THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1148 Session of 2022

INTRODUCED BY CAPPELLETTI, SAVAL, FONTANA, KANE, KEARNEY, MUTH AND COSTA, MARCH 24, 2022

REFERRED TO VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, MARCH 24, 2022

AN ACT

Amending the act of October 31, 2006 (P.L.1210, No.133), 1 entitled "An act prohibiting price gouging; and imposing 2 penalties," further providing for purpose, for definitions, 3 for price gouging prohibited and for investigation. The General Assembly of the Commonwealth of Pennsylvania 5 6 hereby enacts as follows: 7 Section 1. Section 2 of the act of October 31, 2006 (P.L.1210, No.133), known as the Price Gouging Act, is amended 8 to read: Section 2. Purpose. 10 11 The General Assembly finds and declares as follows: 12 In an economic market there are periods of 13 disruption of the market which cause an uneven flow of supply 14 of consumer goods. During these periods, consumer demand 15 outweighs supply, sometimes heavily. 16 These periods of disruption result from many (2) 17 factors, including extreme weather conditions, depletion of

stockpiles, labor strikes, civil disorder, natural or manmade

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- 1 emergencies [or], disasters and military action or pandemics.
- 2 (3) During these periods, parties involved in the sale
- 3 and resale of consumer goods and services sometimes take
- 4 unfair advantage of [consumers] others in the chain of
- 5 <u>distribution and end users, including persons, businesses and</u>
- 6 government entities in this Commonwealth by charging
- 7 unconscionably excessive prices, or price gouging.
- 8 (4) To prevent this, the General Assembly should
- 9 prohibit price gouging and impose penalties on violators.
- 10 Section 2. The definition of "consumer goods or services" in
- 11 section 3 of the act is amended to read:
- 12 Section 3. Definitions.
- 13 The following words and phrases when used in this act shall
- 14 have the meanings given to them in this section unless the
- 15 context clearly indicates otherwise:
- 16 * * *
- "Consumer goods or services." [Those] <u>The term includes:</u>
- 18 <u>(1) those</u> items used, bought or rendered [primarily] for
- personal, family or household purposes[.];
- 20 (2) essential medical supplies or services used for the
- 21 <u>care, cure, mitigation, treatment or prevention of an illness</u>
- 22 or disease; or
- 23 (3) goods or services used to promote health, safety or
- 24 welfare of the public.
- 25 * * *
- 26 Section 3. Sections 4(a) and (e) and 5(a) of the act are
- 27 amended to read:
- 28 Section 4. Price gouging prohibited.
- 29 (a) Prohibition.--[During and within 30 days of the
- 30 termination of a state of disaster emergency declared by the

- 1 Governor pursuant to the provisions of 35 Pa.C.S. § 7301(c)
- 2 (relating to general authority of Governor),] When a period of
- 3 disruption of the market results from an extreme weather
- 4 condition, a depletion of stockpiles, civil disorder, natural or
- 5 <u>manmade disaster, military action or pandemic that causes an</u>
- 6 <u>uneven flow of consumer goods or services or both to a</u>
- 7 <u>geographic region of the Commonwealth</u>, it shall be a violation
- 8 of this act for any party within the chain of distribution of
- 9 consumer goods or services or both to sell or offer to sell the
- 10 goods or services within the geographic region [that is the
- 11 subject of the declared emergency] for an amount which
- 12 represents an unconscionably excessive price.
- 13 * * *
- [(e) Notification. -- A trade association, corporation,
- 15 partnership, person or other entity may register an agent for
- 16 the purpose of being notified when the Governor declares and
- 17 ceases a state of emergency. The Governor or his designee is
- 18 responsible for notifying the registered agents upon the
- 19 declaration and cessation of the state of emergency. Lack of
- 20 notification or the failure to receive notification of the
- 21 declaration and cessation of an emergency shall not be a defense
- 22 with respect to any violation of this act.]
- 23 Section 5. Investigation.
- 24 (a) Authority. -- The [Bureau of Consumer Protection in the]
- 25 Office of Attorney General shall investigate any complaints
- 26 received concerning violations of this act. If, after
- 27 investigating any complaint, the Attorney General finds that
- 28 there has been a violation of this act, the Attorney General may
- 29 bring an action to impose a civil penalty up to \$10,000 for each
- 30 violation and to seek other relief, including injunctive relief,

- 1 restitution and costs under the act of December 17, 1968
- 2 (P.L.1224, No.387), known as the Unfair Trade Practices and
- 3 Consumer Protection Law.
- 4 * * *
- 5 Section 4. This act shall take effect in 60 days.