



OFFICE OF THE LOUISIANA ATTORNEY GENERAL

CONSUMER PROTECTION HOTLINE 1.800.351.4889

Frequently Asked Questions Regarding Price Gouging

Q. What is price gouging?

A. During a state of emergency, the prices charged or value received for goods and services sold within the designated emergency area may not exceed the prices ordinarily charged for comparable goods and services in the same market area at or immediately before the time of the state of emergency, unless the price by the seller is attributable to fluctuations in commodity markets, regional or national market trends, or to reasonable expenses, charges, and risks incurred in procuring or selling the goods or services, *La. R.S. 29:732(A)*. This means that the price of gasoline, petroleum products, hotels, and motels are prohibited from being raised during this state of emergency unless the price increase is directly related to a rise in the cost of doing business.

Q. When does the price gouging ban go into effect?

A. The declaration of a state of emergency by the governor or by the parish president has the effect of instituting Louisiana's prohibition against price gouging, *La. R.S. 29:732(A)*.

Q. Once a state of emergency is declared, how long will the price gouging ban apply?

A. This prohibition is effective during the period specified in the declaration and for an additional period not to exceed 30 days after the declared state of emergency ends, unless expressly extended by the governor. *La. R.S. 29:732(B)*.

Q. How can I report price gouging?

A. If you suspect price gouging, please contact your local law enforcement officials, district attorney, or the Louisiana Attorney General's Office. In order to help law enforcement investigate your price gouging report, please include the following:

- Receipt(s). Please include the receipt for the purchase you believe you may have been gouged, as well as any recent receipts from the same merchant. For example, if you

believe you have been gouged at the price pump, please try to include any recent receipts from the same gas station so law enforcement can compare the price difference.

- Location of the merchant.
- Date of the purchase.
- Cost of the goods or services.

Q. Does a ban on price gouging mean a seller cannot raise prices during an emergency?

A. No. The price gouging statute is not to freeze prices. Wholesalers and retailers may increase prices as long as the increase in price charged by the seller is attributable to regional or national market trends and fluctuations, or to reasonable expenses and charges for a business' risk incurred in obtaining or selling the goods or services during the state of emergency. *La. R.S. 29:732(A)*.

Q. Is price gouging only for gasoline, or does it include other commodities?

A. The price gouging prohibition covers goods and services necessary for use as a direct result of the state of emergency such as gasoline or diesel fuel of any grade, hotels, motels and generators.

Q. What can happen if a person or business commits price gouging?

A. Upon a violation, the district attorney, parish attorney, or attorney general may bring appropriate judicial action for an order enjoining or restraining commission or continuance of the alleged unlawful acts. The court may impose a civil penalty and where appropriate, order restitution for consumers. *La. R.S. 29:734*. In addition to the civil penalties available, a willful violation of the price gouging statute is a criminal offense punishable by a fine up to \$500.00 or 6 months imprisonment, or both; imprisonment at hard labor for not more than 5 years where there is any serious bodily injury or any property damage in excess of \$5,000.00; and imprisonment at hard labor for not more than 21 years where a willful violation results in the death of any person. *La. R.S. 14:329.6* and *La. R.S. 14:329.7(B) and (C)*.