



Member Focused; Results Driven

February 27, 2024

OPPOSE

Representative Joseph J. Solomon, Jr.
Chairperson; House Corporations Committee
The State House
Providence, RI 02903

RE: House Bill 7230: Self-Checkout Limitations

Dear Chairperson Solomon:

My name is Scott Bromberg and I am the President & CEO of the Rhode Island Food Dealers Association, a trade association established in 1909 to serve the needs of the food industry in the State of Rhode Island. Our membership includes chain and independent grocery retailers, wholesalers, suppliers, distributors, food manufacturers, brokers, and other organizations affiliated with the food industry in our state. As an industry, we are among the state's largest employers and revenue generators.

On behalf of our association members, I would like to take this opportunity to register our group's opposition to the self-checkout limitations proposed in House Bill 7230. This new legislation restricts the number of self-checkout kiosks and imposes rules on staffing and operations only in grocery stores. Why just grocery stores? Are big box retailers that sell a significant portion of groceries in Rhode Island included in this bill? It is unclear. There are big box retailers, hardware stores, pharmacies and more that have evolved to utilize self-checkout and are often places where consumers convene and have social connections.

Grocery retailers acted swiftly and made significant investments in technology at the onset of COVID to keep communities safe during the height of the pandemic as essential businesses. These investments expanded self-checkout for contactless checkout. The state would be undermining the investments these businesses made in good faith for the health and safety of the communities they serve.

Like many industries, since COVID, grocery stores are facing a difficult time finding employees. The Rhode Island Department of Labor January 2024 Market report revealed a December seasonally adjusted unemployment rate of 3.2%. Couple the low unemployment rate with the high cost of labor, businesses will be required to develop alternative models for doing business or cease from operating. In mandating how many manual cashiers must be open in proportion to the number of self-checkout terminals in use, legislation is dictating how a private company

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deploys their staff. In a time when it is difficult to find and retain staff, having flexibility to use your staff where and when they are needed is increasingly important to our industry.

Grocery stores are a crucial part of the economy. These entities provide opportunities for residents and businesses to purchase needed products. Many customers prefer the convenience provided by self-checkout stations that allow them to save time. Also, a 2023 consumer study found that 80% of consumers preferred the self-checkout option when shopping. It should remain the customer's choice to use self-checkout. We urge the committee not to create policies that discourage and penalize businesses operating in Rhode Island.

In summary, Rhode Island's food industry is one of the largest – and steadiest – employers in the state. This proposed bill would have a negative impact on our members as it would make it much more difficult to manage and operate their business effectively and efficiently in Rhode Island. We ask you to recognize their position when considering House Bill 7230.

Thank you for allowing our industry to weigh in on this bill.

Sincerely,



Scott Bromberg
President & CEO
RI Food Dealers Association

CC: Hon. K. Joseph Shekarchi, Speaker
Rhode Island House of Representatives

Hon. Christopher R Blazewski, Majority Leader
Rhode Island House of Representatives

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