

June 18, 2025

The Honorable Lola Smallwood-Cuevas California State Senate 1021 O St, Suite 6530 Sacramento, CA 95814

RE: SB 442 - Opposed Unless Amended

Dear Senator Smallwood-Cuevas,

On behalf of the California Retailers Association (CRA), we write to respectfully OPPOSE UNLESS AMENDED Senate Bill 442 (Smallwood-Cuevas), relating to self-service checkout staffing requirements in grocery and retail drug establishments. While we have engaged in good faith negotiations and appreciate the author's willingness to address our concerns, we must take this position unless the bill is amended to include statewide preemption language.

CRA has been actively negotiating the policies outlined in SB 442 since 2024. Last year, we raised significant concerns regarding the feasibility of imposing a statewide staffing ratio at self-checkout stations, emphasizing that such matters are best resolved through collective bargaining agreements rather than rigid legislative mandates. The bill did not advance last year, and we appreciated that the reintroduction this year did not include the problematic statewide staffing ratio provision.

Despite recent improvements, we are deeply concerned that local jurisdictions across California are now considering ordinances that would undermine the intent of a uniform statewide policy. For example, the City of Long Beach is actively studying an ordinance that would impose staffing ratios at self-checkout stations, mirroring the policy that failed at the state level last year. If other cities follow suit, retailers will face a confusing and costly patchwork of local regulations, undermining the very negotiations we have worked so hard to advance at the state level.

Our concerns have been heightened by the March 26th amendment to SB 442, which explicitly authorizes local governments to enact their own ordinances on self-checkout staffing. This amendment is a step in the wrong direction. The resulting patchwork of local rules would not only create compliance challenges but also impose significant additional costs on retailers. For many stores, especially those operating on thin margins, these costs could force closures, reducing access to essential goods and services in communities across California.

To ensure a fair, predictable, and workable regulatory environment, it is imperative that SB 442 include preemption language prohibiting cities and counties from enacting their own ordinances regarding

staffing ratios at self-checkout stations. Only a uniform statewide approach can provide the consistency that both employers and employees need to thrive.

We sincerely appreciate the author's and sponsors' willingness to work collaboratively with CRA. We remain committed to finding a solution that protects workers, serves customers, and supports the viability of California's retail sector. However, unless the bill is amended to address the critical issue of statewide preemption, we must formally oppose SB 442 in its current form

Sincerely,

Ryan Allain

Director, Government Affairs California Retailers Association