

February 18, 2025

MOTION BY SUPERVISOR LINDSEY P. HORVATH

Support for Assembly Bill 380 (González): Price Gouging

In the wake of the devastation brought on by January's firestorms, tens of thousands were left to seek shelter, further straining an already expensive housing market and exacerbating the region's housing crisis. State price gouging protections were immediately activated shortly after the start of the fires on January 7th, yet reports indicate that some landlords and corporate rental firms have potentially engaged in price gouging. Investigations revealed that short-term rental companies have listed units at significantly inflated prices, with some rates increasing by over 50% compared to pre-disaster levels. Additionally, the California Department of Justice has issued warnings to more than 200 hotels and landlords for alleged violations, as tenants and housing advocates document widespread rent hikes beyond the legal threshold.

Current law imposes a 30-day cap on price gouging protections for hotels, food, and other emergency services, which fails to account for the prolonged recovery periods following large-scale disasters. The recent wildfires underscore the necessity for robust consumer protection laws that extend price gouging protections for essential goods and services beyond arbitrary time limits. Reports indicate that as emergency declarations remain in place for months, affected residents continue to face exploitative pricing. In some cases, landlords have circumvented legal restrictions by relisting rental units at inflated prices under new terms, exploiting loopholes in enforcement.

Assembly Bill 380 (AB 380), introduced by Assemblymember Mark González, ensures that price gouging protections remain in effect for the full duration of an emergency declaration, aligning them with

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rental housing safeguards. This bill provides much-needed stability for Californians recovering from crises, preventing opportunistic price hikes that could further displace vulnerable communities.

I, **THEREFORE, MOVE** that the Board of Supervisors direct the Chief Executive Office-Legislative Affairs and Intergovernmental Relations to take all appropriate legislative advocacy actions to support Assembly Bill 380 (González), which would extend price gouging protections on hotels, food, and other essential goods and services for the full duration of an emergency declaration to safeguard Angelenos from predatory price gouging during times of crisis, including, but not limited to, sending a five-signature letter in support of the bill to Assemblymember Mark González.

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LH:cc