

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **HB 2857**

Jermaine Floor Amendment

The 4-page Jermaine amendment dated 6/21/2022 at 12:09 PM:

1. Defines:

- a. *Building materials* as lumber, construction tools, windows and anything else used in the building or rebuilding of property.
 - b. *Consumer food items* as any item that is used or intended to be used by a person or animal for food, drink, confection or condiment.
 - c. *Emergency supplies* to include water, flashlights, radios, batteries, candles, blankets, soaps, diapers, temporary shelters, tape, toilet paper, tissues, paper towels, toiletries, plywood, nails and hammers.
 - d. *Gasoline* as any fuel used to power any motor vehicle or power tool.
 - e. *Local emergency* as a natural or man-made emergency resulting from an earthquake, flood, fire, riot, storm, drought, epidemic, plant or animal infestation or disease or other natural or man-made disaster for which a local emergency has been declared by a local authority.
 - f. *Medical supplies* to include prescription and nonprescription medications, bandages, gauze, isopropyl alcohol and antibacterial products.
 - g. *Repair or reconstruction services* as services performed by any person who is required to be licensed as a contractor under title 32, chapter 10 for repairs to residential or commercial property of any type that is damaged as a result of a disaster.
 - h. *State of emergency* as a natural or man-made emergency resulting from an earthquake, flood, fire, riot, storm, drought, epidemic, plant or animal infestation or disease or other natural or man-made disaster for which a state of emergency has been declared by the president of the united states or the governor.
 - i. *Transportation, freight and storage services* as any service that is performed by any company that contracts to move, store or transport personal or business property or that rents equipment for those purposes, including towing services.
2. Prohibits and makes it unlawful that during and 30 days after a state of emergency or local emergency:

Amendment explanation prepared by N. Lovato

Phone Number 6-3517

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6/21/2022

- a. A person sells or offers to sell certain products and services more than 10% above the price that was charged immediately before a declaration of emergency:
 - i. Building materials, consumer food items, emergency supplies, gasoline, home heating oil, medical supplies, repair or reconstruction services or transportation, freight and storage services
 - 1. If a person did not sell these goods and services before such an emergency, to not sell their goods or services at more than 10% higher than the average in that county
 - 2. A greater increase is permissible if the increase is directly attributable to costs from suppliers or additional labor or material to sellers cost is over 10%
 - ii. An owner of a hotel, motel, or other room-renting service to increase regular rates, as advertised immediately before a delaration by more than 10%
 - 1. A greater increase is permissible if the increase is directly attributable to goods or labor used in its business, to seasonal adjustments in rates that are regularly scheduled or to previously contracted rates
 - iii. If needed, the governor or legislature, or local authority may extend these requirements by 30 day increments as needed
 - iv. A good immediately before declaration may sell item at double that price
- 3. Establishes any violations are subject to a civil penalty of up to \$10,000
 - a. AG may investigate any violations and take appropriate action
- 4. Any person who loses money or property due to an infraction may seek appropriate damages for relief

JERMAINE FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2857
(Reference to printed bill)

1 Page 11, after line 27, insert:

2 "Sec. 8. Title 44, chapter 9, Arizona Revised Statutes, is amended
3 by adding article 27, to read:

4 ARTICLE 27. PRICE GOUGING

5 44-1383. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "BUILDING MATERIALS" MEANS LUMBER, CONSTRUCTION TOOLS, WINDOWS
8 AND ANYTHING ELSE USED IN THE BUILDING OR REBUILDING OF PROPERTY.

9 2. "CONSUMER FOOD ITEMS" MEANS ANY ITEM THAT IS USED OR INTENDED TO
10 BE USED BY A PERSON OR ANIMAL FOR FOOD, DRINK, CONFECTION OR CONDIMENT.

11 3. "EMERGENCY SUPPLIES" INCLUDES WATER, FLASHLIGHTS, RADIOS,
12 BATTERIES, CANDLES, BLANKETS, SOAPS, DIAPERS, TEMPORARY SHELTERS, TAPE,
13 TOILET PAPER, TISSUES, PAPER TOWELS, TOILETRIES, PLYWOOD, NAILS AND
14 HAMMERS.

15 4. "GASOLINE" MEANS ANY FUEL USED TO POWER ANY MOTOR VEHICLE OR
16 POWER TOOL.

17 5. "LOCAL EMERGENCY" MEANS A NATURAL OR MAN-MADE EMERGENCY RESULTING
18 FROM AN EARTHQUAKE, FLOOD, FIRE, RIOT, STORM, DROUGHT, EPIDEMIC, PLANT OR
19 ANIMAL INFESTATION OR DISEASE OR OTHER NATURAL OR MAN-MADE DISASTER FOR
20 WHICH A LOCAL EMERGENCY HAS BEEN DECLARED BY A LOCAL AUTHORITY.

21 6. "MEDICAL SUPPLIES" INCLUDES PRESCRIPTION AND NONPRESCRIPTION
22 MEDICATIONS, BANDAGES, GAUZE, ISOPROPYL ALCOHOL AND ANTIBACTERIAL PRODUCTS.

1 7. "REPAIR OR RECONSTRUCTION SERVICES" MEANS SERVICES PERFORMED BY
2 ANY PERSON WHO IS REQUIRED TO BE LICENSED AS A CONTRACTOR UNDER TITLE 32,
3 CHAPTER 10 FOR REPAIRS TO RESIDENTIAL OR COMMERCIAL PROPERTY OF ANY TYPE
4 THAT IS DAMAGED AS A RESULT OF A DISASTER.

5 8. "STATE OF EMERGENCY" MEANS A NATURAL OR MAN-MADE EMERGENCY
6 RESULTING FROM AN EARTHQUAKE, FLOOD, FIRE, RIOT, STORM, DROUGHT, EPIDEMIC,
7 PLANT OR ANIMAL INFESTATION OR DISEASE OR OTHER NATURAL OR MAN-MADE
8 DISASTER FOR WHICH A STATE OF EMERGENCY HAS BEEN DECLARED BY THE PRESIDENT
9 OF THE UNITED STATES OR THE GOVERNOR.

10 9. "TRANSPORTATION, FREIGHT AND STORAGE SERVICES" MEANS ANY SERVICE
11 THAT IS PERFORMED BY ANY COMPANY THAT CONTRACTS TO MOVE, STORE OR TRANSPORT
12 PERSONAL OR BUSINESS PROPERTY OR THAT RENTS EQUIPMENT FOR THOSE PURPOSES,
13 INCLUDING TOWING SERVICES.

14 44-1383.01. Emergency periods; excess pricing; prohibition

15 A. DURING A STATE OF EMERGENCY OR LOCAL EMERGENCY, AND FOR A PERIOD
16 OF THIRTY DAYS AFTER THE END OF THAT EMERGENCY PERIOD, IT IS UNLAWFUL FOR A
17 PERSON TO SELL OR OFFER TO SELL ANY BUILDING MATERIALS, CONSUMER FOOD
18 ITEMS, EMERGENCY SUPPLIES, GASOLINE, HOME HEATING OIL, MEDICAL SUPPLIES,
19 REPAIR OR RECONSTRUCTION SERVICES OR TRANSPORTATION, FREIGHT AND STORAGE
20 SERVICES FOR A PRICE THAT IS MORE THAN TEN PERCENT ABOVE THE PRICE THAT WAS
21 CHARGED BY THAT PERSON FOR THOSE GOODS OR SERVICES IMMEDIATELY BEFORE THE
22 DECLARATION OF EMERGENCY. IF A PERSON DID NOT SELL THE GOODS OR SERVICES
23 IMMEDIATELY BEFORE THE DECLARATION OF THE EMERGENCY, THE PRICE MAY NOT BE
24 MORE THAN TEN PERCENT ABOVE THE AVERAGE PRICE THAT WAS CHARGED IN THAT
25 COUNTY IMMEDIATELY BEFORE THE DECLARATION OF EMERGENCY EXCEPT THAT A
26 GREATER PRICE INCREASE IS ALLOWED IF THE SELLER CAN PROVE THAT THE INCREASE
27 IN PRICE WAS DIRECTLY ATTRIBUTABLE TO ADDITIONAL COSTS IMPOSED ON THE
28 SELLER BY THE SUPPLIER OF THE GOODS OR DIRECTLY ATTRIBUTABLE TO ADDITIONAL
29 COSTS FOR LABOR OR MATERIALS USED TO PROVIDE THE SERVICES IF THE PRICE IS
30 NOT MORE THAN TEN PERCENT ABOVE THE TOTAL OF THE COST TO THE SELLER PLUS
31 THE MARKUP CUSTOMARILY APPLIED BY THE SELLER FOR THAT GOOD OR SERVICE IN

1 THE USUAL COURSE OF BUSINESS IMMEDIATELY BEFORE THE ONSET OF THE STATE OF
2 EMERGENCY OR LOCAL EMERGENCY.

3 B. DURING A STATE OF EMERGENCY OR LOCAL EMERGENCY, AND FOR A PERIOD
4 OF THIRTY DAYS AFTER THE END OF THAT EMERGENCY PERIOD, IT IS UNLAWFUL FOR
5 AN OWNER OR OPERATOR OF A HOTEL, MOTEL OR OTHER ROOM-RENTING SERVICE TO
6 INCREASE THE REGULAR RATES, AS ADVERTISED IMMEDIATELY BEFORE THE
7 DECLARATION OF EMERGENCY, BY MORE THAN TEN PERCENT EXCEPT THAT A GREATER
8 PRICE INCREASE IS ALLOWED IF THE OWNER OR OPERATOR CAN PROVE THAT THE
9 INCREASE IN PRICE IS DIRECTLY ATTRIBUTABLE TO ADDITIONAL COSTS IMPOSED ON
10 THE OWNER OR OPERATOR FOR GOODS OR LABOR USED IN ITS BUSINESS, TO SEASONAL
11 ADJUSTMENTS IN RATES THAT ARE REGULARLY SCHEDULED OR TO PREVIOUSLY
12 CONTRACTED RATES.

13 C. IF DEEMED NECESSARY TO PROTECT THE LIVES, PROPERTY OR WELFARE OF
14 CITIZENS, THE GOVERNOR, THE LEGISLATURE OR A LOCAL AUTHORITY MAY APPLY
15 SUBSECTIONS A AND B OF THIS SECTION FOR ADDITIONAL THIRTY-DAY PERIODS AS
16 NEEDED.

17 D. A BUSINESS THAT OFFERS AN ITEM FOR SALE AT A REDUCED PRICE
18 IMMEDIATELY BEFORE THE DECLARATION OF EMERGENCY MAY USE THE PRICE AT WHICH
19 IT USUALLY SELLS THE ITEM TO CALCULATE THE PRICE REQUIREMENT'S PRESCRIBED
20 IN THIS SECTION.

21 44-1383.02. Unlawful practices; civil penalty; right of action

22 A. A VIOLATION OF THIS ARTICLE IS AN UNLAWFUL ACT OR PRACTICE
23 PURSUANT TO SECTION 44-1522 AND IS SUBJECT TO A CIVIL PENALTY OF UP TO
24 \$10,000 FOR EACH VIOLATION. THE ATTORNEY GENERAL MAY INVESTIGATE THE
25 UNLAWFUL ACT OR PRACTICE AND TAKE APPROPRIATE ACTION PURSUANT TO CHAPTER
26 10, ARTICLE 7 OF THIS TITLE.

27 B. A PERSON WHO LOSES MONIES OR PROPERTY DUE TO A VIOLATION OF THIS
28 ARTICLE HAS A RIGHT OF ACTION. IN AN ACTION UNDER THIS SECTION, THE COURT,
29 IN ADDITION TO ANY OTHER APPROPRIATE LEGAL OR EQUITABLE RELIEF, SHALL AWARD
30 THREEFOLD THE DAMAGES SUSTAINED BY THE PERSON. THE COURT SHALL ALSO AWARD
31 REASONABLE ATTORNEY FEES, FILING FEES AND REASONABLE COURT COSTS."

32 Amend title to conform

JENNIFER JERMAINE

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