

HOUSE OF REPRESENTATIVES COMMONWEALTH OF PENNSYLVANIA

MEMO

May 22, 1975

SUBJECT. Analysis of HB-162 (PN 167)--Unit Pricing of Consumer Commodities

Honorable C. L. Schmitt

FROM . Jacob Myers, Counsel

HB-162 would create a new act providing for the unit pricing of consumer commodities.

Section 1 provides definitions of what commodities would be included in the act. "Consumer commodity" means any food, drug, device or cosmetic and other article, product, or commodity of any other kind or class (except prescription drugs) which are sold retail, and which are usually consumed or expended in the course of such consumption or use.

"price per measure" means (1) price per pound for commodities whose net quantity is expressed in units of weight, except for such commodities whose net weight is less than one ounce which could be expressed as a price per ounce; (2) price per quart in the case of commodities whose net quantity is expressed in units of volume; (3) price per dozen; (4) price per foot; and (5) price per square foot in the event the commodities are sold in the units of area.

Section 2 of the bill requires disclosure to the consumer of the unit price of every commodity included in the act unless exempted by the director as provided for in subsequent sections.

Section 3 sets forth the means of disclosure in one of the following ways:

- (1) Where it would be difficult to place on the commodity itself, a sign conspicuously placed near the point of procurement.
- (2) By attachment of an orange stamp, tag or label directly adjacent to the consumer commodity, or by stamping or affixing the price information on the commodity itself. The stamp would have to be labeled "Unit Price" and contain the price per measure.

If the retail establishment is unable to meet the minimum size requirements, the director could grant permission for a reduction to no less than pica size.

When the display space used for the packaged commodity is inadequate to set forth separate price legends, the retailer could set forth the required legends on display cards or other material used for the display of prices for such commodities.

Section 4 exempts from the provisions of the act any store that had less than four fulltime paid employes in the previous calendar year.

Section 5 confers power on the director of the Bureau of Consumer Protection to do the following:

- (1) Designate by regulation which manner of display of the unit price shall be required for a given commodity.
- (2) Designate by regulation the unit of weight, measure, or count in terms of which the unit price of each consumer commodity shall be expressed.
- (3) Designate whether the unit price shall be expressed to the nearest whole cent or to any appropriate fraction thereof.
- (4) Exempt by regulation classes of retail establishments from any or all requirements of this act upon a determination that the commodities subject to the regulation are purely incidental to the business of such classes of retail establishments or compliance with the act would be impracticable and unnecessary for adequate protection of consumers.

The director would be empowered to promulgate regulations but would be required to do so in accordance with the "Commonwealth Documents Law."

The director would be empowered to hold hearings whenever he has probable cause to believe, or whenever 25 or more citizens state in writing to him their belief, that the actions of any person subject to the provisions of this act have evidenced a pattern of noncompliance.

The director upon finding a pattern of non-compliance would be empowered

- (1) Issue a warning citation; or
- (2) Report any pattern of noncompliance to the Attorney General or District Attorney who then would be required to cause appropriate proceedings to be instituted in court.

Section 6 empowers the Attorney General or District Attorney to bring a mandatory injunction action to enforce compliance.

Section 7 provides for assurances of Voluntary Compliance. The Attorney General and D.A. would be empowered to enter into agreements with any person who has engaged in such method, act or practice, whereby the violator would comply in the future with the provisions of the act.

 $\underline{\text{Section 8}}$ provides for civil penalties of not more than \$5,000 for each violation.

Section 9 would allow the Attorney General to petition the Court of Common Pleas for dissolution or suspension forfeiture of the franchise of any corporation which violates the terms of the injunction.