

MEASURE: <u>HB</u> 2398 EXHIBIT: <u>Z</u> H BUSINESS & LABOR DATE: <u>3.17.2013</u> PAGES: <u>1</u> SUBMITTED BY: <u>Shawa</u> mille

Please VOTE NO on HB 2398

House Bill 2398 prohibits retailers from selling tobacco products, prescription pharmaceuticals, overthe-counter medications or alcoholic beverages to consumers through the use of a self-checkout device. The Northwest Grocery Association (NWGA) opposes HB 2398 because it is simply targeting self-checkout. In fact, there is no sound policy or public safety reason to prohibit self-checkout on specific products.

Tobacco

Tobacco products are already sold behind the counter with employee assistance and the prohibition would have no impact on these products.

Prescription Pharmaceuticals

Prescription pharmaceuticals are sold at the pharmacy counter within grocery stores, so self-checkout does not exist in this instance.

Over-the-Counter Medications

Over-the-counter medications, such as ibuprofen or cold medicines, would no longer be eligible for quick self-checkout. Why?

Alcohol

Alcohol triggers the self-checkout device to lock up—requiring employees to physically check the customer's ID—to ensure he or she is 21 years or older before allowing the purchase to continue.

House Bill 2398 came from similar legislation pushed in California to prevent the sale of alcohol to minors through self-checkout terminals. The argument that self-checkout is unreliable and that underage consumers are easily able to obtain alcohol is invalid. NWGA made an official inquiry with the Oregon Liquor Control Commission in regards to complaints or violations of alcohol sales to minors because of the self-checkout device and the answer was none.

While NWGA fully supports efforts to enforce existing laws regarding sales of alcohol in Oregon, this bill will do nothing to enhance enforcement or better protect the public. Human interaction is a part of every alcohol transaction in Oregon grocery stores, whether those transactions take place at a traditional employee operated check stand or at an advanced assisted self-checkout terminal.

The presumption that self-checkout systems will replace staff is simply untrue. Self-checkouts are used by retailers to make smarter use of their staff and improve customer service. They can use the same number of people to manage many more lanes or redeploy some staff to focus on improving on-shelf availability and helping shoppers locate items.

We believe there is no benefit to forcing consumers to compromise convenience while purchasing these specific items. SB 2398 lacks any public policy basis for enactment.

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