

**CHAPTER 109****(HB 228)**

AN ACT relating to consumer protection.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

Section 1. KRS 367.374 is amended to read as follows:

- (1) (a) When a Condition Red has been declared by the United States Department of Homeland Security under the Homeland Security Advisory System or the Governor has declared a state of emergency under KRS 39A.100, the Governor may implement this section *by executive order for a period of thirty (30) days from notification of implementation, as required by KRS 367.376. The order implementing this section shall be limited to the geographical area indicated in the declaration of emergency*~~[the duration of the declaration and the area for which the declaration was issued]~~.
  - (b) No person shall sell, rent, or offer to sell or rent, regardless of whether an actual sale or rental occurs, a good or service listed in this paragraph or any repair or reconstruction service for a price which is grossly in excess of the price prior to the declaration and unrelated to any increased cost to the seller. Goods and services to which this section applies are:
    1. Consumer food items;
    2. Goods or services used for emergency cleanup;
    3. Emergency supplies;
    4. Medical supplies;
    5. Home heating oil;
    6. Building materials;
    7. Housing;
    8. Transportation, freight, and storage services; and
    9. Gasoline or other motor fuels.
  - (c) A person who increases a price does not violate this subsection if the price increase is attributable to an additional cost imposed by a supplier of a good or other costs of providing the good or service, including an additional cost for labor or materials used to provide a service.
- (2) The provisions of this section may be extended for an additional period, not to exceed thirty (30) days, by the Governor if necessary to protect the lives, property, or welfare of the citizens.
  - (3) If a person sold or rented a good or service listed in subsection (1) of this section at a reduced price in the thirty (30) days prior to the Governor's implementation of this section, the price at which that person usually sells or rents the good or service in the area for which the declaration was issued shall be used in determining if the person is in violation of this section.
  - (4) If a person did not sell or rent or offer to sell or rent a good or service listed in subsection (1) of this section prior to the Governor's implementation of this section, the price at which a good or service was generally available in the area for which the declaration was issued shall be used in determining if the person is in violation of this section.

**Approved April 5, 2007.**