## Congress of the United States Washington, DC 20515

March 18, 2020

The Honorable William Barr Attorney General U.S. Department of Justice 950 Pennsylvania Avenue NW Washington, DC 20530

## Dear Attorney General Barr:

We write to respectfully request that the U.S. Department of Justice (DOJ or the Department) take immediate and decisive steps to stop the extensive price gouging of consumer health products that is occurring during the COVID-19 pandemic. Absent a coordinated federal response from your Department, we fear many preventative health products will be out of reach for American consumers, thereby placing their health and the health of their communities at risk.

As you know, COVID-19 is quickly spreading across the United States, with over 6,000 confirmed cases in all 50 states, the District of Columbia and Puerto Rico. Public health officials have advised that people can play an essential role in helping to prevent the spread of the virus by taking everyday preventative actions such as washing their hands, cleaning frequently touched surfaces, and covering coughs and sneezes with clean tissue paper. This has led to a surge in demand for—and in even shortage of—many consumer products, including hand sanitizer and cleaning supplies. Several retailers have taken steps to maintain access to these products. But there have been numerous reports of merchants, small and large, that are taking advantage of the current crisis to prey on consumers by charging outrageous prices for what are usually affordable household staples.

According to research by the Consumer Brands Association (CBA), 24% of Americans have witnessed price gouging on public health products like hand sanitizer, cleaning supplies, and non-perishable foods. Additionally, CBA's empirical research shows that 22% of American consumers have already stocked up on these critical items, with another 30% planning to.

Several state attorneys general have already taken action against price gouging or are in the process of doing so, including Washington, Texas, California, Colorado, New York, Michigan, Tennessee, and Pennsylvania. Additionally, companies like Amazon, Walmart, and eBay have made some efforts to curb price gouging on their e-commerce websites. However, due to the pervasiveness of price gouging across the country and the growing spread of COVID-19, it is critical that the DOJ play a leading role in these efforts.

While we appreciate the DOJ cautioning businesses against violating antitrust laws, we urge you to take a more comprehensive approach by coordinating with state attorneys general to counteract price gouging and clarifying the specific actions the Department intends to take to deter these abhorrent practices. To the extent the Department requires additional statutory tools and/or resources from the U.S. Congress to appropriately address this issue, the undersigned remain ready and willing to discuss these options with you in greater detail. It is critical that the DOJ play a central role in ensuring that consumers have access to the items they need to protect themselves, their families, and their communities.

We look forward to your prompt attention to this matter.

Sincerely,

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Joe Neguse Vice Chair

Subcommittee on Antitrust, Commercial and Administrative Law

Jerrold Nadler Chairman

and M. Ceulline De Smembrum

Committee on the Judiciary

Jewold Hadler

David N. Cicilline

Chairman

Subcommittee on Antitrust, Commercial and Administrative Law

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Ranking Member
Subcommittee on Antitrust,

Commercial and Administrative Law