

# WHAT YOU NEED TO KNOW ABOUT PRICE GOUGING AFTER A NATURAL DISASTER

In the aftermath of a natural disaster, it's important to be aware of price gouging — unfair or opportunistic price hikes on essential goods and services. The information provided here by the CALIFORNIA ASSOCIATION OF REALTORS® will help you understand what price gouging is, how to avoid it, and what you can do if you think you're being charged unfairly.

## WHAT IS PRICE GOUGING?

Price gouging refers to sellers taking unfair advantage of consumers by raising prices on essential goods and services such as housing rentals, food, water, building materials or repair and reconstruction services. In California, there is anti-price gouging law which prohibits an increase in certain categories of essential goods and services by more than 10% once the governor declares a state of emergency. The law is intended to protect you from unfair prices during challenging times and ensure that businesses can't take advantage of your situation by charging inflated prices when you need these essential goods and services the most.

Governor Newsom declared a state of emergency due to the wildfires in Southern California on January 7, 2025, and signed an executive order that extends protections against price gouging on building materials, storage services, construction, and other essential goods and services to January 7, 2026, in Los Angeles County. He also extended price gouging prohibitions on hotel, motel, and rental housing in Los Angeles County to July 1, 2025, with some exceptions. You can read the Executive Order [here](#). LA County housing providers must follow the LA local price gouging ordinance until July 31, 2025, with possible extensions thereafter.

## HOW TO AVOID PRICE GOUGING

- **Stay informed:** Know what reasonable prices are for essential items and services in your area. A sharp increase may signal price gouging.
- **Compare prices:** If you're able to, check around to see if prices are consistent across businesses or services.
- **Trust your instincts:** If something feels too expensive or unreasonable, it might be worth questioning whether it's price gouging.

## WHAT TO DO IF YOU SUSPECT PRICE GOUGING

If you believe you're being charged unfairly, you can follow these steps:

1. **Document the price:** Take note of the price you were charged, including photos of receipts or advertisements.
2. **File a complaint:** Report suspected price gouging to the California Attorney General's office. You can [submit complaints](#) online or call their consumer protection hotline at **(800) 952-5225**.
3. **Reach out to local authorities:** Your local consumer protection agency or district attorney's office can help investigate potential gouging.
4. **Avoid paying inflated prices:** If possible, seek out other options or businesses that may offer more reasonable prices.

If you're in doubt, don't hesitate to report suspicious prices or practices. The law is here to protect you, and it's important to stay vigilant and informed.