

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6474**

**BILL NUMBER: HB 1015**

**DATE PREPARED:** Feb 26, 2002

**BILL AMENDED:** Feb 25, 2002

**SUBJECT:** Price Gouging During an Emergency Event.

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9854

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill permits the Attorney General to investigate and take action against retailers of fuel who engage in fuel price gouging. The bill requires the Attorney General to make aggregate information concerning investigations of price gouging, with no identifying information, available to the public upon request. The bill preempts the power of local government to regulate fuel pricing during a state of emergency.

**Effective Date:** (Amended) Upon passage.

**Explanation of State Expenditures:** (Revised) This bill could increase the administrative burden of the Attorney General's Office in so far as it would allow the Office more authority to investigate and bring civil actions against alleged fuel price gougers during an emergency event. The bill also requires the Office to make aggregate information concerning its investigations available to the public. Any impact of this provision on the Attorney General's Office is expected to be absorbed using existing staff and resources.

**Explanation of State Revenues:** *Penalty Provision:* If additional court cases occur, revenue to the state General Fund may increase if court fees are collected. The bill authorizes the court to assess a civil penalty of up to \$1,000 per incident of price gouging. Civil penalties would be deposited in the state General Fund.

*Court Fee Revenue:* If additional court actions are filed either due to fuel price gouging or due to a claim that fuel is being sold below cost and a judgment is entered, a court fee of \$100 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** *Court Fee Revenue:* If additional court actions are filed either due to fuel

price gouging or due to a claim that fuel is being sold below cost and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$100 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund.

**State Agencies Affected:** Attorney General's Office.

**Local Agencies Affected:** Circuit and Superior Courts; local law enforcement agencies.

**Information Sources:**