

Price Gouging During Severe Weather

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Issue

Summarize the state law prohibiting price gouging during a severe weather event.

Summary

Connecticut law prohibits distributors and sellers from selling or offering to sell consumer goods or services for an “unconscionably excessive price” (price gouging) during a severe weather event emergency proclaimed by the governor (weather emergency) ([CGS § 42-235](#)). This law does not apply to energy resource (e.g., gasoline) sellers, who are covered under a separate price gouging law during abnormal market disruptions (which could include weather conditions) ([CGS § 42-234](#)).

The severe weather prohibition applies to goods and services that are vital and necessary for the health, safety, or welfare of consumers and are used, bought, or rendered primarily for personal, family, or household purposes (e.g., lodging, snow removal, flood abatement, and post-storm cleanup or repair services).

Violators are deemed to have committed an unfair trade or deceptive practice (CUTPA) violation, and each day the violation occurs or continues is a separate offense.

Other laws prohibit price gouging for (1) products during certain emergency declarations (e.g., transportation emergency) ([CGS § 42-230](#)) and (2) products and services under a supply emergency declaration ([CGS §§ 42-231 & -232](#)).

Severe Weather Event

Under the law, the governor may proclaim a weather emergency exists when adverse weather conditions create an unusually high demand for consumer goods or services. He must post a notice of the proclamation and its end date on his Office of the Governor's website.

Price Gouging

No distributor or seller may sell or offer to sell consumer goods or services for an "unconscionably excessive price" during a weather emergency.

To determine if a violation occurs, the Department of Consumer Protection (DCP) commissioner or court must consider (1) whether the price was unconscionably excessive, (2) whether unfair leverage or unconscionable means were used in setting the price, or (3) a combination of these factors.

Prima facie evidence of unconscionably excessive pricing exists when there is (1) a gross disparity between the price of the goods or services during the weather emergency and their average price 30 days before the emergency began or (2) evidence that the sale price for the goods or services grossly exceeded the sale price to other consumers in the trade area.

A defendant may rebut prima facie evidence by showing that (1) he or she incurred additional costs to acquire the goods or services and (2) the additional costs were out of his or her control.

CUTPA

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the DCP commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$10,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to \$5,000 for a willful violation and \$25,000 for violation of a restraining order.

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