

STRIKEOUT ORDINANCE

OLD LANGUAGE: ~~Struck Out~~

NEW LANGUAGE: Double Underline

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE AMENDING CHAPTER 3 OF THE SAN DIEGO MUNICIPAL CODE BY ADDING ARTICLE 11, DIVISION 1, AND SECTIONS 311.0101, 311.0102, 311.0103, 311.0104, AND 311.0105 ALL RELATING TO GROCERY PRICING TRANSPARENCY.

Article 11: Grocery Pricing Transparency Ordinance

Division 1: Exclusive Digital Discounts Prohibited

§311.0101 Purpose and Intent

The purpose of this Article is to ensure equitable access to discount pricing for all consumers, regardless of their access to or familiarity with digital technology.

Under this Division, any grocery store that offers or sells goods in the City of San Diego and offers digital discounts, such as through a mobile or smartphone application, must make physical coupons with identical pricing available to consumers. The intent of this Division is to prevent discriminatory practices that restrict discounted prices to consumers exclusively through the Internet or other electronic methods, and to promote transparency and consumer fairness.

§311.0102 Definitions

For purposes of this Division, defined terms appear in italics. The following definitions apply in this Division:

City of San Diego and City have the same meaning as in San Diego Municipal Code section 11.0210.

Consumer means a person who buys *goods* from a *grocery store*.

Coupon means a voucher, certificate, document, or similar matter entitling the holder to a discount for a *good*.

Digital discount means a store *coupon*, rebate, or similar instrument that is offered to *consumers* exclusively through the Internet or any other digital or electronic means including websites, mobile or smartphone applications, QR codes, or email promotions.

Goods means groceries and includes foodstuffs and packaged food intended for human consumption or for domestic animals normally kept as household pets, produce, meats, poultry, fish, deli products, dairy products, beverages, baked foods, prepared foods, paper and plastic products, diapers, detergents, soaps, other cleaning agents, pharmaceuticals, nonprescription drugs, bandages, female hygiene products, and toiletries.

Grocery store means a business, supermarket, or warehouse club engaged primarily in the retail sale of *goods*, rather than food prepared solely for consumption on the premises.

§311.0103 Digital Discount Practices

- (a) Any grocery store that offers digital discounts to consumers for the purchase of goods must make physical coupons for the digital price available to consumers upon request.

- (b) The *digital discount* price must be clearly shown where *goods* are displayed or on each individual item offered for sale.
- (c) *Grocery stores* must post a sign or notice in a location visible to *consumers* that states the following:

Fair Pricing for All: Your Right to Equal Discounts - Under San Diego law, all digital discounts must also be available as physical coupons. Violations of this law are subject to San Diego Municipal Code section 311.0104.

§311.0104 Unlawful Pricing Practices

Violations of this Division may be pursued as an act of unfair competition within the meaning of section 17200 of the California Business and Professions Code and subject to the remedies and penalties set forth in Division 7, Part 2, Chapter 5 of the California Business and Professions Code, as may be amended.

§311.0105 Exceptions

This Division does not apply to *grocery stores* that operate exclusively online through the Internet and do not have a physical presence in the *City*.

DJK:cm
March 3, 2025
Or.Dept: Council District 9
Doc. No. 3986117_2