Proskauer

Price Gouging Weekly Round Up

March 22, 2021

Price gouging enforcement and litigation is front and center for company counsel and business managers nationwide. Our weekly round up highlights some of the most relevant news and information for our clients and friends.

Virginia Business Fined for Price Gouging

Virginia Attorney General Mark R. Herring is holding a Virginia medical supplier accountable for alleged violations of the Virginia Post-Disaster Anti-Price Gouging Act. Attorney General Herring's office has reached a settlement with the supplier over alleged unconscionable prices charged for hand sanitizer, which qualifies as a necessary good under Virginia's price gouging law. Attorney General Herring's complaint alleges that between March 14, 2020 and March 23, 2020, the supplier charged $59.99 per bottle of 1,000-ml bottles of hand sanitizer, which was a 20% increase from the price of the good before the emergency declaration. This is the second enforcement of price gouging measures that Attorney General Herring has taken since Governor Northam's state of emergency declaration. The supplier agreed to pay $2,500 in civil penalties and attorneys' fees, and has disgorged $1,646.40 in profits made from 32 sales.

Pennsylvania Attorney General Reflects on Price Gouging During Pandemic

At the one year mark of the COVID-19 pandemic, Pennsylvania Attorney General Josh Shapiro called attention to his office's efforts to combat pandemic price-gouging. In March 2020, the Attorney General's office launched a price-gouging email line that allows anyone in the Commonwealth to report price increases on essential items like masks, hand sanitizer, food, and water. Since the creation of the line, Shapiro's office has received more than 6,000 price-gouging tips, sent 522 cease-and-desist letters to businesses, and filed 31 price-gouging legal actions. These efforts have saved consumers more than $45,000.

New Hampshire Considers Proposal to Crack Down on Pandemic Profiteering

New Hampshire State Senators have proposed Bill 138, which aims to police price gouging in the state. With bipartisan support, SB 138 would prohibit price gouging of "necessities," including "food for human or animal consumption, potable water, pharmaceutical products including prescription medications, wearing apparel, shoes, building materials, gas and electricity for light, heat, and power, ice, fuel of all kinds, and fertilizer and fertilizer ingredients, together with tools, utensils, implements, machinery, and equipment required for the actual production or manufacture of the same." The bill is similar to Maine's price gouging law, which is activated when the governor declares an "abnormal market disruption." While New Hampshire does not currently have a price gouging law, it is among the growing number of states without laws on the books to consider passing legislation to combat against price gouging.

Michigan Attorney General Speaks Out Against Price Gouging

Following the state's announcement of the Michigan Propane Plan, Michigan Attorney General Dana Nessel is encouraging constituents to report price gouging and other consumer protection issues related to the energy industry. The MI Propane Plan focuses on ensuring Michigan energy needs are met as the state prepares to permanently shut down a pipeline. The Office of the Attorney General has historically enforced price gouging measures against propane businesses, most notably, in a 2018 lawsuit against one of the largest retail suppliers of residential propane in the country.

Related Professionals

- **Christopher E. Ondeck**
  Partner
- **John R. Ingrassia**
  Partner
- **Kelly Landers Hawthorne**
  Associate
- **Shannon D. McGowan**
  Associate