Brian J. Stiger
Director

COUNTY OF LOS ANGELES
DEPARTMENT OF
CONSUMER AND BUSINESS AFFAIRS

"To Enrich Lives Through Effective and Caring Service"

Members of the Board

Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Don Knabe
Michael D. Antonovich

January 5, 2016

To: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Brian J. Stiger
Director of Consumer and Business Affairs

REPORT ON RECOMMENDATIONS FOR STRATEGIES ON PUBLIC EDUCATION AND OUTREACH REGARDING THE NEW ANTI-PRICE GOUGING ORDINANCE (ITEM NO. 8, AGENDA OF DECEMBER 15, 2015)

On December 15, 2015, your Board directed the Department of Consumer and Business Affairs (DCBA) to report back with a public awareness plan to educate citizens about the risks of and protections against price gouging within the County ordinance and existing State law.

Background

The enforcement of existing price gouging laws is primarily within the purview of State and Federal agencies. However, in response to rising concerns related to local emergencies and the ability of State and Federal agencies to efficiently respond to such emergencies, your Board moved to examine the feasibility of enacting a County ordinance that would strengthen protections to County residents when a local emergency has been declared.

DCBA has a dedicated Consumer Education and Public Outreach (CEPO) unit which is tasked with producing educational materials and distributing this information to Los Angeles County consumers and small businesses. In order to ensure compliance with the proposed anti-price gouging ordinance and existing law, and to inform consumers of their protections under these laws, DCBA will launch a comprehensive educational campaign through its CEPO unit so L.A. County residents will be armed with the information to protect themselves from price gouging.

Public Education and Outreach Campaign

DCBA will increase outreach to the public and businesses in the unincorporated areas of the County regarding the anti-price gouging ordinance to ensure compliance. DCBA has developed a comprehensive marketing strategy to distribute this information, as outlined below:

Update existing DCBA print and online informational materials

Price gouging information is currently available through DCBA's *After the Disaster* printed tipsheet, and in an article contained on the DCBA website. DCBA will continue to maintain up-to-date information pertaining to the new ordinance and other pertinent information related to price gouging through both print and online mediums.

Develop new print informational materials

DCBA will create two new information cards to help Los Angeles County residents understand price gouging:

- *Price Gouging* for consumers
- *Price Gouging* for businesses

The cards will be printed on heavy-stock paper and printed on both sides, one side with information in English and one side in Spanish.
(For drafts of cards, see Appendix A)

DCBA plans to print and distribute approximately 5,000 of both *Price Gouging* cards to the public. These information cards will be available in all DCBA offices. Additionally, cards will be distributed to Board offices, departments with public counters, senior centers, all DCBA community outreach events, and County of Los Angeles Consumer Affairs Advisory and Small Business commissioners. DCBA will also keep in reserve at least 1,000 *Price Gouging* cards to be distributed to the public in case of a local emergency. DCBA will target disaster preparation outreach events in order to reach the public with information related to price gouging and how to avoid falling victim to it.

Increase online informational content

dcba.lacounty.gov – DCBA will create a new *Price Gouging* online tipsheet in the "Your Money" section of our website. The tipsheet will have links to the new *Price Gouging* information cards and the *After the Disaster* online article.

LACounty.gov/ElNino – DCBA will request that Countywide Communications update the "Info for Affected Homeowners" section of their page with a link to DCBA's *Price*

Gouging online tipsheet or information cards. Additionally, we will request that DCBA be added to the list of departments preparing for El Niño, including department logo and links to our website and our primary Twitter page.

Increase social media content

DCBA will utilize its social media platforms (Twitter, Twitter in Spanish, Twitter for Small Business, and Facebook) to include links and graphics highlighting the issue of price gouging.

Send targeted email blasts

DCBA will send a news alert to the department's email lists of consumers and businesses featuring electronic versions of the *Price Gouging* information cards and links to other online informational materials.

DCBA counseling and assistance

DCBA counselors will be available to work one-on-one with residents and businesses to answer questions about disaster preparation, price gouging complaints, and their rights and responsibilities under the law.

DCBA appreciates the opportunity to report back to your Board on the DCBA's outreach campaign for Price Gouging. Should you have any questions or need additional information, please do not hesitate to contact me at (213) 974-9750.

c: CEO – Countywide Communications

Appendix A

WHEN A DISASTER STRIKES

DON'T GET OVERCHARGED

If the government declares an emergency, increasing the price of goods and services 10% or more is price gouging.

1 BE AWARE

Price gouging is a crime.

After a disaster price increases can occur at grocery stores, gasoline stations, hotels, emergency and medical supply stores, and construction or repair services.

2 IDENTIFY

If you think a store or service provider is committing price gouging, compare prices prior to the state of emergency and in areas not affected by the disaster.

Consumers are protected from a higher than 10% price increase for 30 days on goods and services and for 180 days on contractor-related services. Keep good records of purchases you make during a declared emergency.

3 REPORT

If you believe you were a victim of price gouging, contact our department to file a complaint by calling (800) 593-8222 or visit us online at dcba.lacounty.gov.

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CUANDO OCURRE UN DESASTRE

EVITE LOS SOBRECARGOS

La manipulación de precios occure cuando el gobierno declara una emergencia y hay aumentos en precios de productos y servicios de 10% o más.

1 TENGA CUIDADO

La manipulación de precios es un crimen.

Después de un desastre, el aumento de precios puede ocurrir en los mercados, gasolineras, hoteles, tiendas de emergencia y productos médicos, y servicios de construcción o reparación.

2 IDENTIFIQUE

Si usted piensa que una tienda o proveedor de servicios está manipulando los precios, compare los precios antes de la emergencia y en áreas no afectadas por el desastre.

Los Consumidores son protegidos contra aumentos de precio de 10% o más en productos por 30 días y durante 180 días del desastre declarado en los servicios relacionados a contratistas. Mantenga buena documentación de sus compras que realice durante una emergencia declarada.

3 REPORTE

Si cree que es víctima de la manipulación de precios comuníquese con nuestro departamento para solicitar una queja. Llame al número (800) 593-8222 o visítenos en línea al dcba.lacounty.gov.

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WHEN A DISASTER STRIKES

PREVENT PRICE GOUGING

If the government declares an emergency, increasing the price of goods and services more than 10% within 30 days is a crime.

1 RIGHTS & RESPONSIBILITIES

Businesses may not increase the price of goods and services more than 10% after a declared emergency, unless, they can prove the price increase is due to their suppliers' increase in price.

If you offer contractor related services, your prices may not increase by more than 10% for 180 days after an emergency is declared.

2 PROTECT YOUR BUSINESS

Maintain good records of your pricing for consumer goods and/or services before, during and after the declared emergency.

3 RISK OF PRICE GOUGING

Failure to comply with the California Price Gouging law (Penal Code 396) can result in fines up to $10,000 or one year in jail, or both.

4 QUESTIONS?

Contact us at (800) 593-8222 if you have questions about your rights and responsibilities under the California Price Gouging law.

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CUANDO OCURRE UN DESASTRE

PREVENGA LA MANIPULACIÓN DE PRECIOS

El aumento de precios 10% o más durante los primeros 30 dias despues que se declara ena emergencia, es un crimen.

1 DERECHOS Y RESPONSABILIDADES

Los negocios no pueden aumentar los precios de productos y servicios por 10% o más despues que se declara una emergencia, a menos que puedan comprobar que el aumento se debe al aumento de precios de sus proveedores.

Si ofrece servicios relacionados a contratistas, sus precios no pueden aumentar 10% o más por 180 días después que se declaró una emergencia.

2 PROTEJA SU NEGOCIÓ

El no cumplir con la Ley Estatal de California de manipulacion de precios (Código Penal 396) puede resultar en multa de hasta $10,000 y/o mas de un año en la cárcel.

3 EL RIESGO EN MANIPULAR PRECIOS

El no cumplir con la Ley Estatal de California de manipulacion de precios (Código Penal 396) puede resultar en multa de hasta $10,000 y/o mas de un año en la cárcel.

4 ¿TIENE PREGUNTAS?

Communíquese con nosotros al número (800) 593-8222 si tiene preguntas acerca de sus derechos y responsabilidades protegidos por la ley de California de manipulación de precios.

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