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Contact: JoAnn Carrin
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850-245-0150

Hurricane Wilma Prompts Consumer Alert from Attorney General

TALLAHASSEE - Attorney General Charlie Crist today urged Floridians and visitors to take all necessary safety precautions as Hurricane Wilma approaches the state and to be alert for unscrupulous businesses operators who try to take advantage of them. Crist mobilized his office and staffed a toll-free hotline at 1-866-9-NO-SCAM (1-866-966-7226) to handle consumer calls over possible price gouging. The Attorney General's action follows Governor Jeb Bush's official declaration of a state of emergency for all of Florida due to Wilma, extending the ongoing state of emergency that has been in effect from Hurricanes Dennis, Katrina and Rita.

"Above all else, Floridians need to be concerned with their safety," said Crist. "Unfortunately, Florida has become all too familiar with the many threats hurricanes and tropical storms can bring, including price gouging. Our office is here to protect them from being victimized a second time."

Those who suspect price gouging before or after the storm should call the Attorney General's hotline at 1-866-966-7226, and investigators will look into the complaint. Florida law prohibits extreme increases in the price of such commodities as food, water, hotels, ice, gasoline, lumber and equipment needed as a direct result of an officially declared emergency.

Under Florida law, a commodity's price is unconscionable if the increase in the price represents a "gross disparity" from the average price of that commodity during the 30 days immediately prior to the declared emergency. This applies unless the increase is attributable to additional costs incurred by the seller or to national or international market trends.
Violators of the price gouging statute are subject to civil penalties of $1,000 per violation, up to a total of $25,000 for multiple violations committed in a single 24-hour period. A new law enacted this year criminalizes price gouging and provides that during a declared state of emergency, any person who offers goods and services for sale to the public without possessing an occupational license commits a second-degree misdemeanor.

Crist also cautioned consumers to be wary of business scams that might arise in the wake of Wilma, including building repair and tree removal companies that come into storm-affected areas. The Attorney General said residents should deal whenever possible with established local companies when they contract for repairs or arrange financing to pay for any repairs that might not be covered by insurance.

Consumers should be wary of any unsolicited "contractor" who knocks on the door with an offer to fix a damaged roof or windows. Before signing any contracts, Floridians should check the contractor's license, payment terms and other provisions, Crist said.

Already this year the Attorney General’s Office has received more than 4,300 complaints related to price gouging associated with earlier Hurricanes Dennis, Katrina and Rita, and has filed two lawsuits against Tallahassee gas stations for alleged price gouging during Katrina. In addition, the office has subpoenaed four oil companies for records associated with gas prices during Dennis and Katrina.

During last year's record-setting hurricane season, the Attorney General's Office received 8,911 complaints through its price gouging hotline. The office initiated 58 formal investigations and filed 13 price gouging lawsuits against hotels, generator businesses, tree removal companies and other businesses. To date the Attorney General's Office has recovered more than $939,000 in restitution for Florida consumers and civil penalties from settlements and other resolutions stemming from the 2004 hurricane season. Other investigations and settlement negotiations are ongoing.