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MICHIGAN HOUSE OF REPRESENTATIVES

LISA POSTHUMUS LYONS

STATE REPRESENTATIVE

**Michigan Senate
Economic Development Committee
February 23, 2011
House Bill 4158 (H-3)**

Thank you, Mr. Chair and members of the committee. I urge you today to support House Bill 4158, The Shopping Reform and Modernization Act, which modernizes Michigan's outdated item pricing law.

I speak not only as the bill sponsor, but as today's generation of shoppers and a working mother. I am a mother of four young children, and my time is a precious resource. When I'm not working, I need to make the most of my time and spend it with family, but I cannot do that in a store. If you've ever met my kids, you would know why! I would like to make the shopping experience more efficient and easier for me and for all consumers in Michigan. We are being left behind by a law- enacted before I was born- that costs shoppers, handcuffs retailers, and costs Michigan's economy \$2.2 billion dollars that can be better spent investing in other areas.

I want to be clear: this bill is NOT an all-out repeal; it simply brings Michigan into the 21st century by allowing retailers to use the latest technology and make Michigan more competitive in attracting retail. HB 4158 removes the requirement that a price sticker be affixed to every item in the store. I am very proud to tell you that this bill also includes consumer protections Michigan families have come to expect and deserve.

I am pleased that House Bill 4158 has the support of AARP. AARP's support, along with that of the Attorney General and long-time item pricing advocate Former Attorney General Frank Kelley- all of whom are champions for consumer protection, is a great testament to the deliberative process we went through in

listening to stakeholders, addressing their concerns, and turning a good bill into a great bill.

House Bill 4158 requires that retailers clearly and reasonably convey the price of its products in the store where the item is located; maintains Attorney General and prosecutorial oversight; provides for Department of Agriculture and rural development inspections; includes advertisement and "rain check" requirements; and retains the "bounty" provision that requires payment of the difference plus ten times the difference between an advertised price and the price charged at checkout. In addition, the bill provides for the Attorney General to implement a consumer awareness and education program, including the requirement of a website dedicated to keep customers informed and aware of their rights under the new law. Item Pricing has been in effect for over 30 years. Shopping Reform and Modernization is going to have an adjustment period. It is only right that the state do everything possible to educate them to make the transition as seamless as possible.

The Shopping Reform and Modernization Act enables retailers to refocus store efforts on people, not price guns. This means customers get their questions answered sooner, find their items faster, and spend less time in the store, all while being more likely to purchase products because someone was there to serve them.

Michigan is one-of-a kind in a bad way. We are the only state in the nation that requires every individual item have a price tag stuck to it, and we remain at a disadvantage in competing with other states for retail. New technology is developed every day; it just makes sense that our state would respond to these advances and take advantage of opportunities that make Michigan more attractive to job providers and the shopping experience more convenient.

We need to reinvent our state in order to bring jobs here, put our families to work, and get our economy thriving again. House Bill 4158 passed the House with bipartisan support, recognizing that the Shopping Reform and Modernization Act is good for consumers, good the retail industry, and good for Michigan. I ask you to support House Bill 4158- without amendments- and change this law that is older than me.