Brian L. Schwalb

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BUSINESS ADVISORY

Retail Prices Must Be Clearly Displayed Up Front

This holiday shopping season, the Office of the Attorney General (OAG) is reaching out to the business community to share important educational information about District laws on price transparency for retail items.

District consumers have raised concerns about a lack of transparent and consistent pricing for retail items at District businesses. Consumers have also raised concerns about shopping experiences where prices are not clearly displayed before a consumer makes a purchase.

Under DC's consumer protection law, consumers have a right to clear information about prices in advance of any purchase. Businesses are legally required to make prices for consumer retail goods accurate and easy to understand. And prices must be clearly communicated to consumers *before* they get to the register.

Requirements for Displaying Prices to Consumers

When displaying items for sale, businesses should remember that:

- Prices for retail items must be displayed either directly on the item for sale or close by the item for sale.
- Prices must be displayed clearly and consistently.
- Prices must be listed in dollars and cents.
- Prices must be set in advance, and not made up at the time of purchase.
- Advertised prices must match prices at the register—the price of an item should not change when a consumer checks out.

Information on Applicable District Laws

The District's <u>Consumer Protection Procedures Act</u> gives consumers the right to complete, accurate, and timely information whenever they purchase goods or services. The law prohibits businesses from taking advantage of consumers. For example, a business cannot:

- Make misleading claims about products or services;
- Make misleading claims or false statements about the price of an item for sale;
- Fail to disclose prices and other important information; or
- Use ambiguous or vague language that tends to mislead a consumer.

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Businesses that use electronic scanners, scales, or other measurement devices generally must also follow the District's <u>Unit Pricing Requirements laws</u>. These laws are enforced by the Department of Licensing and Consumer Protection (DLCP), Office of Weights and Measures. The District's Unit Pricing Requirements laws apply to every business that sells, offers, or displays for sale a consumer commodity at retail. A "consumer commodity" is any food, drug, cosmetic, or other article, product, or item that is typically sold at retail for personal or household use or consumption. There are specific rules about how an item's unit price must be displayed *before* the time of purchase.

For businesses that must follow the District's Unit Pricing Requirement laws:

- Prices must be on a sticker, stamp, sign, label, or tag attached to the item itself or to the shelf where the item is displayed.
- If a price sign is not attached to the item, the sign must be displayed clearly and in a non-deceptive manner. The sign must be in a central location as close as possible to all items it refers to.
- If one sign is used to show prices for multiple brands or sizes, the sign must also include the identity and the brand name of the item and the total price.
- If items are packaged together, the quantity of the package must also be shown.

Resources for Businesses

If you are a District Business and have questions about your business's pricing transparency obligations—you can contact the DC Bar Pro Bono Center Nonprofit & Small Business Legal Assistance Programs:

- npsb@dcbar.org
- https://www.lawhelp.org/dc/npsb

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The Office of the Attorney General (OAG), led by Attorney General Brian L. Schwalb, works to protect and defend District residents, enforce District laws, and provide legal advice to DC government agencies. Visit www.oag.dc.gov to learn more.