NEWS RELEASE

Steve Marshall Alabama Attorney General



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Attorney General Steve Marshall Warns Those Who Seek to Illegally Profit from State Public Health Emergency that Alabama's Price Gouging Law is in Effect

(MONTGOMERY) – Attorney General Steve Marshall warns those who would seek to illegally profit from the current public health emergency that Alabama's price gouging law has been activated.

On March 13, 2020, Governor Kay Ivey declared a State Public Health Emergency in Alabama relating to the appearance of the 2019 novel coronavirus known as COVID-19. 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.

"Alabamians should be on guard against those who would seek to prey upon them through price gouging of commodities and services for consumption or use as a direct result of the public health emergency," said Attorney General Marshall. "Furthermore, those who seek to profit during this time of emergency through price gouging will be subject to the law."

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 in connection with the rental or sale of the commodity — 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.

Alabamians who want to file an illegal price gouging report are encouraged to do so via the Alabama Attorney General's Consumer Interest Division web link: <u>https://www.alabamaag.gov/consumercomplaint</u>, or by calling 1-800-392-5658 to receive a form by mail to complete and return. You may also write the Alabama Attorney General's Office, 501 Washington Avenue, Montgomery, Alabama, 36130.

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