

AG Jennings, 32 other AGs warn e-commerce giants: online marketplaces aren't exempt from price gouging laws

Attorney General Kathy Jennings joined Wednesday a [letter](#) with 32 Attorneys General, led by Pennsylvania, Connecticut, New Mexico, and Vermont, urging Amazon, Facebook, eBay, Walmart, and Craigslist to more rigorously monitor price gouging practices by online sellers using their services.

“We want the business community and American consumers to know that we endeavor to balance the twin imperatives of commerce and consumer protection in the marketplace,” said the Attorneys General in their letter. “And, while we appreciate reports of the efforts made by platforms and online retailers to crack down on price gouging as the American community faces an unprecedented public health crisis, we are calling on you to do more at a time that requires national unity.”

As of Tuesday evening, Delaware’s Consumer Protection Unit had received 30 initial contacts alleging price gouging by Delaware businesses.

The letter lists several examples of price-gouging on these marketplace platforms, all of which took place only in March: on Craigslist, a two-liter bottle of hand sanitizer was being sold for \$250; on Facebook Marketplace, an eight-ounce bottle was being sold for \$40; and on eBay, packs of face masks were being sold for \$40 and \$50.

The letter recommends several changes to protect consumers from price gouging:

- Set policies and enforce restrictions on unconscionable

price gouging during emergencies: Online retail platforms should prevent unconscionable price increases from occurring by creating and enforcing strong policies that prevent sellers from deviating in any significant way from the product's price before an emergency. Such policies should examine historical seller prices, and the price offered by other sellers of the same or similar products, to identify and eliminate price gouging.

- Trigger price gouging protections prior to an emergency declaration, such as when your systems detect conditions like pending weather events or future possible health risks.
- Implement a complaint portal for consumers to report potential price gouging.

In addition to Delaware and the co-leading states, the letter was signed by the Attorneys General of California, Colorado, District of Columbia, Hawaii, Idaho, Illinois, Iowa, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oregon, Rhode Island, Utah, Virginia, Washington, Wyoming, and Puerto Rico.