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## AG Nessel, MSP Col. Gasper, MDHHS Director Gordon and Others Outline COVID-19 Capacity Restrictions, Efforts to Fight Pricegouging

**LANSING, MICH**. Michigan Attorney General Dana Nessel, Michigan State Police Col. Joe Gasper, Michigan Department of Health and Human Services Director Robert Gordon and others held a two-part news conference this afternoon to address Gov. Gretchen Whitmer's executive order placing restrictions on public assemblages due to the outbreak of coronavirus disease 2019 (COVID-19), as well as the state's efforts to monitor and enforce price-gouging by businesses.

Also participating in the event were:

- William Vailliencourt, president of the Prosecuting Attorneys Association of Michigan;
- Justin Winslow, president and CEO of the Michigan Restaurant & Lodging Association;
- Scott Ellis, executive director of the Michigan Licensed Beverage Association;
- Joe Potchen, assistant attorney general;
- Melanie Duquesnel, president and CEO of the Better Business Bureau, Eastern Michigan and the Upper Peninsula;
- Phil Catlett, president and CEO of the Better Business Bureau, Western Michigan;
- Linda Vail, Ingham County public health officer; and
- David Coulter, Oakland County executive director.

The state issued an emergency declaration late Tuesday due to the first positive cases of COVID-19. The number of confirmed cases is up to 33 as of late Saturday.

Gov. Whitmer on Friday issued an executive order that temporarily prohibits large public assemblages of more than 250 people.

Food and beverage industry leaders are reminding the public that carryout and delivery options are still available.

Establishments that violate the executive order could face legal consequences.

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Dr. Mona Hanna-Attisha, who was instrumental in determining the dangerous levels of lead present in the Flint Water Crisis and the effect on children, said: "This is not about you or me. Every step we take now to limit the spread of COVID-19 will exponentially pay off in the days and weeks to come."

While Hanna-Attisha did not attend the news conference, she expressed her support.

Meanwhile, Gov. Whitmer issued an executive order today to specifically address price-gouging related to COVID-19. That order states the following:

- No one who has acquired any product from a retailer shall resell that product in this state at a
  price that is grossly in excess of the purchase price at which they bought the product;
- No one shall offer for sale or sell any product in this state at a price that is more than 20 percent higher than what the person offered or charged for that product as of March 9, 2020 unless the person demonstrates that the price increase is attributable to an increase in the cost of bringing the product to market;
- Person means an individual, business or other legal entity;
- Product means any good, material, emergency supply or consumer food item;
- These restrictions go into effect at 9 a.m. Monday and remain in place until 11:59 p.m. April 13, 2020.

"We take this order seriously – as we do everything related to protecting Michigan consumers," Nessel said. "And we have seen a dramatic increase in complaints related to price-gouging and we have taken action on those complaints. Businesses cannot and will not use this state of emergency as an economic opportunity."

As of Friday afternoon, the Attorney General's office had received 75 price-gouging complaints related to COVID-19. Four businesses have been contacted by the Attorney General's office to gather more information on their consumer-reported price-gouging.

The Attorney General's office is actively looking at other potential targets but will not identify them at this time.

Face masks, hand sanitizers, cleaning supplies, bottled water and other food items are some of the products that have reportedly been on store shelves for exceptionally high prices – likely in violation of the Michigan Consumer Protection Act. Other products consumers might seek to purchase due to the threat of COVID-19 may also be at risk of price-gouging practices.

In addition to this Executive Order, retailers may violate the Michigan Consumer Protection Act if they are:

- Charging the consumer a price that is grossly in excess of the price at which similar property or services are sold; and
- Causing coercion and duress as the result of the time and nature of a sales presentation.

Michigan residents are urged to report any <u>violation of the Consumer Protection Act online</u> or by calling 877-765-8388.

Information around the COVID-19 outbreak is changing rapidly. The latest information is available <u>online</u> <u>at a state website</u> focused on the issue, and at the <u>Centers for Disease Control and Prevention</u>.

An MP3 audio file is available to download at the Michigan Association of Broadcasters website. A video of the press conference can be found online at the Attorney General's Facebook page.

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