Proskauer

Price Gouging Weekly Round Up

June 1, 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.

South Carolina Lifts Pricing Restrictions Related to Gasoline

On May 27, 2021, South Carolina Attorney General announced the expiration of the office's notice of an "abnormal disruption of the market." This notice, first issued May 11 in response to the ransomware attack on the Colonial Pipeline, triggered certain elements of South Carolina's anti-price gouging statute. Violators of the price gouging statute could face a $1,000 fine and/or 30 days in jail. The Attorney General noted that "with Memorial Day coming up and the gas price increases we see every summer, people need to keep in mind that those increases are normal."

Nevada Senate Advances Price Gouging Legislation

On Tuesday, May 25, 2021, the Nevada Senate passed legislation to include a price gouging provision in its Deceptive Trade Practices Act. Nevada does not currently have a state price gouging statute. The proposed legislation, already passed by the Nevada Assembly, would prohibit charging prices "grossly in excess" of the usual price for goods during a state of emergency. The penalties would include a $10,000 fine for each violation of the statute.

Vermont and South Carolina Extend COVID-19 Emergency Declarations

The Governors of South Carolina and Vermont have both extended the COVID-19 related states of emergency in their respective states. South Carolina Executive Order No. 2021-25 and Vermont Addendum 16 to Executive Order No. 01-20 have both extended the public health crisis through June 2021. While states are lifting mask mandates and loosening restrictions of public gatherings, South Carolina and Vermont are among the many states leaving states of emergency in effect, along the with the related pricing restrictions.

D.C. Attorney General Sues Amazon

On May 25, 2021, the Washington, D.C., Attorney General filed suit against Amazon for allegedly violating the D.C. Antitrust statute. The complaint alleges that Amazon's terms and conditions for third-party sellers on its platform constitute an unlawful restraint of trade. Part of the allegations point to the higher prices charged to third-party sellers. According to the Attorney General, the fees paid to Amazon by third-party sellers have increased by 11% over the past five years, and now constitute approximately 45% of the price consumers pay on the platform.

Related Professionals

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