

REFERENCE TITLE: price gouging; emergencies

State of Arizona
Senate
Fifty-fifth Legislature
Second Regular Session
2022

SB 1584

Introduced by
Senator Quezada

AN ACT

AMENDING TITLE 44, CHAPTER 9, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 27; RELATING TO TRADE PRACTICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 44, chapter 9, Arizona Revised Statutes, is
3 amended by adding article 27, to read:

4 ARTICLE 27. PRICE GOUGING

5 44-1383. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "BUILDING MATERIALS" MEANS LUMBER, CONSTRUCTION TOOLS, WINDOWS
8 AND ANYTHING ELSE USED IN THE BUILDING OR REBUILDING OF PROPERTY.

9 2. "CONSUMER FOOD ITEMS" MEANS ANY ITEM THAT IS USED OR INTENDED TO
10 BE USED BY A PERSON OR ANIMAL FOR FOOD, DRINK, CONFECTION OR CONDIMENT.

11 3. "EMERGENCY SUPPLIES" INCLUDES WATER, FLASHLIGHTS, RADIOS,
12 BATTERIES, CANDLES, BLANKETS, SOAPS, DIAPERS, TEMPORARY SHELTERS, TAPE,
13 TOILET PAPER, TISSUES, PAPER TOWELS, TOILETRIES, PLYWOOD, NAILS AND
14 HAMMERS.

15 4. "GASOLINE" MEANS ANY FUEL USED TO POWER ANY MOTOR VEHICLE OR
16 POWER TOOL.

17 5. "LOCAL EMERGENCY" MEANS A NATURAL OR MAN-MADE EMERGENCY
18 RESULTING FROM AN EARTHQUAKE, FLOOD, FIRE, RIOT, STORM, DROUGHT, EPIDEMIC,
19 PLANT OR ANIMAL INFESTATION OR DISEASE OR OTHER NATURAL OR MAN-MADE
20 DISASTER FOR WHICH A LOCAL EMERGENCY HAS BEEN DECLARED BY A LOCAL
21 AUTHORITY.

22 6. "MEDICAL SUPPLIES" INCLUDES PRESCRIPTION AND NONPRESCRIPTION
23 MEDICATIONS, BANDAGES, GAUZE, ISOPROPYL ALCOHOL AND ANTIBACTERIAL
24 PRODUCTS.

25 7. "REPAIR OR RECONSTRUCTION SERVICES" MEANS SERVICES PERFORMED BY
26 ANY PERSON WHO IS REQUIRED TO BE LICENSED AS A CONTRACTOR UNDER TITLE 32,
27 CHAPTER 10 FOR REPAIRS TO RESIDENTIAL OR COMMERCIAL PROPERTY OF ANY TYPE
28 THAT IS DAMAGED AS A RESULT OF A DISASTER.

29 8. "STATE OF EMERGENCY" MEANS A NATURAL OR MAN-MADE EMERGENCY
30 RESULTING FROM AN EARTHQUAKE, FLOOD, FIRE, RIOT, STORM, DROUGHT, EPIDEMIC,
31 PLANT OR ANIMAL INFESTATION OR DISEASE OR OTHER NATURAL OR MAN-MADE
32 DISASTER FOR WHICH A STATE OF EMERGENCY HAS BEEN DECLARED BY THE PRESIDENT
33 OF THE UNITED STATES OR THE GOVERNOR.

34 9. "TRANSPORTATION, FREIGHT AND STORAGE SERVICES" MEANS ANY SERVICE
35 THAT IS PERFORMED BY ANY COMPANY THAT CONTRACTS TO MOVE, STORE OR
36 TRANSPORT PERSONAL OR BUSINESS PROPERTY OR THAT RENTS EQUIPMENT FOR THOSE
37 PURPOSES, INCLUDING TOWING SERVICES.

38 44-1383.01. Emergency periods; excess pricing; prohibition

39 A. DURING A STATE OF EMERGENCY OR LOCAL EMERGENCY, AND FOR A PERIOD
40 OF THIRTY DAYS AFTER THE END OF THAT EMERGENCY PERIOD, IT IS UNLAWFUL FOR
41 A PERSON TO SELL OR OFFER TO SELL ANY BUILDING MATERIALS, CONSUMER FOOD
42 ITEMS, EMERGENCY SUPPLIES, GASOLINE, HOME HEATING OIL, MEDICAL SUPPLIES,
43 REPAIR OR RECONSTRUCTION SERVICES OR TRANSPORTATION, FREIGHT AND STORAGE
44 SERVICES FOR A PRICE THAT IS MORE THAN TEN PERCENT ABOVE THE PRICE THAT
45 WAS CHARGED BY THAT PERSON FOR THOSE GOODS OR SERVICES IMMEDIATELY BEFORE

1 THE DECLARATION OF EMERGENCY. IF A PERSON DID NOT SELL THE GOODS OR
2 SERVICES IMMEDIATELY BEFORE THE DECLARATION OF THE EMERGENCY, THE PRICE
3 MAY NOT BE MORE THAN TEN PERCENT ABOVE THE AVERAGE PRICE THAT WAS CHARGED
4 IN THAT COUNTY IMMEDIATELY BEFORE THE DECLARATION OF EMERGENCY EXCEPT THAT
5 A GREATER PRICE INCREASE IS ALLOWED IF THE SELLER CAN PROVE THAT THE
6 INCREASE IN PRICE WAS DIRECTLY ATTRIBUTABLE TO ADDITIONAL COSTS IMPOSED ON
7 THE SELLER BY THE SUPPLIER OF THE GOODS OR DIRECTLY ATTRIBUTABLE TO
8 ADDITIONAL COSTS FOR LABOR OR MATERIALS USED TO PROVIDE THE SERVICES IF
9 THE PRICE IS NOT MORE THAN TEN PERCENT ABOVE THE TOTAL OF THE COST TO THE
10 SELLER PLUS THE MARKUP CUSTOMARILY APPLIED BY THE SELLER FOR THAT GOOD OR
11 SERVICE IN THE USUAL COURSE OF BUSINESS IMMEDIATELY BEFORE THE ONSET OF
12 THE STATE OF EMERGENCY OR LOCAL EMERGENCY.

13 B. DURING A STATE OF EMERGENCY OR LOCAL EMERGENCY, AND FOR A PERIOD
14 OF THIRTY DAYS AFTER THE END OF THAT EMERGENCY PERIOD, IT IS UNLAWFUL FOR
15 AN OWNER OR OPERATOR OF A HOTEL, MOTEL OR OTHER ROOM-RENTING SERVICE TO
16 INCREASE THE REGULAR RATES, AS ADVERTISED IMMEDIATELY BEFORE THE
17 DECLARATION OF EMERGENCY, BY MORE THAN TEN PERCENT EXCEPT THAT A GREATER
18 PRICE INCREASE IS ALLOWED IF THE OWNER OR OPERATOR CAN PROVE THAT THE
19 INCREASE IN PRICE IS DIRECTLY ATTRIBUTABLE TO ADDITIONAL COSTS IMPOSED ON
20 THE OWNER OR OPERATOR FOR GOODS OR LABOR USED IN ITS BUSINESS, TO SEASONAL
21 ADJUSTMENTS IN RATES THAT ARE REGULARLY SCHEDULED OR TO PREVIOUSLY
22 CONTRACTED RATES.

23 C. IF DEEMED NECESSARY TO PROTECT THE LIVES, PROPERTY OR WELFARE OF
24 CITIZENS, THE GOVERNOR, THE LEGISLATURE OR A LOCAL AUTHORITY MAY APPLY
25 SUBSECTIONS A AND B OF THIS SECTION FOR ADDITIONAL THIRTY-DAY PERIODS AS
26 NEEDED.

27 D. A BUSINESS THAT OFFERS AN ITEM FOR SALE AT A REDUCED PRICE
28 IMMEDIATELY BEFORE THE DECLARATION OF EMERGENCY MAY USE THE PRICE AT WHICH
29 IT USUALLY SELLS THE ITEM TO CALCULATE THE PRICE REQUIREMENT'S PRESCRIBED
30 IN THIS SECTION.

31 44-1383.02. Unlawful practices; civil penalty; right of
32 action

33 A. A VIOLATION OF THIS ARTICLE IS AN UNLAWFUL ACT OR PRACTICE
34 PURSUANT TO SECTION 44-1522 AND IS SUBJECT TO A CIVIL PENALTY OF UP TO
35 \$10,000 FOR EACH VIOLATION. THE ATTORNEY GENERAL MAY INVESTIGATE THE
36 UNLAWFUL ACT OR PRACTICE AND TAKE APPROPRIATE ACTION PURSUANT TO CHAPTER
37 10, ARTICLE 7 OF THIS TITLE.

38 B. A PERSON WHO LOSES MONIES OR PROPERTY DUE TO A VIOLATION OF THIS
39 ARTICLE HAS A RIGHT OF ACTION. IN AN ACTION UNDER THIS SECTION, THE
40 COURT, IN ADDITION TO ANY OTHER APPROPRIATE LEGAL OR EQUITABLE RELIEF,
41 SHALL AWARD THREEFOLD THE DAMAGES SUSTAINED BY THE PERSON. THE COURT
42 SHALL ALSO AWARD REASONABLE ATTORNEY FEES, FILING FEES AND REASONABLE
43 COURT COSTS.