

Commonwealth of the Northern Mariana Islands Office of the Attorney General

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For Immediate Release

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Attorney General Warns Against Price Gouging

Office of the Attorney General, Saipan – The Office of the Attorney General has received increasing number of complaints against business establishments in the CNMI for price gouging as a result of the Coronavirus (COVID-19) emergency.

Attorney General Edward Manibusan warns retailers that the Consumer Protection Act makes it unlawful for any business to engage in price gouging following a state of emergency. The Attorney General explains, "price gouging occurs when a business increases prices based on the shortage of goods caused by a natural disaster or any other emergency." He added, "the Office of the Attorney General will prosecute, both criminally and civilly, any business that engages in price gouging."

"If consumers notice price gouging occurring, they should submit complaint forms that are available on our website <u>www.cnmioag.org</u> under the Consumer Counsel section or via email by sending a request to <u>consumer_counsel@cnmioag.org</u>," the Attorney General stated. "Consumers may also contact the Attorney General Investigative Division Hotline at 237-7627 or submit a complaint through the OAG website at <u>www.cnmioag.org/hotline</u>," added the Attorney General.

The Governor declared a price freeze pursuant to the Consumer Disaster Price Freeze Act on March 5, 2020, which will be in effect until he rescinds all declarations of emergency, disaster or price freeze. It is illegal for any person or business to raise the price of any items while a price freeze is in effect. A violation of the Consumer Disaster Price Freeze Act is punishable by a \$10,000 fine and one year of imprisonment for each violation.

The price of the following items are frozen:

- 1. Gasoline, kerosene, diesel fuel, natural gas, and all other chemical fuels, whether in gaseous, liquid, or solid form;
- 2. All foods and foodstuffs, including water, bottled water, beverages, and ice;
- 3. All clothing;
- 4. Flashlights, lamps, lanterns, candles, light bulbs, and other means of illumination;
- 5. Generators, cables, wires, electrical batteries of every sort, and similar equipment for the generation and/or transmission of electrical power;

- 6. All appliances used in the storage and/or preparation of food, including, but not limited to, stoves, barbecue grilles, ovens, refrigerators, and coolers;
- 7. Tools typically used for construction, ground clearing, or home repairs, whether electrically powered, chemically powered, or manual, including, but not limited to, saws, machetes, hammers, drills, shovels, rakes, and brooms;
- 8. All bedding items, including pillows, futons and blankets;
- 9. All medicines, medical equipment, and personal protective equipment (PPE), including but not limited to masks, gloves, and hand sanitizers;
- 10. All housing rentals including apartments and condominiums.

Consumers should save all receipts, invoices, and other documents related to price gouging. When submitting a complaint to the Office of the Attorney General, consumers should submit <u>copies</u> of any supporting documents and retain the originals for their own records.

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