

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

March 17, 2020

Strengthening Consumer Protections During Declared States of Emergency

On March 4, 2020, the Los Angeles County (County) Board of Supervisors (Board) and the Department of Public Health declared a local and public health emergency in response to the increased spread of the COVID-19 coronavirus across the country and in the County.

Numerous media outlets have recently reported price spikes for various items as a result of the coronavirus including hand sanitizer, masks, and other supplies. Price gouging is prohibited and is governed by California Penal Code 396 and the Los Angeles County Price Gouging Ordinance. For 30 days following the declaration of emergency, it is illegal for a person, contractor, or business to sell or offer to sell any food items or goods or service for a price of more than 10 percent above the price charged by that person or business immediately before the declaration of emergency was issued. The County's Department of Consumer and Business Affairs (DCBA) has received consumer complaints regarding price gouging related to coronavirus.

DCBA has been providing consumers and businesses with information regarding price gouging by conducting visits to businesses, public service advertisements and announcements, and creating a consumer-focused web page dedicated to providing educational resources on the coronavirus. It is imperative that the County take all

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reasonable and necessary steps to protect consumers from price gouging during declared states of emergency such as the coronavirus and evaluate consumer protection ordinances to ensure consumers are adequately protected in times of emergency related to disease.

I THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:

Instruct the Director of the Department of Consumer and Business Affairs, in collaboration with County Counsel, to review existing consumer protections, regarding price gouging and any issues pertaining to the County's ability to enforce consumer protection law during declared states of emergency, including but not limited to diseases such as coronavirus, and to report back to the Board of Supervisors with recommended improvements, including recommended changes to existing Los Angeles County ordinances, within 30 days.

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