STATE OF MINNESOTA
Executive Department

Governor Tim Walz

Emergency Executive Order 20-10

Combatting Price Gouging During the COVID-19 Peacetime Emergency

I, Tim Walz, Governor of the State of Minnesota, by the authority vested in me by the Constitution and applicable statutes, issue the following Executive Order:

The COVID-19 pandemic presents an unprecedented challenge to our State. Minnesota has taken proactive steps to ensure that we are ahead of the curve on COVID-19 prevention and response. On March 13, 2020, I issued Executive Order 20-01 and declared a peacetime emergency because this pandemic, an act of nature, threatens the lives of Minnesotans, and local resources are inadequate to address the threat. In Executive Order 20-01, I directed all state agencies to submit proposed orders and rules to protect and preserve public health and safety.

Pursuant to Minnesota Statutes 2019, section 12.21, subdivision 3(1), the Governor may "make, amend, and rescind the necessary orders and rules to carry out the provisions" of Minnesota Statutes, Chapter 12. When approved by the Executive Council and filed in the Office of the Secretary of State, such orders and rules have the force and effect of law during the pendency of a peacetime emergency. Any inconsistent rules or ordinances of any agency or political subdivision of the state are suspended during the pendency of the emergency. Under Minnesota Statutes 2019, section 12.45, this Executive Order may specifically prescribe the penalty or punishment for violation of this Executive Order.

Minnesotans have responded to the call of public health officials and experts to prepare for and defend against the challenges confronting all of us. As Minnesotans have prepared to protect themselves and their families from this pandemic and to support loved ones and neighbors in need, we have heard reports of excessive and opportunistic pricing of basic necessities needed for public health and security. The Minnesota Attorney General's Office has received numerous reports of price gouging from consumers throughout the State. These reports have included concerns about excessive pricing on hygiene supplies, cleaning products, personal protective equipment, food, and other essential consumer goods and services.

These concerns raise risks of immediate and irreparable injury, loss, or damage to consumers, and immediate risk to the public interest of ensuring that Minnesotans can prepare for and respond to this emergency situation. These matters implicate safety concerns and matters of public safety, personal safety, and economic security. As a result, immediate resolution of these

concerns (including but not limited to necessary and prompt court-intervention) is in the public interest and necessary to protect the public peace, health, and safety of Minnesotans during this peacetime emergency.

For these reasons, I order as follows:

1. Beginning March 21, 2020 at 5:00 pm, and continuing for the duration of the peacetime emergency declared in Executive Order 20-01 or until this Executive Order is rescinded, all persons are prohibited from selling, offering to sell, or causing to sell in this state any essential consumer goods or services for an amount that represents an unconscionably excessive price.

2. For purposes of this Executive Order, the following terms are defined as specified below.

    a. "Person" or "persons" has the meaning in Minnesota Statutes 2019, section 325F.68, subdivision 3.

    b. "Essential consumer goods or services" means goods or services vital and necessary for the health, safety, and welfare of the public, including without limitation: food, water, fuel, gasoline, housing, shelter, transportation, health care goods and services, pharmaceuticals, medical supplies, and personal hygiene, sanitation, and cleaning goods.

    c. "Unconscionably excessive" means:

        i. The amount charged represents a gross disparity between the price of the good or service and the price of the same good or service that was sold or offered for sale in the usual course of business during the thirty (30) days immediately prior to the peacetime emergency declared by Executive Order 20-01 on March 13, 2020, unless the person demonstrates that the disparity is substantially attributable to significant additional costs outside the control of the person; or

        ii. The amount charged for the good or service is more than twenty percent (20%) greater than the price of the same good or service that was sold or offered for sale in the usual course of business during the thirty (30) days immediately prior to the peacetime emergency declared by Executive Order 20-01 on March 13, 2020, unless the person demonstrates that the disparity is substantially attributable to significant additional costs outside the control of the person; or

        iii. The amount charged grossly exceeds the price at which the same or similar good or service is readily obtainable by other purchasers in the trade area, unless the person demonstrates that the price increase is substantially attributable to significant additional costs outside the control of the person.

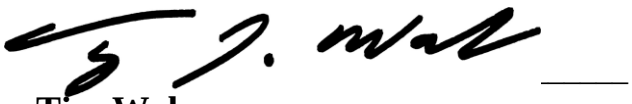
3. The Attorney General may investigate and bring an enforcement action to remediate and enjoin any alleged violation of this section. The authority of the Attorney General under this Executive Order includes but is not limited to the authority provided under Minnesota Statutes 2019, section 8.31.

4. Pursuant to Minnesota Statutes 2019, section 12.45, any person who is found to have violated this section is subject to a civil penalty of not more than $10,000 per sale or transaction. The Attorney General may additionally seek any relief available pursuant to Minnesota Statutes 2019, section 8.31.

Pursuant to Minnesota Statutes 2019, section 4.035, subdivision 2, and section 12.32, this Executive Order is effective immediately upon approval by the Executive Council. It remains in effect until the peacetime emergency declared in Executive Order 20-01 is terminated or until it is rescinded by proper authority.

A determination that any provision of this Executive Order is invalid will not affect the enforceability of any other provision of this Executive Order. Rather, the invalid provision will be modified to the extent necessary so that it is enforceable.

Signed on March 20, 2020.



Tim Walz
Governor

Filed According to Law:

Steve Simon
Secretary of State

Approved by the Executive Council on March 20, 2020:

Alice Roberts-Davis
Secretary, Executive Council

Filed March 20,2020
Office of the Minnesota
Secretary of State,
Steve Simon