

109TH CONGRESS
1ST SESSION

S. 1717

To prevent gas and oil gouging during natural disasters.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2005

Mr. DAYTON introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To prevent gas and oil gouging during natural disasters.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Oil and Gas Price
5 Gouging Prevention Act of 2005”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) COMMISSION.—The term “Commission”
9 means the Federal Trade Commission.

10 (2) QUALIFYING NATURAL DISASTER DECLARA-
11 TION.—The term “qualifying natural disaster dec-
12 laration” means—

1 (A) a natural disaster declared by the Sec-
2 retary under section 321(a) of the Consolidated
3 Farm and Rural Development Act (7 U.S.C.
4 1961(a)); or

5 (B) a major disaster or emergency des-
6 ignated by the President under the Robert T.
7 Stafford Disaster Relief and Emergency Assist-
8 ance Act (42 U.S.C. 5121 et seq.).

9 **SEC. 3. RESTRICTION ON PRICE GOUGING.**

10 (a) RESTRICTIONS.—It shall be unlawful in the
11 United States during the period of a qualifying natural
12 disaster declaration in the United States to increase the
13 price of any oil or gas product more than 15 percent above
14 the price of that product immediately prior to the declara-
15 tion unless the increase in the amount charged is attrib-
16 utable to additional costs incurred by the seller or national
17 or international market trends.

18 (b) ENFORCEMENT.—

19 (1) ENFORCEMENT POWERS.—

20 (A) IN GENERAL.—The Commission shall
21 enforce this section as part of its duties under
22 the Federal Trade Commission Act (15 U.S.C.
23 41 et seq.).

24 (B) REPORTING OF VIOLATIONS.—For
25 purposes of the enforcement of this section, the

1 Commission shall establish procedures to permit
2 the reporting of violations of this section to the
3 Commission, including appropriate links on the
4 Internet website of the Commission and the use
5 of a toll-free telephone number for such pur-
6 poses.

7 (2) PENALTY.—

8 (A) CRIMINAL PENALTY.—A violation of
9 this section shall be deemed a felony and a per-
10 son, upon conviction of a violation of this sec-
11 tion, shall be punished by fine not exceeding
12 \$10,000,000 if a corporation, or, if any other
13 person, \$350,000, or by imprisonment not ex-
14 ceeding 3 years, or both.

15 (B) CIVIL PENALTY.—The Commission
16 may impose a civil penalty not to exceed \$5,000
17 for each violation of this section. For purposes
18 of this subparagraph, each day of violation shall
19 constitute a separate offense. Civil penalties
20 under this subparagraph shall not exceed
21 amounts provided in subparagraph (A).

22 (c) ACTION BY STATE ATTORNEY GENERAL.—The
23 attorney general of a State may bring a civil action for

- 1 a violation of this section pursuant to section 4C of the
- 2 Clayton Act (15 U.S.C. 15c).

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