

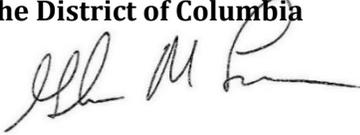
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer 

DATE: February 2, 2026

SUBJECT: Fiscal Impact Statement – Seasonal Pricing and Price Gouging
Amendment Act of 2026

REFERENCE: Bill 26-49, Draft Committee Print as provided to the Office of Revenue
Analysis on January 22, 2026

Conclusion

Funds are sufficient in the fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill.

Background

When the Mayor declares an emergency in response to a natural disaster, the Mayor prohibits the purveyors of goods and services from charging prices that are more than the normal average retail prices¹ for those goods and services.² Any person who charges excessive prices during a declared emergency is subject to a fine of up to \$1,000 and at risk of the Mayor revoking, suspending, or limiting a license, permit, or certificate of occupancy.³ The bill clarifies the good and services subject to the overcharging prohibitions, enhances the definition of normal average retail prices, imposes a

¹ Normal average retail prices are, for services, not more than ten percent of the cost of similar services sold or offered in the Washington Metropolitan Area in the ninety days preceding the emergency declaration and, for merchandise, the wholesale costs plus the same percentage markup for similar goods sold in the Washington Metropolitan Area in the ninety days preceding the emergency declaration. (D.C. Official Code § 28-4101(2))

² Natural Disaster Consumer Protection Act of 1992, effective March 20, 1992 (D.C. Law 9-80; D.C. Official Code § 28-4101 et seq.).

³ D.C. Official Code § 28-4103.

The Honorable Phil Mendelson

FIS: Bill 26-49, "Seasonal Pricing and Price Gouging Amendment Act of 2026," Draft Committee Print as provided to the Office of Revenue Analysis on January 22, 2026

prohibition on stockpiling goods, and expands the District's enforcement authority against overcharging and stockpiling.

The bill establishes that goods and services are consumer goods and services utilized for personal, family, or household needs; essential medical supplies and services; and any other essential goods and services used to promote the health and welfare of the public. The bill maintains the general definition of normal average retail pricing, but sets specific definitions for rental vehicle and hotel normal average retail pricing. For rental vehicles, the price is not more than ten percent more than the price the vehicle rented for in the same week of the same month of the prior year. For hotel rooms, when the hotel is at least 95 percent occupied, the price is not more than ten percent more than the price during the same week of the same month in the most recent year when the hotel reached 95 percent occupancy. Additionally, the bill allows sellers to sell a good for more than the normal average retail price if the price increase is directly attributable to additional labor costs, materials costs, or costs imposed by a supplier.

The bill also prohibits any person from stockpiling, which the bill describes as the purchasing any good in quantities greater than those specified by the Mayor or the federal government during a public emergency. The Mayor or federal government can set purchase limits if they determine that the goods are necessary for first responders or to maintain supply chains during a declared emergency.

The bill extends the existing \$1,000 fine and Mayor's ability to revoke, suspend, or limit a license or permit in cases of stockpiling offenses. The bill also grants the Attorney General the authority to bring action in D.C. Superior Court against anyone who violates price gouging and stockpiling prohibitions. The Attorney General can seek civil penalties of \$1,000 to \$10,000, economic damages, and any costs of the action.

Similar provisions and enforcement authorities were last authorized through temporary legislation during the public health emergency in 2021.⁴

Financial Plan Impact

Funds are sufficient in the fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill. The Department of Licensing and Consumer Protection (DLCP) is currently able to suspend, revoke, or limit any violators of the District's price gouging prohibitions. DLCP can expend these efforts to include stockpiling within DLCP's existing budgeted resources.

The Office of the Attorney General has pursued price gouging cases in the past under alternative legal authorities. The Attorney General can absorb the cost of executing this explicit authority to enforce price gouging and stockpiling within the agency's existing budgeted resources.

⁴ Coronavirus Support Temporary Amendment Act of 2021, effective June 24, 2021 (D.C. Law 24-9; 68 DCR 6913).