## U.S. House of Representatives Committee on the Judiciary

Mashington, DC 20515-6216
One Hundred Fifteenth Congress

September 7, 2017

The Honorable Maureen K. Ohlhausen Acting Chairwoman Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

Dear Acting Chairwoman Olhausen,

We write to request that the Federal Trade Commission actively monitor for, and, as appropriate, investigate potential price gouging with respect to essential and scarce items like fuel, food, and drinking water in the lead-up to and aftermath of Hurricanes Harvey and Irma. According to local reports regarding Hurricane Harvey, for example, many consumers affected by the storm's catastrophic flooding have already filed complaints alleging that "stores and other businesses were jacking up prices as the storm surged toward the Texas coast[.]." Texas Attorney General Ken Paxton has likewise indicated that some businesses have charged as much as \$99 for a single case of water. Numerous other news accounts have similarly reported incidents of potential Harvey-related price gouging.

Americans who are fleeing their homes to seek shelter from rising floodwaters and other hurricane impacts should not be further victimized by disaster profiteers. The antitrust laws are designed to ensure competitive markets and to prevent unconscionably high prices. It is imperative that the Commission take an active role in policing anticompetitive behavior and protecting consumers from price gouging and similar harms. As former Chairwoman Deborah Platt Majoras testified following Hurricane Katrina, "the Commission has a strong role to play in this area."

<sup>&</sup>lt;sup>1</sup> Alejandra Matos, *As Hurricane Harvey approaches, complaints of price gouging begin*, HOUSTON CHRONICLE (Aug. 26, 2017), http://www.chron.com/news/politics/texas/article/As-Hurricane-Harvey-approaches-complaints-of-11960865.php.

<sup>&</sup>lt;sup>2</sup> Hurricane Harvey price gouging complaints include \$99 for water, FOX NEWS (Aug. 26, 2017), http://www.foxnews.com/us/2017/08/26/hurricane-harvey-price-gouging-complaints-include-99-for-water.html.

<sup>&</sup>lt;sup>3</sup>FTC Investigation of Gasoline Price Manipulation and Post-Katrina Gasoline Price Increases: Hearing Before the S. Comm. on Commerce, Science, and Transportation, 109th Cong. (2006) (prepared statement of Deborah Platt Majoras, Chairman, Federal Trade Comm'n), https://www.ftc.gov/system/files/documents/public statements/572331/060523gasolineprices.pdf.

Accordingly, we strongly encourage the Commission to use all of its appropriate powers to protect American consumers against price gouging and other anticompetitive conduct that has arisen or may arise in connection with Hurricanes Harvey and Irma.

Sincerely,

Bob Goodlatte

Chairman

Committee on the Judiciary

John Conyers, Ja

Ranking Member

Committee on the Judiciary

Tom Marino

Chairman

Subcommittee on Regulatory Reform,

Commercial and Antitrust Law

David N. Cicilline

Ranking Member

Subcommittee on Regulatory Reform,

Commercial and Antitrust Law

CC: The Honorable Terrell McSweeny, Commissioner, Federal Trade Commission