



Price Gouging

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Price Gouging – PC 396

For Some Goods &
Services

Prices Cannot
Increase More than
10% After
Emergency

Penal Code Section 396

- ❖ Declaration of a state of emergency
- ❖ Unlawful to offer or sell ... hotels & housing
- ❖ More than 10% above price immediately prior
 - ❖ Sale prices can be canceled!
- ❖ Until June 4, 2018
- ❖ Unless ...

Penal Code Section 396

❖ Unless ...

- ❖ Increased costs by the supplier
- ❖ Increased labor or materials costs
- ❖ Seasonal adjustments regularly scheduled
- ❖ Contractual increases already in place

Key Issues re Price Gouging

- ❖ Establishing a pre-declaration price
 - ❖ Hotels / Motels = Regular rates
 - ❖ Existing lease or advertisement
- ❖ One year lease or shorter
- ❖ Changes or improvements to the property
- ❖ Increase in costs

Potential Consequences

- ❖ Misdemeanor conviction
 - ❖ Jail, probation, fines, fees
- ❖ Civil enforcement action
 - ❖ Fines, costs, injunction
- ❖ Restitution

Examples

- ❖ Ad 12/3/17 for \$2,000/mo. - unfurnished
 - ❖ Ad 12/8/17 for \$3,000/mo.
- ❖ \$2,000/mo. lease expires - unfurnished
 - ❖ Offer for \$3,000/mo.
 - ❖ Offer for \$2,200/mo.
 - ❖ Offer for \$3,000/mo. – now furnished

Price Gouging – An Individual Decision

What Might You Do?

- ❖ Discuss calmly with landlord
 - ❖ Don't threaten to report them to LE
- ❖ Decide whether to walk away
- ❖ Report to DA or AG
- ❖ Talk to an attorney

Contacts

- ❖ California Attorney General's Office
 - ❖ (800) 952-5225 or oag.ca.gov (File a Report)
- ❖ Ventura County District Attorney's Office
 - ❖ (805) 662-1737 or VCDistrictAttorney.com
 - ❖ Keeping Safe as You Rebuild (Contact Us)

