



**Bill Schuette  
Attorney General**

**Shopping Modernization  
Webinar**



**Know your rights!**

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**Shopping Reform  
and Modernization Act**

- Passed in March 2011
- Effective September 1, 2011
- Very similar to old "Item Pricing" Act with one main difference...



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**Main Difference**

Old law ("**Item Pricing**"):

Individual items had to be marked

New law ("Shopping Modernization" or "Scanner Law"):

**Price display**



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## Price display

- Any method that:
  - **"Clearly and reasonably conveys** the current price of the consumer item, to a consumer when in the store. . .
  - **at the place where the item is located."**



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## Scanner Error Card (front)

### SCANNER ERROR BILL OF RIGHTS BILL SCHUETTE Attorney General

Our State law requires that the price of most items be displayed by any manner that clearly and reasonably conveys the price in the store at the place where the item is located. If you are charged more than the price displayed, the law gives you specific rights (see other side). Keep this card in your wallet or purse and refer to it whenever you have a question about your scanner error pricing rights.

BILL SCHUETTE, Attorney General

For more information, visit or call my office at: Consumer Protection Division  
Toll Free: 1-877-765-8388  
[www.michigan.gov/ag](http://www.michigan.gov/ag)

Report a store's failure to properly display the price of an item by calling the Department of Agriculture and Rural Development at (517) 655-8202 or writing 940 Venture Lane, Williamston, MI 48895.



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## Price Display NOT Required:

- items sold by weight or volume which are not in a package or container;
- unpackaged food items;
- < 30 cents & a total weight of not more than 3 ounces and total volume of not more than 3 cubic inches.



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## Price Display NOT Required:

- live plants and animals;
- motor vehicles;
- motor vehicle parts; and
- packages of 20 or fewer cigarettes.



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## Scanner Error Card (back)

If an automatic checkout system charges you more than the price displayed for an item, and:

- (1) the transaction has been completed, and
- (2) you have a receipt indicating the item purchased and the price charged for it;

### Then:

You must notify the seller that you were overcharged, within 30 days of the transaction, either in person or in writing. Within 2 days of receiving your notice, the seller may choose to refund to you the difference between the amount charged and the price displayed, plus a "bonus" of 10 times the difference, with a maximum of \$5. If the seller refuses to give you both the refund and the bonus, you may bring a lawsuit to recover your actual damages or \$250, whichever is greater, plus reasonable attorney fees up to \$300.

### Additional considerations:

- If the price of the item is not clearly displayed in the store at the place where the item is located and you suffer a loss due to an overcharge, you may bring a lawsuit to recover your actual damages or \$250, whichever is greater, plus reasonable attorney fees up to \$300.
- If you bring a lawsuit and can prove violations of the law occurred on separate occasions, you may recover your actual damages or \$250, whichever is greater, for each day on which violations of the law are found.
- If you purchase several identical items at once and were overcharged on each, you may collect the bonus only once, but you are entitled to the refund of the difference for each identical item.
- If you decide to bring a lawsuit against the seller, you can choose to file a complaint in a Small Claims Court without an attorney.



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## If you are charged more than the displayed price:

- **Difference** between the displayed price and what you were charged on **all items**.

**PLUS**

- **One bonus** of 10 times difference. The bonus portion has a:
  - Min \$1.00
  - Max \$5.00

**CASH – NOT STORE CREDIT  
OR GIFT CERTIFICATE**



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## Keeping track of display prices:

- Write the price displayed next to the item on your grocery list.
- Take a photo of price displayed with cell phone.
- Carry the store's weekly circular with price advertisements with you while you shop.
- Use store's stand-alone scanner to check prices as you shop.



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## Where Can You Learn More?

- **Senior Brigade**
  - [www.michigan.gov/seniorbrigade](http://www.michigan.gov/seniorbrigade)
- **AG Consumer Alerts**
  - [www.michigan.gov/agemail](http://www.michigan.gov/agemail)



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## Shopping Modernization

[www.michigan.gov/agscannerlaw](http://www.michigan.gov/agscannerlaw)



**Survey**

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## SCANNER ERROR BILL OF RIGHTS

**BILL SCHUETTE**

Attorney General

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**Report a store's failure to properly display the price of an item** by calling the Department of Agriculture and Rural Development at (517) 655-8202 or writing 940 Venture Lane, Williamston, MI 48895.

**If an automatic checkout system charges you more than the price displayed for an item, and:**

- (1) the transaction has been completed; and
- (2) you have a receipt indicating the item purchased and the price charged for it;

**Then:**

You must notify the seller that you were overcharged, within 30 days of the transaction, either in person or in writing. Within 2 days of receiving your notice, the seller may choose to refund to you the difference between the amount charged and the price displayed, plus a “bonus” of 10 times the difference, with a minimum of \$1 and a maximum of \$5. If the seller refuses to give you both the refund and the bonus, you may bring a lawsuit to recover your actual damages or \$250, whichever is greater, plus reasonable attorney fees up to \$300.

**Additional considerations:**

- If the price of the item is not clearly displayed in the store at the place where the item is located and you suffer a loss due to an overcharge, you may bring a lawsuit to recover your actual damages or \$250, whichever is greater, plus reasonable attorney fees up to \$300.
- If you bring a lawsuit and can prove violations of the law occurred on separate occasions, you may recover your actual damages or \$250, whichever is greater, for each day on which violations of the law are found.
- If you purchase several identical items at once and were overcharged on each, you may collect the bonus only once, but you are entitled to the refund of the difference for each identical item.
- If you decide to bring a lawsuit against the seller, you can choose to file a complaint in a Small Claims Court without an attorney.

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# CONSUMER ALERT

**BILL SCHUETTE  
ATTORNEY GENERAL**

The Attorney General provides Consumer Alerts to inform the public of unfair, misleading, or deceptive business practices, and to provide information and guidance on other issues of concern. Consumer Alerts are not legal advice, legal authority, or a binding legal opinion from the Department of Attorney General.

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## MICHIGAN'S NEW SCANNER LAW

### THE 2011 SHOPPING REFORM AND MODERNIZATION ACT

In March 2011, the Michigan Legislature passed the Shopping Reform and Modernization Act ("Scanner Law"), with an effective date of September 1, 2011. While the new Scanner Law retains many provisions of the former Pricing and Advertising of Consumer Items Act ("Item Pricing Act"), the most fundamental change is that retailers are required to display the price of items offered for sale in the store at the place where the item is located, but are no longer required to individually mark the price on the item itself. The new Scanner Law permits the price to be displayed by signage, electronic reader, or any other method that clearly conveys the price to a consumer when in the store at the place where the item is located.

This Consumer Alert provides information in response to questions about pricing requirements and scanner overcharge rights under the new Scanner Law. The [Shopping Reform and Modernization Act](#), 2011 HB 4158 is available at the Michigan Legislature's website – [www.mileg.org](http://www.mileg.org).

## SCANNER ERROR BILL OF RIGHTS

The new Shopping Reform and Modernization Act, or Scanner Law, requires that most items on store shelves be clearly displayed with the price; by signage, electronic reader, price sticker, or any other method that clearly and reasonably conveys the price to a consumer in the store at the place where the item is located. **If an automatic checkout system (scanner) charges you more than the displayed price of an item, and:**

- 1) the transaction has been completed, and
- 2) you have a receipt indicating the item purchased and the price charged for it.

### **Then:**

You must notify the seller that you were overcharged, within 30 days of the transaction, either in person or in writing. Within two days of receiving your notice, the seller may choose to refund you the difference between the amount charged and the price displayed plus a "bonus" of ten times the difference, with a minimum of \$1.00 and a maximum of \$5.00. If the seller refuses to give you both the refund and the bonus, you may bring a lawsuit to recover your actual damages or \$250.00, whichever is greater, plus reasonable attorney fees up to \$300.00.

## PRICING AND SCANNER ERROR QUESTIONS

### **1. How much money do I get back when a scanner charges me more than the price displayed for the item?**

You are entitled to request the difference between the displayed price and what you were charged, **plus** additional compensation ("bonus") of ten times the difference. The bonus must be at least \$1.00, but may not be more than \$5.00. If the seller refuses to pay the difference and the bonus, you may sue for actual damages or \$250.00, whichever is greater, plus attorneys' fees of up to \$300.00.

### **2. If a price is not displayed for a sale item and it scans for more than the sale price, do I get the sale price and the bonus?**

You are entitled to the sale price but not the bonus. There must be a price displayed for the item – and the item has to scan for more than the price displayed – for you to be entitled to the bonus.

**3. If I am charged more than the displayed price for several duplicate items, do I get the bonus for each duplicate item?**

No. When you purchase multiple identical items, you are only entitled to one bonus payment of ten times the difference between the displayed price and the price you were charged, but not less than \$1.00 or more than \$5.00. However, you get the difference between the displayed price and the price you were charged for each item you purchased.

**4. What items are not required to be displayed with a price in the store?**

The following consumer items are not required to have the price displayed in the store at the place where the item is located:

- a) items sold by weight or volume which are not in a package or container;
- b) items sold in a coin-operated vending machine;
- c) prepared food intended for immediate consumption;
- d) items purchased by mail or through a catalog, or which are not otherwise visible for inspection, if the price of the item is on the consumer's written order or the bill/invoice;
- e) unpackaged food items;
- f) items which have a total weight of not more than 3 ounces, a total volume of not more than 3 cubic inches, and a total price of not more than 30 cents;
- g) live plants;
- h) live animals;
- i) motor vehicles;
- j) motor vehicle parts;
- k) packages of 20 or fewer cigarettes;
- l) greeting cards sold individually which have a readable coded price on the back of the card;
- m) merchandise ordered by a consumer as a gift to be sent directly to the recipient.

**5. What if the store has items that apparently should have the price displayed but does not? Or what if the price is displayed, but in a manner that does not clearly and reasonably convey the price at the place in the store where the item is located?**

Complaints regarding a store's failure to properly display the price of consumer items offered for sale should be directed to the Department of Agriculture & Rural Development, Weights & Measures Section in the E.C. Heffron Laboratory, by calling (517) 655-8202 or in writing addressed to 940 Venture Lane, Williamston, MI 48895.

**6. Can I bring a lawsuit when the store fails to properly display the price of items?**

A person who suffers a loss as a result of a violation of the Shopping Reform and Modernization Act may bring an individual or class action to recover actual damages or \$250.00, whichever is greater, for each day on which a violation of the act has been found, together with reasonable attorneys' fees not to exceed \$300.00 in an individual action.

**7. If I notify the clerk that I was overcharged for an item before I pay and the clerk corrects the overcharge, am I still entitled to the bonus?**

No. The transaction must be complete, and you must have a receipt evidencing the overcharge before you can request the bonus.

**8. Do I have to make a claim for the refund and the bonus before I leave the store?**

No. You have 30 days from the date you purchased the item to notify the seller in person or in writing. The notice you provide must include evidence of the loss suffered. The seller has two days after notification to tender an amount equal to the difference between the displayed price and the price charged and additional bonus equal to ten times that difference, with a minimum of \$1.00 and a maximum of \$5.00.

**9. Can the seller, as a condition of paying the difference between the price I was charged and the price displayed for the item, or as a condition of payment of the bonus, demand I provide my name, address, and phone number?**

Probably not. The Scanner Law only requires the buyer to provide evidence of the loss suffered. When the buyer produces the receipt, the seller will likely immediately mark the receipt to indicate the difference and the bonus have been paid. The seller, however, has two days after notification to tender the difference and any applicable bonus. If the seller does not process the refund and applicable additional bonus immediately and you do not want to provide contact information, you will need to make arrangements to check back with the seller at a reasonable time and location.

**10. Can a seller satisfy the obligation to provide a refund and bonus for scanner overcharges by giving the consumer a gift certificate?**

No. The Scanner Law requires that when a consumer is charged more than the displayed price, the seller may avoid a lawsuit by tendering to the buyer an amount equal to the difference between the displayed price and the price charged, plus an amount equal to ten times that difference with a minimum of \$1.00 and a maximum of \$5.00. Black's legal dictionary defines "tender" as "an offer of money."

### **11. Can I sue if I am overcharged due to scanner error?**

Unless you are alleging the seller intentionally charged more for an item than the price displayed for the item, you must first notify the seller in person or in writing and provide evidence of the loss suffered. If the seller refunds the difference and any additional bonus due, you are barred from further recovery. If the seller does not refund the difference and any additional bonus due, the consumer may bring an individual or class action to recover actual damages or \$250.00, whichever is greater, for each day on which violations of the act are found together with reasonable attorneys' fees not to exceed \$300.00 in an individual action.

### **12. What if the store refuses to pay the bonus?**

If the seller refunds the difference between price displayed and price charged, but refuses to pay the bonus, you may bring an individual or class action to recover actual damages or \$250.00, whichever is greater, for each day on which violations of the act are found together with reasonable attorneys' fees not to exceed \$300.00 in an individual action.

### **13. What if an item is advertised on sale but the clerk charges me the displayed price, which is higher than the advertised sale price; am I entitled to buy the item at the advertised sale price and receive the bonus?**

You are not entitled to the bonus because you were not charged more than the price displayed for the item. Whether you are entitled to purchase the item at the advertised sale price is a fact-specific question best answered by a court. The failure to sell goods, merchandise, commodities, or services in the manner advertised, or the refusal to sell at the price advertised, or in accordance with other terms and conditions of the advertisement, creates a rebuttable presumption of intent to violate the Act.

### **14. What if the wrong price is displayed for an item and the clerk catches it before I pay; am I entitled to buy the item at the displayed price?**

This is a fact-specific question best answered by a court. A store may not knowingly charge or attempt to charge a price higher than the price displayed for that item. Therefore, the consumer may have a claim if the store will not sell the item at the price displayed. However, the consumer may face obstacles convincing a court that the store knowingly charged the higher price when the pricing mistake is not intentional and will result in an obvious windfall to the consumer.

## **15. Does the Scanner Law apply to the sale of alcohol?**

Yes. However, another law – the Liquor Control Code – must also be considered. MCL 436.1101 – MCL 436.2303. Under the Liquor Control Code, alcoholic liquor may not be sold below the “minimum retail selling price” set by the Liquor Control Commission. . MCL 436.1229. Therefore, the difference between the amount charged and the displayed price is only refundable if the retailer has charged more than the minimum retail selling price.

If the consumer is due a bonus, this amount must be paid if the seller wants to preclude the consumer from bringing a lawsuit because the bonus is not a price adjustment. The payment of the bonus is an amount paid by the seller for their error and is distinct from the price the consumer paid for the alcohol.

The payment of the difference between the amount charged and the displayed price, however, is essentially a price adjustment, and as such, might not be refundable in certain circumstances (i.e., if the retailer has charged the exact minimum retail selling price). Since alcohol is not an exempt item under the Shopping Reform and Modernization Act, and the Legislature is presumed to know that another law (the Liquor Control Code) requires certain alcohol pricing, this conclusion interprets the legislative intent when the laws are read together.

Consumers should direct complaints regarding alcohol pricing to the Enforcement Division of the Michigan Liquor Control Commission by calling (517) 322-1370 or writing to Michigan Liquor Control Commission, 7150 Harris Drive, P.O. Box 30005, Lansing, MI 48909. Violations may be reported online at <http://www.reportunder21.com/> or by calling the toll-free hotline 1-866-893-2121.

## **16. Where can I report scanner error overcharge complaints?**

Complaints regarding a scanner error overcharge by a store should be directed to the Department of Agriculture & Rural Development, Weights & Measures Section in the E.C. Heffron Laboratory, by calling (517) 655-8202 or in writing addressed to 940 Venture Lane, Williamston, MI 48895.

## **DOLLAR-BILL-SIZED BILL OF RIGHTS & QUESTIONS OR COMPLAINTS**

To obtain a dollar-bill-sized reminder of your "Scanner Error Bill of Rights," to ask questions or obtain complaint information, contact the Attorney General's Consumer Protection Division:

Consumer Protection Division  
P.O. Box 30213  
Lansing, MI 48909  
517-373-1140  
Fax: 517-241-3771  
Toll free: 877-765-8388  
[www.michigan.gov/ag](http://www.michigan.gov/ag) (online complaint form)