



DEPARTMENT OF THE ATTORNEY GENERAL

DAVID Y. IGE
GOVERNOR

CLARE E. CONNORS
ATTORNEY GENERAL

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Hawaii Attorney General Files Brief in Support of States' Authority to Regulate Price Gouging

HONOLULU – Attorney General Clare E. Connors joined a bipartisan coalition of 30 states and D.C., led by Illinois Attorney General Kwame Raoul, in filing an [amicus brief](#) in the U.S. Court of Appeals for the 6th Circuit to support states' authority to enforce price gouging regulations to protect consumers during emergencies, such as the COVID-19 pandemic.

The coalition is urging the appellate court to overturn the district court's decision in *Online Merchants Guild v. Cameron*. The court entered a preliminary injunction preventing Kentucky Attorney General Daniel Cameron from enforcing price gouging regulations against retailers selling products on Amazon. In the brief, the coalition notes that national and local emergencies, such as the pandemic, create significant shortages for essential items. State price gouging laws are essential to ensuring that goods can be fairly allocated among residents, and to preventing bad actors from profiting off of residents by charging excessively high prices for goods that are scarce.

"Bad actors operating in our state should be within the reach of Hawaii's price gouging laws," said Attorney General Connors. "Hawaii must have the ability to protect its consumers, including from online retailers."

During the COVID-19 pandemic, many states have implemented social distancing measures in public places and recommended that residents stay home when possible. As a result, more consumers have turned to online sellers to purchase food, medicine, cleaning supplies and other household essentials. The Online Merchants Guild, claiming that price gouging laws should not be applied to retailers selling goods on Amazon, filed a lawsuit after the Kentucky Attorney General's office began investigating several Kentucky-based retailers.

The coalition emphasizes that price gouging laws level the playing field and ensure a more equitable distribution of goods to high- and low-income consumers. The attorneys general state that price gouging protections have been particularly necessary during the

pandemic, which has caused financial instability for millions of Americans and created and threatened shortages of essential goods. Furthermore, regulating price gouging falls under states' responsibility to aid vulnerable consumers during an emergency. Additionally, price gouging laws do not directly control the price of goods for out-of-state sales or create an actual conflict among state regulations.

States have taken action that has been crucial to curbing price gouging during the pandemic, including working toward voluntary compliance, issuing subpoenas, sending cease and desist letters, and filing civil actions.

The coalition is asking the appellate court to reverse the district court's order granting injunctive relief.

Joining Attorneys General Raoul and Connors in filing the amicus brief are the attorneys general of Alaska, Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Idaho, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Virginia, Washington, and Wisconsin.

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For more information, contact:

Krishna F. Jayaram
Special Assistant to the Attorney General
(808) 586-1284
Email: atg.pio@hawaii.gov
Web: <http://ag.hawaii.gov>
Twitter: @ATGHlgov