

Nancy Johnson



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FOR IMMEDIATE RELEASE

May 3, 2006

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Johnson Fights Oil Company Price-Gouging

Supports Bill to Make Gouging Punishable by Prison, \$150 Million Fine

WASHINGTON, DC – Congresswoman Nancy Johnson today strongly supported legislation cracking down on suspected oil and gas price gouging. The legislation, which passed the U.S. House today by a 398-34 vote, authorizes the Justice Department to prosecute price-gouging, and it makes the crime punishable by two years in prison and a \$150 million fine.

“It is simply criminal and outrageous for anyone to gouge consumers, especially with gas prices so high and oil company profits off the charts,” Johnson said. “Connecticut families should not have to foot the bill for fraudulent pricing schemes. This bill makes it absolutely clear that a price-gouging conviction can mean jail time and huge fines for oil companies that take advantage of consumers. This bill offers consumers real safeguards while we tackle the long-term challenges of high energy costs.”

Johnson is an original cosponsor of the “Federal Energy Price Protection Act of 2006,” which passed the House today with a huge, bipartisan majority. The bill sets severe criminal and civil penalties for price-gouging and authorizes state attorneys general, the Justice Department and the Federal Trade Commission to investigate suspected price manipulation at the wholesale or retail level. Specifically, the anti-price-gouging measure:

- **Prohibits price gouging in the market for gasoline**, diesel fuel, crude oil, home heating oil and biofuels like ethanol.
- **Makes “price-gouging” a crime punishable by a fine of no more than \$150 million, imprisonment of a maximum of 2 years**, or both, for wholesalers and oil companies. For retail sale violations, the fine is capped at \$2 million.
- **Increases civil penalties for price-gouging** to three times the ill-gotten gains of the seller, up to \$3 million per day. Civil fines would be deposited with states and used to pay compensation to victims of consumer fraud.
- **Authorizes the U.S. Attorney General the Justice Department to launch criminal investigations** and prosecutions of suspected price-gouging, in addition to ability of state attorneys general and the Federal Trade Commission to bring civil suits against suspected lawbreakers.