



COUNTY OF SAN DIEGO

WHAT YOU NEED TO KNOW ABOUT A PRICE VERIFICATION INSPECTION

Department of Agriculture, Weights and Measures

How It Began



- Many retail stores using Point-of-Sale (POS) Systems
- Consumer Complaints
- Overcharges/Undercharges

Consumer Confidence Protection Act of 1999



- County Ordinance adopted February 2, 1999
 - Retail businesses using a POS system are registered with AWM
 - Registration fees fund the inspection program

Fees Support the Program

Based on number of POS stations

- 1 – 3 POS stations = \$143
- 4 – 9 POS stations = \$196
- 10 or more POS stations = \$245

Reinspection fee = \$155/hour



Inspection Program



- Inspections are unannounced to reflect an “as found” condition
- Inspector notifies management unless undercover
- Owner or management are not required to be present for the inspection

What to Expect During an Inspection

*Inspectors follow Business and Professions Code
Section 13350*

1 – 3 POS stations, minimum of
10 items

4 – 9 POS stations, minimum of
25 items

10 + POS stations, minimum of
50 items



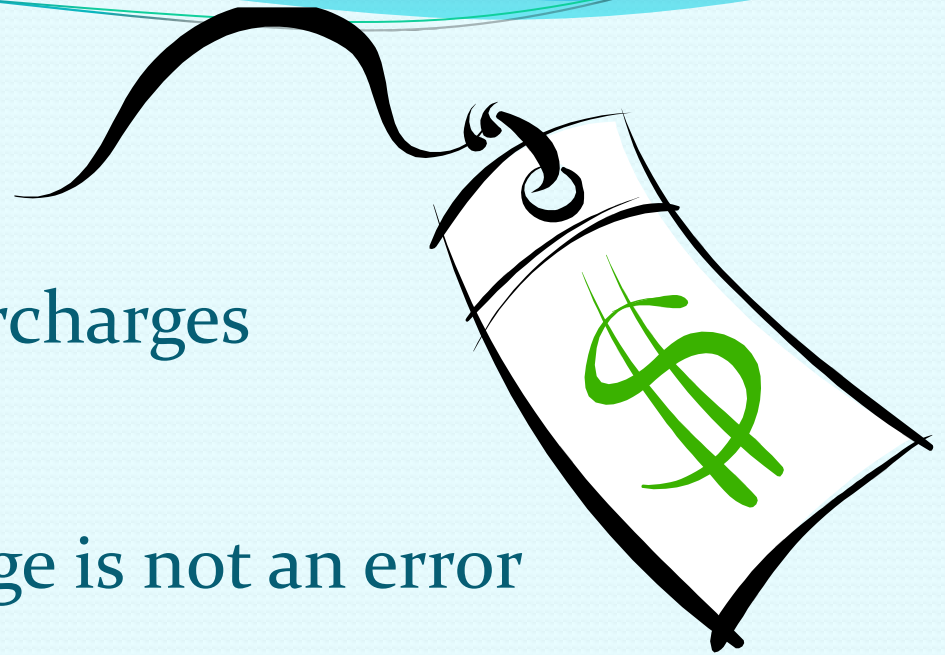
During an Inspection

- A maximum of 50% sale items may be selected
- Randomized sampling procedure:
 - Used for routine inspections
 - Not required for complaint investigations and follow-up inspections



Inspection Results

- Accuracy includes overcharges and undercharges
- Intentional undercharge is not an error
- Meet with the staff on site to review findings
- Errors to be corrected immediately before inspector leaves
- Return sample items to shelves if necessary



Attention Consumers Notice

ATTENTION CONSUMERS:

Check your receipt and notify store management immediately of any overcharge.

Consumers are entitled to pay no more than the lowest posted, advertised, or quoted price for any commodity offered for sale at a retail establishment.

**For information or to file a complaint, contact:
County of San Diego,
Department of Agriculture, Weights and Measures at:
1-888-TRUE-SCAN (1-888-878-3722) or www.sdcawm.org**

County ordinance requires this notice to be visible at each point-of-sale station

Customer Display

The California Business and Professions Code Section 13300:

Requires retail establishments using a point-of-sale system to conspicuously display the price of the item to the consumer at the time it is entered in the system



Reinspections

- Required when a business does not pass the inspection with a compliance rate of 98%
- Reinspections must occur within 6 months of failed inspection
- A reinspection fee is required for follow-up inspections
- Reinspections will continue until an inspection is passed





What if a Violation is Found?

1. Business is notified with a Notice of Violation (NOV)
2. County Sealer initiates a civil administrative action by sending business a Notice of Proposed Action (NOPA)
3. The NOPA includes:
 - Description of the violation
 - Proposed penalty
 - Order and Stipulation (Agreement)
 - Request for a hearing

Notice of Proposed Action



4. Business (Respondent) may either:
 - Stipulate (agree) to the action by paying the fine within 45 days or
 - Request an administrative hearing within 20 days of notification
5. Respondent has the right to review the Sealer's evidence
6. If respondent does not stipulate or request a hearing in a timely manner, the Sealer will file a Notice of Decision to the Clerk of the Superior Court and a judgment will be filed

Hearing



- The hearing is presided over by a Hearing Officer
- Both sides present their evidence
- Hearing Officer makes a proposed Decision and Order to the Sealer within 60 days
- Sealer mails final Decision and Order to the business
- Violations are strict liability

Penalty Amounts



Overcharge $\leq$ \$1.00 $\rightarrow$ infraction $\rightarrow$ \$100 max.

Overcharge $>$ \$1.00 $\rightarrow$ misdemeanor
up to \$1,000

Criteria:

- Percentage of dollar overcharge amount to total correct price
- Percentage of overcharge(s) to items purchase
- Previous actions in 2-year period

Remember

It is unlawful to charge an amount greater than the lowest posted or advertised amount!



How to Avoid Fines

1. Register your POS system
2. Remove expired sales tags
3. Be aware of multiple tags for same item
4. Watch out for mis-stocked items (examples on next slide)



How to Avoid Fines

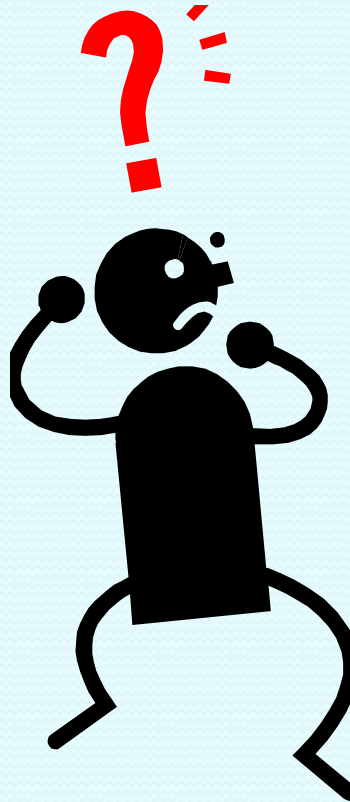
Mis-stocked examples

WASH
CLOTH
SET



SIPPY
CUP

DIFFERENT
BRANDS



How to Avoid Fines

5. Verify prices on secondary or special locations



How to Avoid Fines

6. Have a price accuracy coordinator for internal audits
7. Clearly posted Attention Consumer Notices are visible to the consumer



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How to Avoid Fines

8. Ensure the sale price and condition of sale is clear



How to Avoid Fines

9. Indicate the CRV for beverages

**\$6.99 + CRV or \$6.99 plus 30¢ CRV
or \$6.99 + 30¢ CRV = \$7.29**



- You are required to show the CRV payments as separate items on your cash register receipts
- If the beverage is taxed, the CRV is taxed
- CRV is 5¢ for each beverage container < 24 fl oz and 10¢ for each beverage container ≥ 24 fl oz

How to Avoid Fines

10. Share inspection results with management – They may be able to provide more training
11. Work with customers to resolve concerns before they notify us
12. Consult with our Department



QUESTIONS?

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