NEWS RELEASE

Steve Marshall Alabama Attorney General



FOR IMMEDIATE RELEASE October 6, 2017

For More Information, contact:
Mike Lewis (334) 353-2199
Joy Patterson (334) 242-7491
Page 1 of 1

AG MARSHALL WARNS AGAINST PRICE GOUGING AS ALABAMA PLACED UNDER STATE OF EMERGENCY IN ADVANCE OF TROPICAL STORM NATE

(MONTGOMERY) Attorney General Steve Marshall announced that Alabama's price gouging law is in effect following the declaration of a State of Emergency by Governor Kay Ivey in advance of Tropical Storm Nate.

In her <u>declaration</u> which took effect at 7:00 a.m. Friday, Governor Ivey cited sections 8-31-1 through 8-31-6 of the Code of Alabama that it is unlawful for any person within the State of Alabama to impose unconscionable prices (i.e., to engage in "price gouging) for the sale or rental of any commodity or rental facility during the period of a declared State of Emergency.

Attorney General Marshall warned those who seek to exploit bad weather conditions for profit that price gouging is a crime and they will be held accountable.

Alabama's price gouging law comes into effect when the Governor declares 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.

Consumers and officials can report any problems of alleged fraud or illegal price gouging to the Attorney General's Office of Consumer Protection by calling toll-free 1-800-392-5658, visiting the Attorney General's website at www.ago.alabama.gov, or by writing to 501 Washington Avenue, Montgomery, Alabama, 36130.

