

# HOUSE BILL No. 1015

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 24-3-5.

**Synopsis:** Price gouging during an emergency event. Provides that: (1) the sale of a commodity; or (2) the lease or rental of storage property; at a price that is greater than 10% above the average price charged before the occurrence of an emergency event is price gouging. Establishes that price gouging is a Class C infraction and a deceptive act enforceable in a civil action by a consumer or the attorney general.

**Effective:** July 1, 2002.

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## Cochran, Dobis, Bauer

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January 8, 2002, read first time and referred to Committee on Human Affairs.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

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# HOUSE BILL No. 1015



A BILL FOR AN ACT to amend the Indiana Code concerning trade regulations and consumer sales.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 24-3-5 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2002]:

4 **Chapter 5. Price Gouging**

5 **Sec. 1. As used in this chapter, "commodity" means a good,**  
6 **service, material, supply, resource, or any other article of**  
7 **commerce, including equipment and merchandise. The term**  
8 **includes any item necessary for consumption or use as a direct**  
9 **result of an emergency event, but does not include a security (as**  
10 **defined in IC 23-2-1-1).**

11 **Sec. 2. As used in this chapter, "consumer" means a person**  
12 **who:**

- 13 (1) purchases a commodity; or
- 14 (2) leases or rents a storage or warehousing facility.

15 **Sec. 3. As used in this chapter, "emergency event" means a:**

- 16 (1) state of disaster declared by the governor under 10-4-1-7;
- 17 (2) disaster (as defined in IC 10-4-1-3); or



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(3) national disaster declared by the federal government.

Sec. 4. Except as provided in section 6 of this chapter, a person located within the area affected by an emergency event who charges a consumer a price for a commodity that is more than ten percent (10%) above the average price charged by the person for the commodity during the thirty (30) days immediately preceding the date on which the emergency event occurs commits an act of price gouging.

Sec. 5. Except as provided in section 6 of this chapter, a person located within the area affected by an emergency event who rents or leases a storage or warehousing facility to a consumer for an amount that is more than ten percent (10%) above the average amount charged by the person for the lease or rental of the storage or warehousing facility during the thirty (30) days immediately preceding the date on which the emergency event occurs commits an act of price gouging.

Sec. 6. If a person charges a consumer an amount in excess of the amount described in sections 4 or 5 of this chapter, and the amount in excess is attributable to additional supply costs incurred as part of a statewide, national, or international market trend, the person does not commit an act of price gouging.

Sec. 7. A person who engages in price gouging under this chapter commits a:

- (1) Class C infraction and shall make a refund to the consumer of any amount that exceeds the amount allowed under this chapter; and
- (2) deceptive act that is actionable by the attorney general or by a consumer under IC 24-5-0.5-4 and is subject to the remedies and penalties under IC 24-5-0.5.

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