

March 6, 2025

The Honorable Nick Schultz Chair, Assembly Committee on Public Safety 1020 N Street, Room 111 Sacramento, CA 95814

Re: AB 380 (González) Price gouging - OPPOSE

Dear Chair Schultz,

On behalf of the California Retailers Association (CRA), I am writing to express our opposition to **AB 380** regarding price gouging. While we understand the intent to protect consumers during emergencies, this indefinite extension beyond the current 30- and 180-day duration raises significant concerns for our members.

AB 380 would extend price gouging protections for the full duration of an emergency declaration. This open-ended timeframe is problematic as California currently has several ongoing emergency declarations from years ago, such as an open proclamation for Hurricane Hillary from August 2023 and even as far back as a tree mortality statewide declaration from October 2015, during the Brown Administration. Extending price controls indefinitely under all these proclamations would create an untenable business environment. Long-term price controls can lead to supply shortages and market distortions, ultimately increasing costs for consumers.

The bill's language covering "consumer food items or goods, goods or services used for emergency cleanup, emergency supplies, medical supplies, home heating oil, building materials, housing" is excessively broad. This sweeping categorization coupled with an indefinite period of time, discourages the restocking of essential goods or entering affected markets to meet demand.

CRA is committed to working with the author collaboratively to address pricing concerns as our members continue to be proactive partners in helping communities in need during times of emergency. For example, during the Eaton and Palisades fires, retailers donated over \$1 million in gift cards and provided hundreds of supplies, such as N95 masks and bedding to nursing homes and veteran's facilities.

For all these reasons, CRA must respectfully oppose AB 380.

Sincerely,

Ryan Allain

Director, Government Affairs California Retailers Association