President, Board of Supervisors
District 8

City and County of San Francisco

# RAFAEL MANDELMAN

*****FOR IMMEDIATE RELEASE*****

## Board President Rafael Mandelman Introduces Legislation to Protect Grocery Jobs and Address Retail Theft

*Ordinance seeks to protect jobs, preserve human interaction, and address retail theft at grocery and drug stores, while keeping self-checkout available.*

**FOR IMMEDIATE RELEASE**
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**San Francisco, CA** — On Tuesday, Board of Supervisors President Rafael Mandelman introduced legislation to regulate self-service checkout at large grocery and drug stores in San Francisco, with the goals of protecting retail jobs, preserving human interaction in neighborhood stores, and addressing retail theft.

The ordinance would keep self-checkout available while requiring one employee for every three self-service checkout stations in operation. The legislation would apply to larger grocery stores and drug retail establishments. Small neighborhood markets and corner stores would not be covered.

"San Francisco leads the world in technology, and we should be just as committed to making sure working people have a place in that future," said Board President Rafael Mandelman. "Staffed checkout also gives shoppers someone to turn to, whether they need help, a question answered, or simply a familiar face. When a store has real people supervising the front end, it is safer for workers and customers and better protected against theft."

San Francisco is home to an economy increasingly shaped by automation and emerging technology. The ordinance is intended to ensure that technological change in the retail sector does not eliminate staffed checkout altogether. Cashiers, clerks, and store attendants provide jobs for working people while assisting customers who need or prefer employee service.

"Technology in grocery stores should help workers better serve customers, and this legislation will make that a reality in San Francisco," said UFCW Local 5 President John Frahm. "Our

members in the grocery industry are often overburdened with having to monitor too many self-checkouts while simultaneously carrying out their other duties, leading shoppers to face delays. Proper staffing ratios improve efficiency for customers. UFCW Local 5 applauds Board President Rafael Mandelman for his leadership on this issue."

Staffed checkout also provides customers with direct assistance and person-to-person interaction in neighborhood stores. By requiring stores to maintain staffed lanes alongside automated stations, the legislation would preserve that option without eliminating the convenience of self-checkout.

The ordinance is also about reducing retail theft. A 2023 analysis of nearly 5,000 transactions by checkout technology company Grabango estimated shrinkage at self-checkout at 3.5 percent of sales, compared with 0.21 percent in staffed lanes. A 2026 study of 39 retailers by ECR Retail Loss and the University of Leicester found that total store losses rose an average of 22 percent in the first year after self-checkout was introduced.

"This proposal is long overdue legislation that will improve San Francisco's grocery stores for everyone," said UFCW Local 648 President Milton Hum. "When self-checkout stations are understaffed, workers are stretched thin, and retailers see a spike in theft. With more monitoring, self-checkouts will no longer be targets for petty crime. UFCW Local 648 is proud to see San Francisco joining cities across California that are stepping up to protect our workers and strengthen our grocery stores."

The costs of retail theft are not solely borne by store operators and do not fully show up in corporate balance sheets. Those costs also include the physical risks and psychological trauma experienced by employees and customers, as well as the impacts on surrounding neighborhoods and businesses when a local grocery or drug store experiences persistent theft. The ordinance's supervision and item-limit requirements are intended to make self-checkout easier for employees to oversee, reduce opportunities for theft, and help make these stores safer for the people who work in and rely on them.

"UFCW knows that good, safe stores are staffed stores," said UFCW International Vice President Ademola Oyefeso. "While self-checkout was sold as a win-win for workers and shoppers, in reality, it overloaded workers, slowed down shoppers, and increased retail theft. Having proper staffing ratios at self-checkout stands solves these problems for everyone, which is why we are proud to support this proposal."

San Francisco would join other California jurisdictions considering or adopting regulations on self-service checkout. Similar legislation was proposed at the state level in 2024 and 2025, and Long Beach and Costa Mesa have adopted related requirements. San Jose Councilmembers Domingo Candelas and David Cohen also introduced self-checkout legislation in September.

The ordinance would provide several avenues for enforcement. Customers and employees of covered stores could bring an action in San Francisco Superior Court and, where a violation is established, receive a civil penalty of $100 per violation, increasing to $300 for a subsequent violation within one year, as well as reasonable attorneys' fees and costs.

The Office of Labor Standards Enforcement would have authority to enforce the ordinance and issue rules, forms, and guidance for its implementation. The City Attorney could also seek injunctive and monetary relief, including attorneys' fees, without waiting for an OLSE referral or notice of violation.

Mandelman's office has met with business, technology, and labor stakeholders throughout the drafting process and will continue working with stakeholders and Board colleagues as the ordinance moves through the legislative process.

Supervisor Stephen Sherrill, Supervisor Chyanne Chen, Supervisor Shamann Walton, and Supervisor Jackie Fielder have signed on as early cosponsors of the legislation. Next the ordinance will sit for its 30 day hold and will then be heard at the Board of Supervisors Government Audit & Oversight Committee.

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