ARKANSAS SENATE

84th General Assembly - Regular Session, 2003

Amendment Form

Subtitle of Senate Bill No. 762

"THE ARKANSAS PRICE GOUGING ACT OF 2003"

Amendment No. 2 to Senate Bill No. 762.

Amend Senate Bill No. 762 as engrossed, 3/17/03:

Delete Section 1 and substitute: "SECTION 1. <u>Intent.</u> <u>The General Assembly finds and declares that:</u> (1) The threats of terrorist attacks and war are real and could

impose horrific social and economic damage on Arkansas;

(2) The threat of terrorist attacks and war can dismantle the stability of markets and free trade;

(3) Pricing of consumer goods and services is generally best <u>left to the marketplace under ordinary conditions</u>, but when a terrorist <u>attack</u>, a threat of war, or an act of war results in abnormal disruptions of <u>the market</u>, the public interest requires that excessive and unjustified increases in the prices of consumer goods and services should be discouraged;

(4) Protecting the public from price gouging is a vital function of state government in providing for the health, safety, and welfare of consumers; and

(5) (A) The intent of the General Assembly is to protect citizens, during the time of instability and uncertainty that follows a terrorist attack, a threat of war, or during a time of war, from excessive and unjustified increases in the prices charged for goods and services that are vital or necessary for the consumer.

(B) Further, it is the intent of the General Assembly that this act be liberally construed so that its beneficial purposes may be served."

AND

Delete Section 2 and substitute:

"SECTION 2. Arkansas Code § 4-88-302 is amended to read as follow: 4-88-302. Definitions.

(a) "Building materials" means lumber, construction tools, windows, and anything else used in the building or rebuilding of property.

(b) "Consumer food item" means any article that is used or intended for use for food, drink, confection, or condiment by a person or animal.



(c) "Emergency supplies" includes, but is not limited to, water, flashlights, radios, batteries, candles, blankets, soap, diapers, temporary shelters, tape, toiletries, plywood, nails, and hammers.

(d) "Gasoline" means any fuel used to power any motor vehicle or power tool.

(e) "Goods" has the same meaning as defined in § 4-88-102(3).

(f) "Housing" means any rental housing leased on a month-to-month term and includes any housing provided by a hotel or motel.

(g) "Local emergency" means a natural or man-made disaster or emergency resulting from a tornado, earthquake, flood, fire, riot, or storm for which a local emergency has been declared by the executive officer or governing body of any city or county in Arkansas.

(h) "Medical supplies" includes, but is not limited to, prescription and nonprescription medications, bandages, gauze, isopropyl alcohol, and antibacterial products.

(i) "Repair or reconstruction services" means services performed by any person for repairs to residential or commercial property of any type that is damaged as a result of a disaster.

(j) "State of emergency" means a natural or man-made disaster or emergency resulting from a tornado, earthquake, flood, fire, riot, or storm for which a state of emergency has been declared by the President of the United States or the Governor.

(2) "State of emergency" also includes the declaration of a red condition in the Homeland Security Advisory System by either the U.S. Department of Homeland Security or the Arkansas Department of Emergency Management Services.

(k) "Transportation, freight, and storage services" means any service that is performed by any company that contracts to move, store, or transport personal or business property or rents equipment for those purposes.

(1) "Person" means a natural person, individual, partnership, corporation, trust, estate, incorporated or unincorporated association, and any other legal or commercial entity however organized.

(m) "Repair or reconstruction services" means services performed by any person for repairs to residential or commercial property of any type that is damaged as a result of a disaster or terrorist attack.

(n) "Services" means any work, labor, or services including services furnished in connection with the sale or repair of goods or real property or improvements thereto.

(o) "Transportation, freight, and storage services" means any service that is performed any person that contracts to move, store, or transport personal or business property or rents equipment for those purposes."

AND

Delete Sections 3 and substitute:

"SECTION 3. Arkansas code 4-88-303(a)(1), concerning prohibited unfair pricing practices, is amended to read as follows:

(a)(1) Upon the proclamation of a state of emergency resulting from a tornado, earthquake, flood, fire, riot, storm, or natural or man-made disaster declared by the President of the United States or the Governor, and upon the declaration of a local emergency resulting from a tornado, earthquake, flood, fire, riot, storm, or natural or man-made disaster by the

executive officer of any city or county and for a period of thirty (30) days following that declaration, or during any period of time during which a red condition under the Homeland Security Advisory System has been declared by either the U.S. Department of Homeland Security or the Arkansas Department of Emergency Services, it is unlawful for any person, contractor, business, or other entity to sell or offer to sell any consumer food items or goods, goods or services used for emergency cleanup, emergency supplies, medical supplies, home heating oil, building materials, housing, transportation, freight, and storage services, or gasoline or other motor fuels for a price of more than ten percent (10%) above the price charged by that person for those goods or services immediately prior to the proclamation of emergency."

AND

Page 3, delete lines 29 through 36

AND

Page 4, delete line 1

AND

Renumber subsequent sections

The Amendment was read the first time, rules suspended and read the second time and **By: Senator Steele** PBB/RCK - 031920031538 **RCK747** Secretary