SENATE No. 137

The Commonwealth of Massachusetts

PRESENTED BY:

Benjamin B. Downing

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act protecting consumers during a state of emergency.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Benjamin B. Downing	Berkshire, Hampshire, Franklin and
	Hampden
Marjorie C. Decker	25th Middlesex

SENATE No. 137

By Mr. Downing, a petition (accompanied by bill, Senate, No. 137) of Benjamin B. Downing and Marjorie C. Decker for legislation to protect consumers during a state of emergency. Consumer Protection and Professional Licensure.

[SIMILAR MATTER FILED IN PREVIOUS SESSION SEE SENATE, NO. 92 OF 2013-2014.]

The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court (2015-2016)

An Act protecting consumers during a state of emergency.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Chapter 93 of the General Laws, as appearing in the 2014 Official Edition, is hereby
- 2 amended by inserting after section 14S the following section:-
- 3 Section 14T. Unconscionable Prices in a State of Emergency
- 4 (a) As used in the section the following words shall have the following meanings:
- 5 "Commodity", goods, services, materials, merchandise, supplies, equipment, resources,
- 6 or other articles of commerce, including, but not limited to: food, water, ice, chemicals,
- 7 petroleum products, and lumber essential for consumption or use as a direct result of a declared
- 8 state of emergency.

9 "Dwelling unit", shall include a single and multi-family home, apartment or 10 condominium unit, motel or hotel unit or other temporary lodging.

11 "Unconscionable price", an amount charged which represents a gross disparity between the price of the commodity or rental or lease of a dwelling unit or self-storage facility that is the 12 subject of an offer or transaction, and the average price at which that commodity, dwelling unit, 13 or self-storage facility was rented, leased, sold, or offered for rent or sale in the usual course of 14 business during the 30 days immediately preceding a declaration of a state of emergency or 15 grossly exceeds the average price at which the same or similar commodity, dwelling unit or self-16 storage facility was readily obtainable in the trade area during the 30 days immediately preceding 17 a declaration of a state of emergency. Such price shall not include a price during that period set 18 as a result of a bona fide manufacturer's or suppliers limited discount or rebate; provided 19 however that the increase in the amount charged is not the result of regional, national, or 20 international market trends, or is attributable to additional costs in connection with the disaster, 21 including replacement costs imposed by the vendor's source.

(b) Notwithstanding the provisions of section 9H of chapter 23, whenever the Governor shall determine that an emergency exists in respect to food or fuel or any other common necessity of life, including the providing of shelter, it shall be a violation of this section for a person or his agent or employee to rent or sell or offer to rent or sell a commodity or dwelling unit at an unconscionable price within the area for which the state of emergency is declared. This prohibition remains in effect until the declaration expires or is terminated.

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Upon a declaration of a state of disaster by the President, in which the disaster area includes all or a portion of the commonwealth, it shall be a violation of this section for a person

- 31 or his agent or employee in this state to rent or sell or offer to rent or sell a commodity or
- 32 dwelling unit at an unconscionable price within the area for which the state of disaster is
- 33 declared. This prohibition remains in effect until ten days after the declaration expires or is
- 34 terminated.
- 35 (c) A price increase approved by an appropriate government agency is not a violation of
- 36 this section.
- 37 (d) A violation of this section shall be punished by a fine of not more than \$5,000.