365 366 agent, prior to such examination and test, requesting that the inoperable electronic scanner be repaired. For purposes of this section consumer price scanners are to be deemed fully 367 operational if they operate in the following manner: (1) the consumer price scanner clearly and 368 conspicuously identifies and displays the item by name or other distinguishing characteristics; 369 (2) the consumer price scanner displays the item's correct price when the item is scanned at it 370 371 and that, in the case of a retail establishment that uses loyalty cards or otherwise maintains a dual pricing system, the scanner displays both the loyalty card price and the non-card price if they 372 differ. Each consumer price scanner must also display contact information for the division of 373 374 standards so that they may report broken scanners. Such consumer price scanners must also be in compliance with the Americans with Disabilities Act Accessibility Guidelines, 28 CFR Part 36, 375 376 Appendix A and the Massachusetts Architectural Access Board Regulations 521 CMR 1.00. 377 Notwithstanding the method for determining the amount of civil fines pursuant to said section 29A, a civil citation may be issued for \$200 for each violation, up to a maximum of \$2,500 per 378 379 inspection. For purposes of this section each item which scans erroneously shall constitute a 380 separate civil violation.

381 (c) The director shall promulgate and shall enforce regulations based on national industry382 standards and other criteria necessary to carry out the provisions of this section.

(d) For the purposes of this section, an automated check out system shall mean a cash register,
computer, terminal, consumer price scanner or other device capable of interpreting the universal
product code, or any other code which is on an item offered for sale to consumers used to
determine the price of the item being purchased, regardless of whether the code entry is
accomplished manually, or automatically by a machine.

388 SECTION 3. The division of standards, in conjunction with the secretary of labor and workforce 389 development shall annually file with the general court's's joint committee on community development and small business, a report consisting of the impact of consumer price scanner 390 391 implementation on pricing accuracy and employee job loss or change of employment status, if 392 any, resulting from the item pricing waiver program conducted under the jurisdiction of the division of standards. This report shall also contain recommendations for legislative changes, if 393 394 any, which the director of the division of standards deems necessary to affect the purposes of the program. This report shall be filed annually on or before December 31st. 395

396 SECTION 4. This act shall take effect on January 1, 2012.