

SECURITY FOR SPECIAL SALES AT LARGE RETAILERS

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House Bill 5563

Sponsor: Rep. Dian Slavens

Committee: Commerce

Complete to 11-16-09

A SUMMARY OF HOUSE BILL 5563 AS INTRODUCED 10-29-09

The bill would require a large retailer conducting a special sale to implement safety and security measures.

A *large retailer* would be a retailer (1) that operates a facility containing 90,000 or more square feet, or (2) that operates six or more retail facilities. A *special sale* means an advertised sale event that is intended to attract higher than average customer traffic for 72 hours or less, and that offers high-demand items or other goods for sale in limited quantities.

The safety and security measures required would include:

- Employing an adequate number of staff to monitor, assist, and control a reasonably estimated number of customers.
- Assigning staff to work outside the facility before the doors open to monitor potentially disruptive customers waiting in line.
- Providing staff with adequate training about crowd control and store safety and sales procedures.
- Putting in place and enforcing written store policies and procedures designed to promote the fair and orderly sales of goods at special sales, including the use of secured, marked waiting areas for customers outside; a "first come, first served" or lottery system for goods of limited quantity; and offering certain limited quantity, high-demand items for sale only in restricted areas secured by staff or using other measures allowing for the orderly distribution of items.
- Publishing and posting notices to customers about any system used to determine which customers will be able to purchase limited quantity, high-demand items.
- Notifying, and coordinating with, local authorities and agencies if it is anticipated the sale could pose a risk to public health, safety, or order.

The bill would be an amendment to the Michigan Consumer Protection Act (MCL 445.903), and a violation of its provisions would fall under the prohibitions against unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce. The attorney general is authorized to promulgate rules to implement the act. Generally speaking, the act is enforced by the attorney general and local prosecutors and, in some cases, by private lawsuits.

FISCAL IMPACT:

House Bill 5563 would have an indeterminate, but likely negligible, fiscal impact on the judicial branch and the Department of Attorney General. Any fiscal impact would be the result of increased prosecutions and lawsuits brought under the bill.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.