

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

February 11, 2025

County of Los Angeles

February 11, 2025

Edward you **EXECUTIVE OFFICER**

Dawyn R. Harrison **County Counsel**

Board of Supervisors

Hilda L. Solis Supervisor, First District

Holly J. Mitchell Supervisor, Second District

Lindsey P. Horvath Supervisor, Third District

Janice Hahn Supervisor, Fourth District

Kathryn Barger Supervisor, Fifth District



The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Combatting Los Angeles County's Price Gouging Crisis: Re: **Protecting Renters and Consumers** (02/04/25 Board Agenda; Item No. 51-B)

Dear Supervisors:

On February 4, 2025, your Board directed our office to return to the Board with a draft resolution to increase the maximum civil penalty allowed under Chapter 8.09 of the County Code for price gouging in an amount not to exceed \$50,000 per violation. Attached is the resolution for your Board's consideration.

Very truly yours,

DRH:BT:eg

Attachment

PRICE GOUGING PROTECTION FOR RENTERS AND CONSUMERS RESOLUTION FOLLOWING PROCLAMATION OF EXISTENCE OF A LOCAL EMERGENCY FOR THE JANUARY 2025 WINDSTORM AND CRITICAL FIRE EVENTS

WHEREAS, on January 7, 2025, the Chair of the Los Angeles County Board of Supervisors ("Board") proclaimed, pursuant to Chapter 2.68 of the Los Angeles County Code, and the Board ratified on January 14, 2025, the existence of a Local Emergency for the January 2025 Windstorm and Critical Fire Events ("Local Emergency") that have been impacted by severe and lifethreatening windstorms and resulting wind-driven destructive fires, which include the Palisades Fire, Eaton Fire, Hurst Fire, Kenneth Fire ("January 2025 Windstorm and Critical Fire Events"), and multiple other fires throughout the County of Los Angeles ("County");

WHEREAS, numerous news outlets have reported on the rampant price gouging and crowdsourced reports quickly compiled online examples from across the County, not just in the immediate vicinity of the fire-ravaged communities. One report found thousands of instances of rental price gouging in the first 11 days of the crisis alone;

WHEREAS, the County must take additional action to curb this illegal behavior, increase deterrence, and ensure that bad actors do not continue to take advantage of this crisis;

WHEREAS, Los Angeles County Code Chapter 8.09 ensures that County residents are protected against overpricing of vital and necessary goods and services during a state of emergency and imposes civil and criminal penalties for those who violate these provisions;

WHEREAS, on February 3, 2025, the Board directed civil penalties be increased to an amount not to exceed fifty thousand dollars (\$50,000) per each violation during this Local Emergency for the January 2025 Windstorm and Critical Fire Events;

WHEREAS, pursuant to Government Code section 8634 and County Code Section 2.68.150, during a local emergency, the Board, or, in the following priority order, the Chair of the Board, Chief Executive Officer, or the Sheriff may promulgate orders or regulations for the protection of life and property; and

WHEREAS, pursuant to Penal Code section 396(k), State law does not preempt any local ordinance prohibiting the same or similar conduct or imposing a more severe penalty for the same conduct prohibited by Penal Code section 396, which prohibits price gouging during proclaimed states of emergency and local emergencies.

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY PROCLAIM, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

1. Any person who violates provisions of Chapter 8.09 of the County Code during the Local Emergency for the January 2025 Windstorm and Critical Fire Events shall be subject to civil penalties pursuant to Section 8.09.060 of the County Code. The maximum civil penalty for violations of Chapter 8.09 will be temporarily increased for the duration of this Local Emergency

HOA.105172332.1 1

for the January 2025 Windstorm and Critical Fire Events from ten thousand dollars (\$10,000) to an amount not to exceed fifty thousand dollars (\$50,000) per each violation.

2. This Price Gouging Protection for Renters and Consumers Resolution shall take effect immediately upon its passage.

HOA.105172332.1 2

The foregoing Price Gouging Protection for Renters and Consumers Resolution was on the <u>11th</u> day of <u>February</u> 2025, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



EDWARD YEN, Executive Officer Clerk of the Board of Supervisors of the County of Los Angeles

Deput

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel

Deputy

HOA.105172332.1

3