



September 22, 2023

Governor Declares State of Emergency In Light of Tropical Cyclone 16

In light of the impending arrival of Tropical Cyclone 16, Governor Youngkin has declared a State of Emergency in the Commonwealth. His action today automatically triggers the state's price gouging law. Under the law it is illegal to charge an "unconscionable" price on essential commodities including gasoline, diesel, heating oil and propane. While unconscionable is undefined in the act, in the past there have been instances where those charging more than 20 percent over the prevailing price in the 10 days immediately preceding the declaration have been cited under the law. Importantly, price increases imposed by suppliers - so long as those increases can be demonstrated thru invoices are not price gouging.

Here is the section of the code relative to supplier price increases:

3. Whether the increase in the amount charged by the supplier was attributable solely to additional costs incurred by the supplier in connection with the sale of the goods or services, including additional costs imposed by the supplier's source. Proof that the supplier incurred such additional costs during the time of disaster shall be prima facie evidence that the price increase by that supplier was not unconscionable.

Those responsible for pricing policies in your organization should immediately be made aware of this declaration, and the fact that it will remain in place for 30 days.

Following is release from Attorney General Miyares on the gouging statute.

[Miyares Price Gouging News Release](#)