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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Legislative Budget
Office

H.B. 590
133rd General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Crossman and Rogers

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SUMMARY

- Prohibits the increase of prices of goods, services, dwelling units, or storage spaces during a declaration of emergency by more than 10% of the price prior to the declaration of emergency.
- Declares that a violation of the prohibition stated above to be an unconscionable act under the Consumer Sales Practices Act.
- Declares an emergency.

DETAILED ANALYSIS

Price gouging

The bill prohibits the increase in price by a supplier of the sale, rent, or lease of goods, services, dwelling units, or storage spaces during a declaration of emergency by more than 10% than the price prior to the declaration of emergency. Under the bill, a “declaration of emergency” means a declaration of an emergency by any federal, state, or local governing body. The prohibition applies to goods, services, dwelling units, and storage spaces located in or delivered to an emergency area, which is defined under the bill as the geographic area affected by the declaration of emergency.¹ A “supplier” is a seller, lessor, assignor, franchisor, or other person engaged in the business of effecting or soliciting consumer transactions, whether or not the person deals directly with the consumer.² A violation of the bill’s price

¹ R.C. 1345.033(A) and (B).

² R.C. 1345.01(C), not in the bill.

gouging prohibition is considered an unconscionable act under the CSPA, and a reckless violation is a first degree misdemeanor.³

Enforcement

Under existing law, unconscionable acts under the CSPA are subject to investigation and lawsuits brought by the Attorney General. If a supplier is found to have violated the bill's requirements, the court may issue a temporary restraining order, preliminary injunction, or permanent injunction to restrain and prevent the act or practice. Suppliers that fail to comply with such an order could be subject to a penalty of up to \$5,000 per day. Furthermore, suppliers that commit an action that has already been determined to be an unconscionable act, either through adopted rule or court decision, are subject to a penalty of up to \$25,000.⁴ Lastly, the CSPA allows for consumers to bring a private cause of action, i.e., a consumer can directly sue the supplier.⁵

HISTORY

Action	Date
Introduced	03-24-20

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³ R.C. 1345.033(C) and 1345.99(F).

⁴ R.C. 1345.06 and 1345.07, not in the bill.

⁵ R.C. 1345.09, not in the bill.