December 6, 2006

TO: Members of the Senate

FROM: Ken Fletcher, Legislative Director

RE: Opposition to House Bill 4636 – Attack on Michigan’s Item Pricing Law

The Michigan State AFL-CIO is a federation of unions representing one million active and retired workers and their families.

We oppose House Bill 4636, introduced by Representative David Hildenbrand, which would gut Michigan’s item pricing law.

Michigan has a long and proud history of being a leader in the nation when it comes to protecting consumers in the marketplace from unscrupulous business practices. That is a heritage that should be protected by the Senate.

Michigan’s Item Pricing Law was enacted in 1976 to ensure accuracy in “automatic checkout systems” and to protect consumers from being overcharged from computers. This law is even more important today than it was then, when introduced, because all stores now rely on automatic checkout systems. Consumers still need to be able to verify that they are being charged the correct price at the checkout counter. Technology may have changed over the years but the need for consumer protections have not.

Make no mistake about it, House Bill 4636 is a very anti-consumer piece of legislation. If enacted, this bill will make it difficult for consumers to verify that they are being charged the correct price for the items they purchase. It will also make it easier and faster for retailers to increase their prices.

This bill has been called the “Pricing Modernization Act,” which we believe is a misnomer. This bill modernizes nothing, it just allows stores to stop pricing the merchandise they sell. Do you really believe that it’s too much to ask a store to tell the consumer what the price of an item is?

If anything, we need increased enforcement of our item pricing law. Many stores are now openly violating the law by not putting price stickers on their products.

For these reasons, we ask that you vote “NO” on House Bill 4636 and end this attack on Michigan’s cherished item pricing law.

Thank you.

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