

ORDINANCE NUMBER O- **21946** (NEW SERIES)DATE OF FINAL PASSAGE **APR 30 2025**

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.

RECITALS

The Council of the City of San Diego (Council) adopts this Ordinance based on the following:

A. Many grocery stores offer “digital deals” or coupons through digital means, such as a smartphone application. This practice becomes problematic because such discounts or coupons are offered only through digital means, disadvantaging those in the “digital divide,” or those who do not have ready access to or comfort with computers, smartphones, other digital devices, and the Internet. This often include seniors, low-income households, and nonnative English speakers.

B. It has been estimated that 25 percent of older adults lack Internet connectivity and 39 percent are without a mobile phone. As a result, many older adults are missing out on digital deals and coupons, worsening the current high inflationary environment for these individuals, who along with low-income households and nonnative English speakers are most often impacted by higher food costs.

C. Following similar proposals in New Jersey, Washington, Illinois, and Massachusetts, this Ordinance requires grocery stores in the City of San Diego that offer digital discounts to make physical coupons with identical pricing available to consumers. The Ordinance also requires grocery stores to post a sign or notice in a location visible to consumers

about their right to the physical coupons upon request and requires that the digital discount price be clearly shown where goods are displayed or on each individual item offered for sale.

D. The Office of the City Attorney prepared this Ordinance based on the information provided by City staff, with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it ordained by the Council of the City of San Diego:

Section 1. Chapter 3 of the San Diego Municipal Code is amended by adding Article 11, Division 1, and sections 311.0101, 311.0102, 311.0103, and 311.0104, to read as follows:

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 Article, 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.

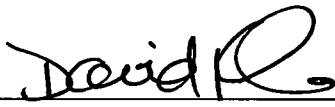
§311.0105 Exceptions

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*.

Section 2. The Council dispenses with a full reading of this Ordinance before its passage because a written copy of this Ordinance was made available to the Council and the public before the date of its passage.

Section 3. This Ordinance will take effect and be in force on the ninetieth day from and after its final passage.

APPROVED: HEATHER FERBERT, City Attorney

By 
David J. Karlin
Senior Deputy City Attorney

DJK:cm
March 3, 2025
April 7, 2025 REV.
Or.Dept: Council District 9
Doc. No. 3986114_4

I certify that the Council of the City of San Diego adopted this Ordinance at a meeting held on APR 15 2025.

DIANA J.S. FUENTES
City Clerk

By 
Deputy City Clerk

Approved: 4/30/25
(date)


TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on APR 15 2025, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage APR 30 2025.

AUTHENTICATED BY:

TODD GLORIA

Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES

City Clerk of The City of San Diego, California.

By Connie Patterson, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

MAR 24 2025, and on APR 30 2025.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

DIANA J.S. FUENTES

City Clerk of The City of San Diego, California.

By Connie Patterson, Deputy

Office of the City Clerk, San Diego, California

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