Proskauer

Price Gouging Weekly Round Up

June 28, 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.

New York Ends COVID-19 State of Emergency

On June 24, 2021, New York Governor Andrew Cuomo declined to renew the state's emergency declaration – effectively ending the state's pricing restrictions that have been in place since the start of the pandemic. Governor Cuomo first declared a state of emergency related to COVID-19 on March 7, 2020. The Governor pointed to the state's vaccination rate exceeding 70%. While the state of emergency has expired, the Governor noted that the CDC's COVID-19 guidelines remain in place.

Attorneys General Announce Collaboration with Food Delivery Apps

On June 22, 2021, DC Attorney General Racine and Pennsylvania Attorney General Shapiro announced that two third-party food delivery companies have collaborated with the government to provide information to customers about differences in pricing between the food delivery app and the restaurant itself. Often menu prices on these apps are higher than the restaurant's listed prices. Many states and cities have enacted specific pricing restrictions for these delivery services that likely will continue in place even after the states of emergency have lifted.

Oklahoma State Senators Seek Investigations into Alleged Price Gouging

A group of Oklahoma state senators requested the state's interim Attorney General to investigate alleged price gouging and market manipulation in the building supply industry. The senators point to increased prices, construction project delays, and financial burdens on businesses. The senators also called for cooperation with the U.S. Attorney General to identify and prosecute any violations of price gouging restrictions.

Michigan Gas Station Agrees to Pay Fine

Following an investigation into allegations of price gouging by the Michigan Attorney General, a local gas station agreed to pay a $2,000 fine. The Attorney General initiated the investigation after complaints of high prices in the wake of the Colonial Pipeline shutdown. The fine will reimburse customers and cover the costs of the investigation.

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