

Amazon calls for US federal law to ban price gouging

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Amazon called for a US price gouging law that would hold sellers—rather than the online platform—liable for profiteering from a national emergency, as it defended its actions to curb unfair pricing by its marketplace partners

Amazon called Wednesday for a US federal law to prohibit price

gouging during a national emergency, saying new standards are needed to prevent profiteering from situations like the COVID-19 pandemic.

The e-commerce leader, which has been hit with accusations that it has failed to prevent unfair pricing on its platform, said any liability for price-gouging should be with "the party who actually sets the price of a product."

Amazon has defended itself against the accusations, saying it has blocked many third-party sellers seeking to profit from the health emergency and has also reported offenders to states with price-gouging statutes.

In a blog post Wednesday, Amazon vice president Brian Huseman said a [federal law](#) "would ensure that there are no gaps in protection for consumers."

He said price gouging is prohibited during times of crisis in about two-thirds of the United States but that [state laws](#) vary—some defining the offense as pricing goods 10 to 25 percent above average, and others simply banning "excessive" prices.

"The disparate standards among states present a significant challenge for retailers working to assist [law enforcement](#), protect consumers, and comply with the law," he wrote.

He said any law should punish "grossly excessive" prices while also taking into account higher business costs.

"Put simply, we want to avoid the \$400 bottle of Purell (sanitizer) for sale right after an emergency goes into effect, while not punishing unavoidable price increases that emergencies can cause, especially as supply chains are disrupted," he said.

"Furthermore, any prohibitions should apply to all levels of the [supply chain](#) so that retailers and resellers are not forced to bear price gouging increases by manufacturers and suppliers."

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