NEWS RELEASE

Steve Marshall Alabama Attorney General



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For press inquiries only, contact: Mike Lewis (334) 353-2199 Joy Patterson (334) 242-7491 Page 1 of 1

Attorney General Steve Marshall Warns Against Price Gouging as Alabama Placed Under State of Emergency in Advance of Tropical Storm Zeta

(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 Zeta.

In her declaration which took effect at 4:00 p.m. Tuesday, 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.

"With the re-activation of Alabama's price gouging law, the public should be on the lookout for unconscionable pricing of emergency-related items as well as repair and clean-up services as Tropical Storm Zeta crosses the state of Alabama," said Attorney General Marshall.

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.

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 to 501 Washington Avenue, Montgomery, Alabama, 36130.

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