



Memorandum

TO: RULES AND OPEN
GOVERNMENT
COMMITTEE

FROM: Councilmember
Domingo Candelas
Councilmember
David Cohen

SUBJECT: SEE BELOW

DATE: 09/10/2026

Approved

Date: 09/10/2026

SUBJECT: Self-Checkout Safety Standards for Grocery and Drug Retail Stores

RECOMMENDATION

1. Direct the City Manager to review policy approaches to self-service checkout (self-checkout) safety and staffing standards in grocery and drug retail establishments, including elements from ordinances adopted or under consideration in other jurisdictions, and to return to the City Council with policy options, scope, and implementation and enforcement considerations prior to the FY2027–2028 Council priority-setting process.
2. Direct the City Manager to engage the County of Santa Clara, including the County's Office of Labor Standards Enforcement (OLSE), on potential strategic partnerships regarding worker safety and protections and related workplace issues.

BACKGROUND

Self-service checkout (self-checkout) technology has become increasingly common in grocery stores, pharmacies, and other major retail establishments throughout San José. While this technology can provide convenience and flexibility for customers, its growing use has also created challenges for retailers, workers, consumers, and the broader public safety. As self-checkout becomes a larger part of the retail environment, it is important to ensure that its use is balanced with appropriate staffing and reasonable safeguards that support customers, protect workers, and reduce opportunities for theft.

Retail theft continues to place a significant burden on businesses, employees, consumers, and local law enforcement. According to the Public Policy Institute of

California, the state has recorded more than 132,000 shoplifting incidents in 2024, an increase of 13.8% from 2023 and the highest ever recorded. Retail theft as a whole continues to be on the rise.¹ In response to retail theft, many retailers have increasingly relied on locked merchandise and other loss-prevention measures that require employee assistance. While intended to deter theft, these measures are creating additional demands on already-stretched staff and make routine shopping more time-consuming and frustrating for customers. Self-checkout areas without adequate employee oversight can further contribute to these challenges by creating additional opportunities for theft, mistakes, and disputes that ultimately require staff or law enforcement intervention.

Accessibility is also an important consideration. Self-checkout was introduced in part to provide customers with a faster and more convenient way to complete their purchases, however it does not work equally well for every shopper. Seniors, people with disabilities, customers purchasing larger quantities of groceries, and those who encounter machine errors or merchandise requiring employee assistance can face unnecessary delays and difficulty. Maintaining access to staffed checkout lanes and adequate employee assistance ensures that customers continue to have meaningful options when completing their purchases.

Finally, the continued expansion of self-checkout raises important workforce considerations. Technology can complement retail workers, but it should not come at the expense of adequate staffing or place unreasonable responsibilities on a single employee tasked with simultaneously assisting customers, monitoring multiple checkout stations, responding to locked merchandise, and addressing potential theft. Establishing reasonable staffing and operational standards can help ensure that technological convenience is paired with the human presence necessary for a safe, efficient, and accessible retail environment.

Several California cities have adopted ordinances establishing staffing and operational standards for self-service checkout stations. In February 2026, the City of Costa Mesa adopted an ordinance applicable to qualifying grocery and drug retail establishments that establishes minimum staffing requirements and other standards for self-service checkout operations.² Similar ordinances have also been adopted by the cities of Long Beach, in August 2025, and Santa Ana, in May 2026.^{3 4} Other California jurisdictions, including Anaheim and West Hollywood, have considered or are evaluating similar self-service checkout standards.⁵

¹ <https://www.ppic.org/blog/overall-crime-in-california-fell-last-year-but-shoplifting-continued-to-rise/>

² City of Costa Mesa, *Self-Service Checkout Staffing Requirements Ordinance*, Ordinance No. 2026-02, adopted February 17, 2026.

³ City of Long Beach, *Self-Service Checkout Staffing Requirements Ordinance*, adopted August 12, 2025, effective September 11, 2025.

⁴ City of Santa Ana, Ordinance No. NS-3095, *Self-Service Checkout Operations*, May 2026.

⁵ City of Anaheim, City Council Agenda, June 9, 2026, Item 27, proposed Grocery and Drug Store Staffing for Self-Service Checkout Stations ordinance; City of West Hollywood, City Council Agenda, August 17, 2026, Item F.2, *Standards for Self-Checkout Retail Operations*.

They include provisions such as:

- A requirement that stores offering self-checkout maintain at least one staffed traditional checkout lane during all hours that self-checkout is available.
- A limit of no more than 15 items for self-checkout purchases.
- A minimum staffing ratio of at least one dedicated employee for every three self-checkout stations
- A prohibition on use of self-checkout for age-restricted items, including alcohol and tobacco.
- Public notice requirements, including signage informing customers and workers of their rights and how to report violations.
- A prohibition on use of self-checkout for items requiring employee intervention, including locked-case items or merchandise with theft-deterrent devices.
- A requirement that self-checkout stations be positioned to allow clear observation by employees and, where appropriate, law enforcement.
- Enforcement provisions that include a notice-and-cure period, a private right of action for workers and customers, penalties for violations, and anti-retaliation protections

The proposed policy establishes baseline safety standards for its operation in grocery and drug retail establishments, including access to staffed checkout, reasonable limits on self-checkout transactions, adequate employee coverage, and safeguards for transactions requiring additional assistance or oversight. These standards are intended to preserve the benefits of self-checkout while addressing its impacts on customers, workers, retailers, and public safety.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.