



## PRESS RELEASE

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### **Attorney General Frosh Warns Online Marketplaces Aren't Exempt from Price Gouging Laws** *Coalition of AGs Urge Amazon, Facebook, eBay, Craigslist, and Walmart to Monitor for Compliance with State Laws*

**BALTIMORE, MD (March 25, 2020)** – Maryland Attorney General Brian E. Frosh today joined a coalition of 33 attorneys general urging Amazon, Facebook, eBay, Walmart, and Craigslist to more rigorously monitor price gouging practices by online sellers using their services.

Maryland's anti-price gouging law went into effect on March 23 following emergency legislation passed by the General Assembly and an Executive Order signed by the Governor. In Maryland, retailers—including online retailers—who engage in price gouging are in violation of the Consumer Protection Act and may face civil penalties of up to \$10,000 per violation and possible criminal prosecution.

“Our Consumer Protection Division has received reports of price gouging from all over Maryland since the beginning of the COVID-19 pandemic. It's unconscionable that retailers would take advantage of consumers during this worldwide pandemic crisis, and we will take every action we can to stop them,” said Attorney General Frosh. “Online retailers are no exception. If they sell products or services to Maryland consumers, they also must comply with our anti-price gouging law.”

The coalition's [letter](#) lists several examples of price-gouging on these marketplace platforms, all of which took place only in March: on Craigslist, a two-liter bottle of hand sanitizer was being sold for \$250; on Facebook Marketplace, an eight-ounce bottle was being sold for \$40; and on eBay, packs of face masks were being sold for \$40 and \$50.

“We want the business community and American consumers to know that we endeavor to balance the twin imperatives of commerce and consumer protection in the marketplace,” said the attorneys general in their letter. “And, while we appreciate reports of the efforts made by platforms and online retailers to crack down on price gouging as the American community faces an unprecedented public health crisis, we are calling on you to do more at a time that requires national unity.”

The coalition recommends several changes to protect consumers from price gouging:

- Creating and enforcing strong policies that prevent sellers from deviating in any significant way from the product's selling price before the emergency by examining historic prices and prices offered by other sellers of the same or similar products;
- Trigger price gouging protections prior to an emergency declaration, such as when the platforms' systems detect conditions like pending weather events or future possible health risks; and
- Implement a complaint portal for consumers to report potential price gouging.

In addition to Attorney General Frosh, the letter was signed by the attorneys general of California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Idaho, Illinois, Iowa, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, Utah, Vermont, Virginia, Washington, Wyoming, and Puerto Rico.