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Testimony of
Christopher Carlozzi, NFIB State Director
In Opposition to House Bill No. 7230
An Act Relating to Commercial Law – General Regulatory Provisions – Grocery Stores
Before the House Committee on Corporations
February 27, 2024

Chair Solomon and Members of the House Committee on Corporations:

My name is Christopher Carlozzi. I am the Rhode Island State Director for NFIB. A non-profit, non-partisan organization, NFIB is the nation's and our state's largest small business advocacy group. In Rhode Island, NFIB represents hundreds of small and independent business owners involved in all types of industry, including manufacturing, retail, wholesale, service, and agriculture. The average NFIB member has five employees and annual gross revenues of about \$450,000. NFIB represents the small Main Street business owners from throughout Rhode Island. On behalf of those small and independent business employers, I urge you to oppose House Bill No. 7230 setting limits on automated kiosks.

NFIB's latest January 2024 Small Business Optimism Index showed 20 percent of business owners cite inflation as their top concern. Grocery stores have all faced higher priced products, with cost being passed along to consumers. This legislation needlessly interferes in the operation, and the ability to run, a business in Rhode Island.

It is somewhat ironic that the businesses impacted by automated kiosk limits are offered an opportunity to pay the state Division of Taxation online when they register their businesses. The online portals notes:

The Division of Taxation allows for online registration for a new business. This fully interactive service allows you to register your business and pay associated registration fees with your credit card.

This application may be used to register your business for the following:

- *Permit to make sales at retail*
- *Income tax withholding account (including withholding for pensions or trusts)*
- *Rhode Island Unemployment insurance account (includes Rhode Island employment security, temporary disability insurance, and job development fund tax)*

Municipalities are also allowed to offer the convenience of automated payment options. The city of Newport utilizes parking kiosks without having an attendant present. The city of Providence encourages residents to use a parking app with the city's official parking website stating:

With the Passport Parking App, you no longer have to keep going back to the meter to park in Providence. The Passport Parking App allows you to conveniently pay for parking from anywhere by your mobile device.

The move towards automation is, in part, a result of the ever-increasing cost of doing business in Rhode Island. As NFIB has repeatedly stated in our testimony about minimum wage increases, when available, higher wages will expedite automation. A recent Forbes article cited the expertise of tech experts predicting which jobs will be automated in the not-too-distant future, by 2030. Many of these jobs are minimum wage jobs including customer service, retail checkout, fast food, and delivery services.

I urge you to oppose House Bill No.7230 interfering in the operation of grocery stores in Rhode Island. The best way to avoid automation in businesses across the state is to make it more affordable to create and maintain jobs.