

HOUSE RESEARCH

Bill Summary

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Section

1 Sales of essential consumer goods and services; unconscionably excessive prices prohibited.

Subd. 1. Definitions. (a) Defines "abnormal market disruption" as a change in the market due to disaster, emergency, or an event resulting in a state of emergency by the governor or president.

(b) Defines "disaster" as a situation that creates a serious threat to the health and safety of persons or of a catastrophic loss to property or the environment and for which usual sources of assistance within the affected area are insufficient.

(c) Defines "emergency" as an unforeseen combination of circumstances that calls for immediate action to prevent a disaster.

(d) Defines "essential consumer goods or services" as those vital and necessary to the health, safety, and welfare of the public, and lists examples.

(e) Defines a price as "excessive" if the price being charged is much higher than the usual price and the disparity is not attributable to costs outside the seller's control and does not increase the seller's profit.

Subd. 2. Prohibition. Prohibits sellers from offering to sell an essential consumer

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good or service at an excessive price during an abnormal market disruption.

Subd. 3. Civil penalty. Provides that a person who violates subdivision 2 is subject to a civil penalty of up to \$10,000 per sale or transaction.

Subd. 4. Enforcement authority. Authorizes the attorney general to investigate alleged violations and enforce this section. Also provides enforcement authority to the commissioner of commerce.

Subd. 5. Provides that this section does not supersede the law prohibiting sales of gasoline below cost.