Proskauer

Price Gouging Weekly Round Up

June 7, 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.

Michigan Gas Station on Notice of Potential Price Gouging Case

A gas station in Plymouth Township, Michigan has been accused of engaging in unfair business practices by allegedly raising prices for gasoline. The gas station reportedly charged $3.899 per gallon for unleaded gas and $4.899 per gallon for premium gas. Although the cyberattack on the Colonial Pipeline did not directly impact Michigan, the gas stations actions came during nationwide fears about a gas shortage. The Michigan Attorney General sent a written notice of intended action to the gas station, indicating that the office has "probable cause to believe" that the gas station engaged in price gouging.

Mass. Restaurants Worried Food Delivery Fees Could Go Up When State of Emergency Ends

Upon the expiration of Massachusetts' COVID-19 State of Emergency, restaurants in the state are concerned about rising third-party delivery fees. During the state of emergency, such fees were capped at 15%. The cap is expected to expire in June along with the state of emergency. Some state lawmakers have unsuccessfully proposed legislation to extend the cap for 2 years.

Rideshare Companies Resume Surge Pricing in Nevada

Nevada Governor Steve Sisolak signed an emergency regulation to update pricing standards for transportation companies, including ride-share companies like Uber and Lyft. The order opens the door for the companies to resume surge pricing on their platforms. In March 2020, the Governor's emergency order banned surge pricing. Last month, the Nevada Legislature passed a bill to create a price gouging statute in Nevada. The bill remains on the Governor's desk.

North Carolina Attorney General Continues to Investigate Price Gouging Complaints

Two weeks following the hack of the Colonial Pipeline and subsequent States of Emergency, gas shortage, and general disruption, North Carolina Attorney General Josh Stein says around 1,100 people filed price gouging complaints regarding gas prices. The office announced that it plans to investigate each complaint, but warned that the process could take weeks or even months. Since 2018, the Attorney General has brought 9 price gouging lawsuits against 25 defendants, obtaining nearly a million dollars in judgements and settlements.

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