

**Testimony of Casey Adams  
New York City Department of Consumer Affairs**

**Before the  
New York City Council Committee on Consumer Affairs and Business Licensing**

**Hearing on  
Introductions 1145-2018 & 1181-2018**

**December 18, 2018**

Good morning Chairman Espinal and members of the committee. My name is Casey Adams and I am the Director of City Legislative Affairs for the New York City Department of Consumer Affairs (DCA). I would like to thank the committee for the opportunity to testify today on behalf of DCA Commissioner Lorelei Salas about Introduction 1145-2018 (Intro. 1145), a bill that would create an exception to the item pricing requirement for retail stores with price scanners available for consumer use, and Introduction 1181-2018 (Intro 1181), a bill that would prohibit the use of dogs or cats as security in contracts for their purchase or the obtaining of any lesser right or interest in such animals.

DCA's mission is to protect and enhance the daily economic lives of New Yorkers to create thriving communities. As part of this mission, DCA supports efforts to simplify requirements imposed on businesses while preserving important consumer protections. I will first discuss Intro. 1145, which DCA supports because we believe it will make it easier for businesses to comply with item pricing requirements without diminishing the price transparency protections those requirements afford to consumers.

Item Pricing

DCA enforces two types of item pricing requirements. General item pricing, which applies to small stores like bodegas, requires that all items offered for sale show a price, exclusive of tax, either by a stamp, tag, or label on the item itself, or a sign that is plainly visible where the item is displayed.

Chain stores and stores with an annual revenue of more than \$2 million must individually label each item and do not have the option to satisfy item pricing requirements by a sign like smaller stores. Specified items, like milk, eggs, and ice cream, need not be individually labeled so long as a shelf price and price lookup function are provided.

Penalties for item pricing range from \$185 to \$250 for small stores and from \$18 per item to \$1,000 total for chain or large stores. Pursuant to Local Law 5 for the year 2017, which was sponsored by- among others- Chair Espinal and Council Members Chin, Koo, and Koslowitz, chain and large stores may avoid paying a fine for the first item pricing violation they receive by curing the violation.

Introduction 1145-2018

Intro. 1145 would exempt chain and large stores that have retail price scanners available for consumer use from item pricing requirements. Stores would continue to be subject to the shelf

labeling requirements imposed by the state Agriculture and Markets Law. Consumers would be able to determine the price of items by checking the shelf posting or by using one of the price scanners made available to them. Intro. 1145 would empower DCA to determine the number of scanners that should be made available based on store size. DCA believes that this approach will save businesses the time and cost of individually labeling items displayed for sale while ensuring that consumers can still quickly and easily view the price of items.

#### Introduction 1181-2018

Intro. 1181 would prohibit, and render unenforceable, contracts for the purchase, lease, or financing of dogs or cats where the animal is used as security and may be repossessed by the seller, lessor, or lender. DCA understands and shares the Council's concern about consumers being confused by complex leasing and finance arrangements that may allow a company to repossess a loved and valued companion animal. In September, Governor Cuomo signed into law a bill that prohibits the types of contracts contemplated by Intro 1181. The bill will be going into effect in the near future. We believe this new law may address many of the Council's concerns and DCA would appreciate the opportunity to gather more information about how the State of New York plans to implement and enforce these prohibitions.

#### Conclusion

I would like to thank the Committee for the opportunity to testify today. DCA looks forward to working with the Council to ensure that Intro. 1145 protects consumers while making life easier for New York City businesses. We think the concerns underlying Intro. 1181 may be addressed by changes to state law and look forward to gathering more information about their implementation. I am happy to answer any questions you may have.



**FOOD INDUSTRY ALLIANCE OF NEW YORK STATE, INC.**

130 Washington Avenue • Albany, NY 12210 • Tel (518) 434-1900 • Fax (518) 434-9962  
Government Relations (518) 434-8144

**Testimony by  
the Food Industry Alliance of New York State, Inc.  
in Support of  
Int. No. 1145-2018**

Thank you for the opportunity to testify in support of Int. No. 1145-2018. My name is Jay Peltz and I am the General Counsel and Senior Vice President of Government Relations for the Food Industry Alliance of New York State (FIA). FIA is a nonprofit trade association that advocates on behalf of grocery, drug and convenience stores throughout New York. Our members include chain and independent food retailers that account for a significant share of the city's retail food market and the grocery wholesalers that supply them.

Neighborhood grocers have never faced a more difficult operating environment. Operating expenses are increasing as rents soar, health insurance premiums rise and the minimum wage reaches \$15.00 an hour on December 31, 2018. Nontraditional retailers (that are largely nonunion operators) such as internet sellers, warehouse clubs, natural/organics retailers and dollar stores are taking market share from neighborhood grocers.

These circumstances are making it increasingly difficult for neighborhood grocers to net even a penny on the dollar. Traditional grocers have shut their doors while food deserts are present throughout the city. Accordingly, a rationalization of the regulations governing the city's food retailers is long overdue.

This reform bill is a great example of such rationalization. Since store level computerization began in the 1990s, item price files have been sent to stores on a weekly basis, which allows stores to update prices in real time. The item prices are clearly displayed on easy to read monitors at checkout. The computerized pricing systems are integrated, so that shelf tags and price signs are generated with the item price files that are sent to the stores.

The technological upgrades allow the city's neighborhood grocers to comply with state unit pricing and price accuracy laws. These state laws require the disclosure of unit and retail prices on shelf tags as well as a minimum of 98% accuracy at the point of sale. As a result of these technological and regulatory developments, grocery store customers have the consistency and transparency they need to make informed decisions about their purchases, *without the enormous costs and burdens of item pricing by hand.*

The city's grocers spent millions of dollars implementing these systems. Yet the city still requires the food retail industry to spend additional millions over time to mark thousands of items by hand (even though accurate prices are already disclosed to customers) and to pay fines for violating the item pricing law. These fines are unfair because even a grocer that makes a good faith effort to comply with

the city's item pricing law will make mistakes while trying to mark thousands of items in a store, thus guaranteeing that fines will be paid, even if 95% of the items in the store are marked and there are accurate shelf tags and price signs in front of unmarked items.

None of the foregoing – redundant disclosure of accurate price information through integrated, computerized price systems as well as state unit pricing and price accuracy laws – existed when the city's original item pricing law was enacted. These developments caused the state to allow its statewide item pricing law to expire in the early 1990s, allowing localities to decide whether item pricing should be mandated. The vast majority of New York's municipalities chose not to require item pricing. Accordingly, the city policy is an expensive, unnecessary outlier.

The city's item pricing law was not enacted to artificially increase labor hours. It was adopted to provide transparent, accurate pricing to consumers. That inefficient system was replaced – a long time ago – by efficient, computerized, integrated price systems that provide a level of transparency and accuracy that item pricing by hand has never, and will never, accomplish.

The efficiencies generated by this reform legislation will allow the city's traditional grocers to redeploy labor to more productive uses, which will help the city's embattled grocers compete more effectively with internet sellers, warehouse clubs, natural/organics retailers and dollar stores. The savings will also be used to meet rising payroll obligations as the minimum wage increases to \$15.00 an hour. These developments will help, rather than harm, workers.

Considering the foregoing, FIA, on behalf of its members, enthusiastically supports adoption of this bill. We would like to thank Chairman Espinal for his thoughtful leadership on this very important issue. I'd be happy to answer any questions you may have.

Respectfully submitted,

**Food Industry Alliance of New York State, Inc.**

**Jay M. Peltz**

**General Counsel and Senior Vice President of Government Relations**

**Metro Office: 914-833-1002**

**[jay@fiany.com](mailto:jay@fiany.com)**

**December 18, 2018**

**December 18, 2018**  
**TESTIMONY OF LAWRENCE A. MANDELKER for**  
**THE NEW YORK METROPOLITAN RETAIL ASSOCIATION (NYMRA)**  
**COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING**  
**Chair: Hon. Raphael L. Espinal**

**NYC COUNCIL INTRO 1145 (2018)**

Chairperson Espinal and members of the Committee: I represent NYMRA, the New York Metropolitan Retail Association, an organization of national chain retailers with stores in the City of New York. Thank you for providing us with an opportunity to discuss this bill with you.

NYMRA's members are retailers. Retail is the fourth largest source of jobs in the City following financial services, health care and professional/technical services. But our jobs are open to all without years of training and certification, and no barriers preventing a stock clerk from rising to the highest level of management. Over the past number of years, the City has imposed many requirements on us, each worthy, but each bearing a cost.

All of the City's taxpayers – all of your constituents -- are our customers. We are forced to operate on small profit margins that are sensitive to every cost and expense that government and the market impose on us. We either have to pass the cost on to our customers or lay employees off in our brick and mortar stores and increase online operations. We have been warning about this for years; and it has now come to pass.

What a pleasure, therefore, to support adoption of Intro. 1145. The bill would exempt retail stores from the item pricing requirement of the truth-in-pricing law where consumers have access to in-store price scanners. Stores qualifying for the exemption would be relieved from the cost of labeling or tagging the price of each item individually or on the shelf. Instead, retail stores would provide a bar code on the item which consumers could scan to ascertain the price of the item using an in-store scanner. The number of scanners required would be based on the size of the store as determined by the Commissioner of Consumer of Affairs, which is directed to promulgate implementing rules prior the bill's effective date, 120 days after it becomes law.

NYMRA supports Intro 1145 and is grateful to the Chair's understanding of the difficulties brick and mortar retailers face in competing with online marketers. Your willingness to relieve retailers from the burden of unit pricing through the use of readily available technology that protects consumers is much appreciated.

NYMRA does have one operational issue with the bill. As presently drafted, the bill would take effect 120 days after adoption. Most respectfully, that is too short a time.

We have been advised that our members would need at least a year to go through their respective internal budget allocation processes for selection and procurement of in-store scanners; determination of the best places in a store to install

them to both, enhancement of the shopping experience, and providing consumers with the information they need; and adoption of policies and provision of employee training. We therefore recommend that the bill's effective date be pushed back to one year.

Lawrence A. Mandelker, Esq.  
Eiseman Levine Lehrhaupt & Kakoyiannis, P.C.  
805 Third Avenue, 10<sup>th</sup> Floor, New York, NY 100227  
Ph: 917-751-0322 || Eml: [lmandelker@eisemanlevine.com](mailto:lmandelker@eisemanlevine.com)



## MEMO OF OPPOSITION TO ITEM PRICING AMENDMENT

Intro 1145

December 18, 2018

The Retail, Wholesale and Department Store Union (RWDSU) respectfully submits this memo in opposition to Int. 1145, which amends the City's "Truth in Pricing" Law. The RWDSU represents over 100,000 members, including the 7,000 members of RWDSU Local 338. These members live and work in the City of New York and are employed at over 130 food retail establishments, including Gristedes, Morton Williams, Stop & Shop, Zabar's, Associated, Food Town and other small specialty or gourmet shops.

RWDSU has several concerns with Int. 1145 as written, primarily regarding the fact that this legislation will result in the direct loss of jobs at grocery stores throughout the city. Our members are responsible for ensuring the accuracy of pricing and tagging of items sold in retail locations. Grocery and supermarket operators regularly state that these clerks can be utilized in a more productive and efficient manner. **However, this efficiency often translates to a reduction of hours and thereby a reduction in workers' weekly wages.** Many of our local elected officials have stated that they find the use of technology to replace workers irresponsible and have taken a stand against it. This was particularly evident during the recent discussions around Amazon's impact on the local workforce. Int. 1145 is simply another attempt to supplant grocery clerks.

The intent of the current Truth in Pricing Law is to ensure that consumers have access to clear and precise pricing. We are concerned that Int. 1145 would have several unintended consequences, above and beyond job loss. The City Council should engage with the Department of Consumer Affairs prior to the passage of Int. 1145 to ensure that there are no additional unintended consequences for consumers.

As written, there is no clarity on how many scanners retailers would be required to have, as well as what constitutes a scanner. Without individual pricing, what happens if a scanner breaks? What happens if the scanner is being used by others? Would a shopper, upon entering the store, take a scanner for their entire shopping experience, and use it to scan every item they seek to buy? How would the City ensure there are enough scanners in such an event? In the likely event that a customer could not find a scanner, that person would be left to wait in the checkout line to determine a price. **This is an unreasonable burden, and the point of sale is not an adequate means for price checking.**

The bill also does not adequately address the enforcement of the scanner exemption. We do not know if inspections to verify compliance with the accurate number of functioning scanners occurs randomly or if it will solely be based on complaints received by the Department. We are worried that Int. 1145 leaves several unanswered questions around implementation and safeguarding basic consumer protections.

New York City offers retailers the opportunity to access item pricing waivers. We understand the burden that traditional brick and mortar retailers are facing due to the increased competition from

online retailers and the changing nature of the industry, yet these burdens should not be borne by hardworking grocery clerks. The City Council has long been a champion of neighborhood grocers and the women and men employed in this industry. Supporting this bill would be taking a step backwards on the needs of grocery store workers. Moreover any program that offers a direct benefit to grocery and supermarket operators, should also focus on how to prioritize the needs of high-road retailers who are good community partners that meaningfully invest in their workforce either by abiding by a collective bargaining agreement or offering living wages and benefits.

**We urge you to fully consider the impact that this proposal will have on workers, consumer, and brick and mortar stores that invest in their workforce. Vote "No" on the proposed amendment.**

For more information, please contact the RWDSU Political Department at 212-684-5300.



**Testimony before the New York City Council  
Committee on Consumer Affairs and Business Licensing**

Int. No. 1145

December 18, 2018

Good Morning Chair Espinal and other members of the New York City Council's Committee on Consumer Affairs and Business Licensing. My name is Nelson Eusebio and I'm the Director of Government Relations for the National Supermarket Association (NSA). NSA is a trade association that represents the independent supermarket owners in New York and other urban cities throughout the East Coast, Mid-Atlantic Region and Florida. In the five boroughs alone, we represent 400 stores that employ over 15,000 New Yorkers.

Some quick background on our industry – beginning in the late 1970s, supermarket entrepreneurs began opening stores in areas abandoned by the large chains, as they were economically depressed and mostly minority neighborhoods. These men and women had the vision and the commitment to fill a vacuum in those communities, at a time when the term “food desert” had not even been coined. Currently, many NSA members continue to serve those areas by offering healthy foods and full service supermarkets.

I'm here today to testify on Intro 1145, which will create an exception for the item-pricing requirement for retail stores with scanners available for consumer use.

We would like to commend Council Member Rafael Espinal for taking a meaningful and comprehensive look at the existing business climate for grocery stores. It's no secret that the industry is in crisis, with local grocery stores closing their doors regularly and leaving neighborhoods devoid of healthy food options due to financial hardships.

Creating an exception for the item-pricing requirement would eliminate one of the biggest fines this industry sees. While scanners are available and shelves are properly marked, grocery stores still must find time to individually mark each item to avoid enormous fines. Managers must find time for an employee to mark every item, which can be very time consuming. This bill would allow managers to utilize employees' time better for more efficient uses around the store.

I'd like to clear up any misconception - the elimination of this burdensome regulation will in no way cost hours or jobs. It will simply save our businesses from enormous fines and make our employees more efficient, which benefits everyone including the consumer.

At a time when businesses are struggling in New York City with high rents, burdensome regulation and most recently with the challenge of losing business to online retailers like



Amazon, this bill will provide much needed relief to local grocery stores. It will also provide a show of faith that local, brick and mortar, businesses are not forgotten.

For these reasons NSA strongly supports Intro 1145 and urges the council to pass this expeditiously.

Thank you and I welcome any of your questions.



# NEW YORK CITY CENTRAL LABOR COUNCIL, AFL-CIO

President  
VINGENT ALVAREZ  
Secretary-Treasurer  
JANELLA T. HINDS

## Testimony in Opposition to Int. No. 1145-2018 New York City Council Committee on Consumer Affairs and Business Licensing December 18, 2018

Comprised of 1.3 million members across 300 affiliated unions, the New York City Central Labor Council, AFL-CIO, supports policies that lift the floor for workers across the five boroughs. The Central Labor Council appreciates the opportunity to testify on Int. No. 1145-2018, an exception to the item pricing requirement for retail stores with scanners available for consumer use. Our affiliates, representing tens-of-thousands of workers across the retail food industry, have expressed concerns over this bill, and the implications on the entire industry's workforce. Concerns stem from the consequences on the workforce, precise pricing information, and enforcement of the law.

There are concerns the proposed exemption on employees in this legislation will adversely affect the workforce. A recent report by Cornerstone Capital finds the retail industry—and grocery stores in particular—to be at “high risk of computerization<sup>1</sup>.” This echoes the sentiments of an analysis by McKinsey & Company finding automation in many forms is slated to disproportionately impact the retail grocery workforce<sup>2</sup>. It is very likely the reduced demand for workers will lead to reductions in hours. This is consistent with analysis published in *The Journal of Industrial Economics*, which finds stores utilizing scanners, “Reduced their [employer] labor costs by approximately 4.5%<sup>3</sup>,” for our members and workers in this industry, this reduction in labor costs is a diminishment in livelihood.

Another concern relates to accurate pricing information for the consumer. The intent of the Truth in Pricing law is to protect New Yorkers from inaccurate or deceptive pricing policies. Reports from other localities where scanners have proliferated retail shops found consumers being overcharged at a myriad of different retailers, where price differentials from scanner-to-register varied between \$0.20-to-\$5 above the list pricing advertised or charged at the register<sup>4</sup>.

The other issue here is how the law will be enforced. It does not seem clear how there will be verified compliance on accurate numbers of properly functioning scanners—will it be random, based on complaints, or something entirely different? It is important for there to be clarity on exactly how many scanners will be required, as well as what can be classified as a scanner. Our affiliates in the industry recommend exempting point of sale, so consumers aren't forced to wait in-line to check the price of an item.

The New York City Council has long supported the working people of the retail and grocery industries, and it is understandable the Council would want to provide support to businesses under significant economic stress. However, any effort to support the retail industry should support high road actors and not be balanced on the backs of workers' hours. Without the concerns of workforce reduction, symmetric pricing, and enforcement being addressed, the New York City Central Labor Council, AFL-CIO, urges a “No” vote. Thank you for your time and consideration.

<sup>1</sup> Shavel, Micahel, Sebastian Vanderzeil, and Emma Currier. "Retail Automation: Stranded Workers? Opportunities and Risks for Labor and Automation." May 2017. [https://cornerstonecapinc.com/wp-content/uploads/Retail-Automation\\_Stranded-Workers-Final-May-2017\\_](https://cornerstonecapinc.com/wp-content/uploads/Retail-Automation_Stranded-Workers-Final-May-2017_)

<sup>2</sup> Manyika, James, Michael Chui, Mehdi Miremadi, Jacques Bughin, Katy George, Paul Willmott, and Martin Dewhurst. "Harnessing Automation for a Future That Works." McKinsey & Company. January 2017. <https://www.mckinsey.com/featured-insights/digital-disruption/harnessing-automation-for-a-future-that-works>.

<sup>3</sup> Basker, Emek. "Change at the Checkout: Tracing the Impact of a Process Innovation." *The Journal of Industrial Economics*. June 15, 2015. <https://onlinelibrary.wiley.com/doi/abs/10.1111/joie.12073>.

<sup>4</sup> Saltzman, Wendy. "Scanner Scandal: Prices Changing from Shelf to Register." *6 ABC Philadelphia*. May 10, 2016. <https://6abc.com/finance/scanner-scandal-prices-changing-from-shelf-to-register/1331005/>.



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ANTHONY G. SPEELMAN, *President* • ROBERT W. NEWELL JR., *Secretary-Treasurer* • RHONDA NELSON, *Recorder*

## Testimony of Brendan Sexton Director of Organizing/Political Coordinator, United Food and Commercial Workers, Local 1500

Good afternoon, my name is Brendan Sexton. I am the Director of Organizing/Political Coordinator for the United Food and Commercial Workers Local 1500. Thank you Chairperson Espinal and the other committee members for this opportunity to speak on Intro 1145.

With over 19,000 members, Local 1500 is one of the largest locals in the UFCW and the largest in New York State. Our union represents men and women in the City of New York, -along with many in Nassau, Suffolk, Westchester, Putnam and Dutchess Counties.

Our members work for companies that have a long history in New York City. These companies such as Stop & Shop, Fairway, King Kullen, ShopRite, D'Agostinos, Gristede's and the workers at Hale & Hearty Commissary have been serving New Yorkers for many decades. Our members have earned better salaries, better benefits and most importantly job security because of the hard work Local 1500 has done negotiating over the last 80 years.

After careful review, we have concerns over Intro 1145. The quest to remove a consumer protection should not be taken lightly. The Truth In Pricing Law is specifically designed to protect consumers from unscrupulous supermarket operators. We have seen time and time again, low-road retailers manipulate prices to benefit themselves and not the consumers. Having access to clearly marked items is essential to consumers. Average New Yorkers often must make tough economic decisions, sometimes, coming down to nickels and pennies. Why, would a piece of legislation make this process more difficult? The bill is unclear to how the appropriate number of scanners will be determined. Also, we have concern over the ambiguity of enforcement. Will it be through a complaint system or through monthly inspections?

In New York, there is a justifiable revolt against Amazon and their community and labor practices. We are thrilled that so many of you and your colleagues are standing up against bad employers. But, with Intro 1145 the Council will be codifying job loss. We will never advocate for automation to replace our members jobs. As we all watch Amazon being exposed for automating and decreasing overall jobs, why are we trying to replace workers with automation? We should be trying to create more jobs and economic growth, instead of hindering it. Operators will say that it frees up workers to be more productive in other areas, making the store more profitable, therefore, creating more jobs. When bosses talk

425 Merrick Ave. Westbury, NY 11590-6601 • [ufcw1500.org](http://ufcw1500.org) • 516.214.1300 • 800.522.0456 • Fax: 516-214-1313 • [info@ufcw1500.org](mailto:info@ufcw1500.org)

United Food & Commercial Workers International Union, AFL-CIO, CLC



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about being more productive, that is a dog whistle for reducing hours and weekly wages. Overtime, more jobs will be lost through attrition than created.

For the 19,000 members of UFCW Local 1500 to support any exemption for item pricing we would expect the following to be included in any bill:

1. A clear definition of how many price scanners per SKU's in a location
2. A clear definition of price scanners and to clearly remove cash registers as a price scanner.
3. The enforcement process; will it be by consumer compliant or monthly inspections?
4. One of the requirements to be eligible, a supermarket operator must be considered a high-road employer, meeting or surpassing these guidelines:
  - a. Living wage and benefit packages; broken down between part-time and full-time work reported monthly and made public
  - b. Stable scheduling
  - c. Job training for advancement
  - d. Either a signed CBA or a Signed Labor Peace agreement with a relevant union
  - e. A sign-off from a relevant union

Protecting consumers and jobs can go hand in hand. If we are to allow an exemption it should be a privilege bestowed upon responsible employers and not supermarket operators that model their business practices on the Walmarts and Amazons of the world. With the amount of questions and ambiguity, we would recommend that a more robust conversation take place with all stakeholders to ensure consumers and workers are not negatively impacted. We encourage the committee to vote no on Intro 1145. Thank you.



**Testimony to:**  
New York City Council  
Committee on Consumer Affairs and Business Licensing

**Presented by:**  
John T. Evers, PhD  
Director of Government Affairs  
The Business Council of New York State, Inc.

**Tuesday, December 18, 2018**

Mr. Chairman, thank you for the opportunity to deliver comments on Introduction 1145.

The Business Council of New York State, Inc. represents over 2,400 member companies. Founded in 1980 as a merger of Associated Industries and the Empire State Chamber of Commerce, our membership includes all facets of the business community including supermarkets, the retail industry, and convenience stores, among others.

The bill before you would amend the administrative code of the City of New York to create an exception to the item pricing requirement for retail stores with scanners available for consumer use. The New York State Agriculture and Markets Law §197-b(5) provides that municipalities may implement and enforce local item pricing laws. To that end, this proposed local law is following the route that other counties are pursuing by allowing for the use of a waiver from item pricing for retailers that make scanners available to customers to verify pricing.

Many stores utilize universal product codes (UPC) as a means of inventory tracking and pricing. Therefore, the ability to read UPCs by scanners at check outs and scanners made available for customer use prior to check out offers an accurate means of price-checking. County consumer affairs officials are tasked with inspections to insure that UPC codes are linked to the proper price as advertised and on “easy to read shelf tags” located in the direct proximity of the products AND that the scanners being used by consumers are scanning prices properly and accurately.

In an approach that adds to compliance costs but adds little to consumer protection, some counties also require individual tagging/pricing of each individual item for sale in addition to shelf tags. While Introduction 1145 retains the state requirement of “shelf tags” it allows for the replacement of individual tagging IF a retail store offers a scanner option.

We believe the use of scanners, in place of individual product tagging is a good option for both stores and their customers. Individual pricing is a time consuming process under which each unit must have an affixed price tag. Tags can be damaged, fall off, stick to the wrong product when moved, are subject to human error when being marked, and must be changed if the price of the product is changed under circumstance such as new pricing or sales. This manual process is not as accurate as relying on UPC codes for pricing. Once the codes are linked to a price, consumers can easily scan the product and find the price accurately and instantaneously.

We believe that the use of UPC codes in conjunction with scanners is a better route – more consumer friendly and more accurate for both pricing and inventory. It is an approach that has proven effective in multiple jurisdictions in New York State. For these reasons, we support adoption of Introduction 1145.



# Local 338

# RWDSU/UFCW

**JOHN R. DURSO**  
*President*

**JOSEPH FONTANO**  
*Secretary-Treasurer*

**NEIL GONZALVO**  
*Executive Vice President*

**DEBRA BOLLBACH**  
*Recorder*

**December 18, 2018**

## **Testimony from Local 338 RWDSU/UFCW to the New York City Council Committee on Consumer Affairs and Business Licensing Regarding Int. 1145**

Good Afternoon and thank you for the opportunity to testify today on Int. 1145 which would amend the City's "Truth in Pricing" Law. My name is Nikki Kateman and I am here on behalf of Local 338 RWDSU/UFCW, a labor union that represents over 13,000 men and women employed at supermarkets, grocery stores, specialty food stores, retail drug stores and pharmacies across New York City, Long Island, and the Hudson Valley. Currently, Local 338 represents approximately 7,000 members who live and work in City of New York. Many of these men and women are employed at over 130 food retail establishments, including Gristedes, Morton Williams, Stop & Shop, Zabar's, Associated, Food Town and other small specialty or gourmet shops.

As representatives of workers employed in the food retail industry, we have a number of concerns with Int. 1145 as written, primarily in regard to the impact of the proposed exemption on employees. Our members are responsible for ensuring the accuracy of pricing and tagging of items sold in a particular retailer. Grocery and supermarket operators regularly state that these clerks can be utilized in a more productive and efficient manner. However, often times this efficiency translates to a reduction of hours and thereby workers' weekly wages. Many of our local elected officials have stated that they find the use of technology to replace workers irresponsible and taken a stance against it, particularly in regard to the recent discussions around Amazon. This is another example of this exact scenario, as we expect scanners to slowly supplant grocery clerks.

Furthermore, the intent of the Truth in Pricing Law is to ensure that consumers have access to clear and precise pricing. As a result, the City Council should further engage with the Department of Consumer Affairs prior to the passage of Int. 1145 to ensure that there are no unintended consequences on consumers. As written, there is no clarity on how many scanners retailers would be required to have, as well as what constitutes a scanner. We would recommend exempting the point of sale as a means for satisfying this requirement as this has the potential be incredibly onerous to consumers who would be required to wait in a checkout line merely to inquire about the cost of an item. The bill also does not adequately address the enforcement of the scanner exemption. Will inspections to verify compliance with the accurate number of functioning scanners occur randomly or will it be solely based on complaints received by the Department? Int. 1145 leaves a number of unanswered questions around implementation and safeguarding basic consumer protections.

We recognize that surrounding Counties, including Nassau, Suffolk, and Westchester, offer retailers the opportunity to access item pricing waivers. We also intimately understand the burden that traditional brick and mortar retailers are facing due to the increased competition from online retailers

## **STRONGER | TOGETHER**

**Our Mission: To Better The Lives Of Our Members And All Working People.**

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and the changing nature of the industry. The City Council has long been a champion of neighborhood grocers, as well as the women and men employed in this industry. A component of this conversation around item pricing waivers, moreover any program that offers a direct benefit to grocery and supermarket operators, should also focus on how to prioritize the needs of high road retailers who are good community partners that meaningfully invest in their workforce either by abiding by a collective bargaining agreement or offering living wages and benefits.

Until a more detailed conversation can be had on how to implement a program that adequately addresses reforms to the Truth in Pricing Law that supports traditional retailers but also does not negatively impact workers or consumers, we respectfully ask the Committee to vote “no” on Int. 1145. We look forward to working together to continue this discussion and thank you for your time.

**STRONGER | TOGETHER**

**Our Mission: To Better The Lives Of Our Members And All Working People.**

**1505 Kellum Place • Mineola, NY 11501 • (516) 294-1338 • [www.local338.org](http://www.local338.org)**

New Yorkers for Clean, Livable and Safe Streets (NYCLASS) , an animal advocacy non-profit with supporters in all five boroughs of New York City is in strong support of Intro 1181. Pet leasing is problematic, both for the cats and dogs affected and the consumers who agree to these contracts, who often are confused or not clear of the consequences. Predatory pet leasing contracts often mislead the consumer into believing that they will "own" the animal, but they in fact do not, which can create a host of problems, including financial and practical. We urge the City Council to pass Intro 1181 to better protect dogs and cats and New Yorkers who seek to adopt them into their families and homes.

Sincerely,

Edita Birnkrant  
Executive Director, NYCLASS

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Nelson Eusebio

Address: \_\_\_\_\_

I represent: National Supermarket Assoc.

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Cagney Adams, Director of City Legislative Affairs

Address: NYC DEPT of Consumer Affairs,

I represent: 42 Broadway

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Lawrence A. Mandelker

Address: 805 Third Ave 10th Fl NY NY 10022

I represent: New York Metropolitan Retail Association

Address: 104 Wilmot Rd, MS #1415  
Deerfield IL 60015

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 12/18/18

(PLEASE PRINT)

Name: Alex Gleason

Address: 275 7th Ave 18th Fl agleason@nyccck.org

I represent: NYC Central Labor Council AFL-CIO

Address: 275 7th Ave www.nyccck.org

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 12/18/19

(PLEASE PRINT)

Name: Brendan Seyton

Address: 425 Merrick Ave Westbury NY

I represent: UFCW Local 1500

Address: 425 Merrick Ave Westbury NY

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 12/18/18

(PLEASE PRINT)

Name: Andrew Wasserman

Address: 26 East Park Drive Old Bethpage NY 11804

I represent: Fairway Market

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 12/18/2018

(PLEASE PRINT)

Name: Michael King

Address: 65 W RED OAK LAKE WHITE PLAINS, NY 10604

I represent: KRASNIK FOODS

Address: SAME

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Jay Peltz

Address: 1355 Boro - Port Ad

I represent: Food Industry Alliance of NY

Address: Same

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1145 Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Edgard Laborde

Address: \_\_\_\_\_

I represent: RWDSU

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms