

# Price Gouging Weekly Round Up

May 3, 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 to our clients and friends.**

## **[Oregon Governor Lifts Pandemic Pricing Restrictions](#)**

Oregon Governor Kate Brown extended the state's COVID-19 emergency declaration until June 28, 2021, but lifted the executive order regarding price gouging related to the pandemic. Gov. Brown removed these pricing restrictions because "the days of hand sanitizer and, yes, toilet paper scarcity are far behind us." The state of emergency has been in effect since March of 2020. The Governor noted the state of emergency would eventually expire, but the extension comes as a result of increased hospitalizations due to severe cases of COVID-19.

## **[Increased Costs Lead to Increased Prices on Consumer Goods](#)**

Despite ongoing price gouging restrictions, consumers have seen some price increases on signature household items. Suppliers cite the necessity to "offset significant commodity cost inflation." Economists point to changes in consumer demand with a spike created in part by government stimulus packages that have encouraged consumer purchasing putting pressure on factories in China and yielding increased shipping costs. Many state price gouging statutes permit price increases in response to increased costs.

## **[Proposed Federal Legislation Would Extend Price Gouging Restrictions to Medications](#)**

Oregon Senator Jeff Merkley announced legislation to regulate drug prices across the country. He pointed to examples of the same medication costing \$200 in Canada and \$45,000 in some Oregon counties. Similar to emergency related price gouging measures, Senator Merkley's *End Price Gouging for Medication Act* would restrict pharmaceutical companies from charging more for medications than the average price charged in eleven other developed countries. His proposal would apply to all patients, regardless of insurance status.

## **Sixth Circuit Decision Sends Kentucky Price Gouging Case Back to Lower Court**

On April 29, 2021, the Sixth Circuit issued an opinion in the *Online Merchants Guild v. Cameron*. The Court found that the Kentucky Federal District Court incorrectly granted an injunction preventing the Kentucky Attorney General from applying Kentucky price gouging laws to sellers on Amazon. In March 2020, the Attorney General began an investigation into Amazon and the Guild alleging possible price gouging. The Online Merchants Guild challenged the constitutionality of the law, alleging Kentucky could not apply its price gouging statute extraterritorially. Following the Sixth Circuit's decision, the case will return to the lower court for further proceedings.

### **Related Professionals**

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