



NEWS RELEASE

OFFICE OF ATTORNEY GENERAL HENRY MCMASTER
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McMaster Joins Multi-State Inquiry Into Skyrocketing Gas Prices

Columbia, S.C. – Attorney General Henry McMaster announced today that he has joined a multi-state inquiry into rapidly increasing gas prices that was launched by attorneys general from Alabama, Florida, and over thirty-five other states.

Gas prices in South Carolina and many other states have risen dramatically in the aftermath of Hurricane Katrina. Approximately forty (40) states have signed on to the inquiry in an effort to determine whether the dramatic increase in gas prices is due solely to legitimate market forces, or whether illegal activity is exacerbating the problem.

“If credible evidence of criminal conduct exists, this office will take action and prosecute it to the fullest extent of the law,” said McMaster. “So far we have no evidence that any willful criminal conduct has taken place in regards to the gas shortage, but that could change.”

McMaster pointed out that while state law only allows prosecutors to deal with complaints of price gouging during a “state of emergency declared by the governor,” the possibility exists that other criminal activity may occur due to the gas shortage.

McMaster urged citizens to report any suspected illegal activity to a special e-mail address:
GasShortage@scattorneygeneral.com

The Attorney General also indicated that he would ask the General Assembly to revisit the state’s price gouging statutes to make it easier for law enforcement to investigate complaints of price gouging.

McMaster urged citizens to remain patient during this gas shortage and not to purchase any more gas than they absolutely need.

The criminal prohibition against price gouging (SC Code 39-5-145) takes immediate effect upon the Governor’s declaration of a state of emergency and only within the area for which the state of emergency has been declared. The prohibition remains in effect until the declaration expires or is terminated.

It is a misdemeanor offense and carries a fine of \$1,000 or thirty (30) days in jail for each offense.

During a state of emergency it is illegal to rent or sell or offer to rent or sell a commodity at an “unconscionable price” within the area for which the state of emergency is declared.

“Unconscionable price” means an amount charged, which either represents a “gross disparity” or “grossly exceeds” the average price available for these items and services in the same area thirty (30) days immediately before a declaration of a state of emergency.

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