

S.F. No. 6 (as amended by the A-2 Amendment) – Price Gouging Prohibition

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Overview

S.F. 6 prohibits the sale of essential consumer goods and services for unconscionably excessive prices during abnormal market disruptions. The governor is authorized by this bill to declare abnormal market disruptions for such goods and services caused by an event that results in a declaration of a state of emergency. **S.F. 6** empowers the Attorney General to investigate violations of the law, and authorizes damages, costs, and disbursements for private and public persons damaged by such violations.

Summary

Section 1. This section amends Minn. Stat. § 8.31, which details certain duties of the Minnesota Attorney General, to include the new section of law created by this bill as an enumerated section for which the Attorney General must investigate violations of the law respecting unfair, discriminatory, and other unlawful practices in business, commerce, or trade.

Section 2. [Minn. Stat. § 325E.80] Abnormal Market Disruptions; Unconscionably Excessive Prices.

Subd. 1. Definitions. Defines key terms used in the new section of law created by this bill, including “essential consumer good or service,” “seller,” and “unconscionably excessive price.”

Subd. 2. Abnormal market disruption. Authorizes the governor to declare an abnormal market disruption under certain market conditions for an essential consumer good or service caused by an event resulting in a state of emergency. Specifies that a declaration of an abnormal market disruption terminates 30 days after the final date of the state of emergency for which it was activated.

Subd. 3. Notice. Requires the governor to post immediate notice on applicable government websites and provide notice to the media, and further requires the commissioner of commerce to

provide notice directly to sellers by any practical means, upon the implementation, renewal, limitation, or termination of an abnormal market disruption.

Subd. 4. Prohibition. Prohibits a person from selling an essential consumer good or service for an unconscionably excessive price during an abnormal market disruption.

Subd. 5. Civil Penalty. Establishes a civil penalty of up to \$1,000 per sale or transaction, with a maximum penalty of \$25,000 per day, for a person that violated this new section of law.

Subd. 6. Enforcement Authority. Authorizes the Minnesota Attorney General to investigate and bring an action against a seller for an alleged violation of this section.

Subd. 7. Damages. Provides that, any person, governmental body, or the state of Minnesota or any of its subdivisions or agencies, injured directly or indirectly by a violation of this new section of law may bring a civil action for damages. This subdivision further specifies that such individuals and entities may recover three times the actual damages sustained, as well as costs and disbursements, through a civil action.

Effective Date. The effective date of section 2 is the day following final enactment.