

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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AG SAYS PRICE GOUGING LAW IS IN EFFECT WITH STATE OF EMERGENCY DECLARATION REGARDING PROPANE GAS

(MONTGOMERY) – Attorney General Luther Strange reminds Alabamians that the state’s price gouging law now is in effect for purposes of propane gas sales and delivery. The Governor yesterday declared an official State of Emergency throughout Alabama due to severe dangerous weather and potential propane gas shortages.

“My Consumer Protection Section already has been receiving calls of concern and inquiry from farmers and others who are worried and some are reporting significant price increases within recent days,” said Attorney General Strange. “With bitterly cold temperatures predicted through next week, it is important that people in rural areas are able to get the heat they need for their personal warmth and survival, and farmers could suffer devastating losses that will affect all of us. I believe Alabama propane businesses will continue to act responsibly as Alabama stands together during this difficult time.”

Alabama’s price gouging law comes into effect when the Governor has declared a State of Emergency, and it prohibits the “unconscionable pricing” of items for sale or rent. Although what constitutes an unconscionable price is not specifically set forth in state law, a price that is 25 percent or more above the average price charged in the same area within the last 30 days--unless the increase can be attributed to a reasonable cost-- is a prima facie case of unconscionable pricing. The penalty is a fine of up to \$1,000 per violation, and those determined to have willfully and continuously violated this law may be prohibited from doing business in Alabama.

Attorney General Strange urges consumers and officials to report any problems of illegal price gouging to his Office of Consumer Protection by calling toll-free 1-800-392-5658, by writing to 501 Washington Avenue, Montgomery, Alabama, 36130, or though the Attorney General’s web page at www.ago.alabama.gov.

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