

Senator Warren unveils bill to stop price gouging during COVID-19 Pandemic

Washington, D.C. – United States Senator Elizabeth Warren (D-MA) today introduced the Senate companion to the Price Gouging Prevention Act, legislation that would prohibit price gouging of consumer goods throughout the COVID-19 pandemic and future emergencies. The legislation, which was first introduced in the House of Representatives by Congressmen Joe Neguse (D-CO-02) and Ted Lieu (D-CA-33), is co-sponsored by Senator Kamala D. Harris (D-CA).

“We can’t allow American families – who are already struggling to make ends meet during this public health emergency – to be squeezed even further by companies out to make a quick buck,” said Senator Warren. “This bill would protect consumers now and during any future crisis by setting tougher rules of the road and enhancing enforcement against predatory price gouging – and it needs to be included in Congress’s next relief package.”

“It is unacceptable that Americans across the country have been forced to pay higher prices for basic essentials and supplies in the wake of the COVID-19 pandemic,” said Congressman Joe Neguse. “Absent a coordinated Federal response, I fear many preventative products will continue to be out of reach for American consumers, thereby placing their health and their family’s health at risk. I was proud to introduce the Price Gouging Prevention Act in the House last week and am grateful to have Senator Warren’s support on this important issue in the Senate. This legislation will not only protect American consumers throughout the duration of the coronavirus public health emergency, but future national emergencies as well.”

“No one should exploit people who are suffering,” said Senator Harris. “Price gouging on household necessities is shameful and adds unnecessary stress for families that are just trying to get by. During my time as Attorney General, I fought price gouging during wildfires, and I’m proud today to help introduce the Senate version of a bill to make it illegal nationwide.”

“Taking advantage of consumers during a public health emergency is wrong,” said Congressman Ted Lieu. “A lot of large and small businesses are stepping up to produce necessities for our communities and our healthcare workers, but there are still opportunistic merchants trying to make an extra buck on panic. I’m grateful to partner with Rep. Neguse, Sen. Warren and Sen. Harris on the Price Gouging Prevention Act, which will protect consumers from being forced to pay astronomical prices for what are ordinarily affordable basic goods and necessities.”

The outbreak of COVID-19 throughout the United States has led to a surge in demand for-and shortage of-many essential consumer products, including hand sanitizer and cleaning supplies. While several retailers have taken steps to maintain access to these products, there have been numerous reports of merchants, large and small, taking advantage of the current crisis to prey on consumers by charging outrageous prices for what are usually affordable household staples.

The Price Gouging Prevention Act would prohibit such practices during the current public health emergency-as well as future national emergencies-by directing the Federal Trade Commission (FTC) to enforce a ban on any excessive or opportunistic price increases. The legislation provides that any price increase above 10% will be presumed to be price gouging. It also gives the FTC strong authority to enforce the ban, and gives states flexibility to enforce federal law and enact their own laws to crack down on price gouging.

In a New York Times op-ed published on April 8, 2020, Senator Warren urged Congress to focus on cracking down on price gouging in its ongoing effort to address the impact of the coronavirus pandemic. Last month, Senator Warren joined her colleagues in urging the FTC to use its full authority to prevent abusive price gouging on consumer health products during the COVID-19.