

SENATE BILL SB-59

Introduced by Senator Benjamin Allen (D-24)

An act relating to Emergency Price Gouging Protection Act.

LEGISLATIVE COUNSEL'S DIGEST

SB-59, Benjamin Allen (D-24). Emergency Price Gouging Protection Act.

Existing Law under Penal Code Section 396 prohibits specified excessive price increases for essential consumer goods and services, repair and reconstruction services, hotel and motel accommodations and rental housing during and following specified emergency declarations. Existing law also makes violations a misdemeanor and an unlawful business practice and provides for enforcement and remedies.

This Bill

This Bill would amend Penal Code Section 396, to require a person, business, or other entity subject to the section's emergency price gouging protections to provide consumers with a written notice explaining the applicable protections and how to report a suspected violation. This bill would require the Department of Justice to develop a model notice and consumer education materials concerning emergency price gouging protections.

This bill would appropriate five million dollars (5,000,000) from the General Fund to the Department of Justice for enforcement, consumer education, and outreach concerning emergency price gouging protections.

Vote: 2/3rds. **Appropriations/fiscal:** yes. **Local program:** no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1.

This act shall be known, and may be cited, as the Consumer Emergency Pricing Protection Act of 2026

SEC. 2.

Section 396 of the Penal Code is amended by adding subdivision (n) to read:

(1) A Person, contractor, business, or other entity subject to the prohibition of this section shall provide a consumer, upon request and before entering into a covered transaction, with written notice stating that California law may limit price increases during a declared emergency and identifying how the consumer may report a suspected violation.

(2) The Department of Justice shall develop and make available that may be used to satisfy paragraph(1). The Model notice shall include the internet address and telephone number of the appropriate state or local agency for receiving complaints as determined by the department.

(3) The notice required by this subdivision shall be made available in English and, to the

extent practicable, in languages commonly spoken in California.

SEC. 3.

The Department of Justice shall administer the consumer education and enforcement activities authorized by this act. In carrying out these activities, the department may coordinate with district attorneys, city attorneys, the California Office of Emergency Services, and other governmental agencies that enforce emergency price gouging laws.

SEC. 4.

The Legislature hereby appropriates five million dollars (5,000,000) from the General Fund to the Department of Justice for the implementation of this act.

Funds appropriated by this section shall be used for enforcement support, investigation, consumer education translation of consumer materials, development of the model notice required by subdivision(n) of section 396 of the Penal Code, and public outreach concerning emergency price gouging protections

SEC. 5.

Nothing in this act shall be constructed to limit any greater protection provided to consumer under another provision of state or local laws.