

**ORDINANCE NO. 188507**

An ordinance amending Section 47.12 of Article 7, Chapter IV of the Los Angeles Municipal Code to prohibit excessive price increases and excessive accumulation of supplies and services for resale at inflated prices during a declared emergency to add protection for housing and lodging.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. Section 47.12 of Article 7, Chapter IV of the Los Angeles Municipal Code is amended in its entirety to read as follows:

**SEC. 47.12. EXCESSIVE PRICE INCREASES AND EXCESS ACCUMULATION OF SUPPLIES FOR RESALE AT INFLATED PRICES DURING A DECLARED EMERGENCY.**

(a) **Findings.** The City Council hereby finds that during a state of emergency, increasing prices for essential housing, lodging, and consumer goods and services, and accumulating essential goods in excess of reasonable need for resale at inflated prices harms the public interest. To protect citizens from excessive and unjustified price increases and scarcity of essential housing, lodging, goods and services, the City seeks to prevent price gouging and excessive accumulation of goods for resale that are vital and necessary for the health, safety, and welfare of Los Angeles residents.

(b) **Legislative Intent.** It is the intention of the City Council in enacting this ordinance to protect citizens from excessive and unjustified increases in the prices charged during any disruption of the marketplace for housing, lodging, and consumer goods and services vital and necessary for the health, safety, and welfare of residents resulting from emergency or major disaster, including, but not limited to, those resulting from public health crises, pandemics, earthquakes, fires, or civil disturbances for which a state of emergency for the City of Los Angeles is proclaimed by the Mayor pursuant to Section 8.27 of the Los Angeles Administrative Code; or for which a proclamation of a state of emergency is declared by the President of the United States or the Governor of California, or upon the declaration of a local emergency by an official, board or other governing body vested with authority to make that declaration in Los Angeles County or in the City of Los Angeles.

(c) **Definitions.** The following definitions shall apply to this section:

1. **“Consumer Food Item”** is any item used or intended for use as food or drink by a person or animal.
2. **“Emergency Supplies”** are any items used in a typical emergency, including, but not limited to, water, flashlights, radios, batteries, candles,

blankets, soaps, cleaning supplies, disinfectants, sanitizers, toiletries, household paper goods, and diapers.

3. **“Hotel”** shall be construed as defined in Section 21.7.2 of this Code.

4. **“Medical Supplies”** are any items used in the diagnosis, cure, mitigation, treatment, or prevention of disease or other medical condition, including, but not limited to, prescription and non-prescription drugs, prescription and non-prescription medical devices, bandages, gauzes, isopropyl alcohol, and personal protective equipment, including, but not limited to, masks, gowns, face shields, and gloves.

5. **“Rental Unit”** shall be construed as defined in Section 45.32 of this Code.

6. **“Repair or Reconstruction Services”** are those contractor services for repairs to residential and commercial property of any type, which are damaged as a result of a disaster. Contractor services include services as defined in the California Business and Professions Code.

7. **“Seller”** means any person who sells or offers for sale in the chain of distribution any consumer food item, emergency supply, medical supply, repair or reconstruction service, gasoline or diesel fuel, including, but not limited to, any sales, resales, retail sales or wholesale sales.

8. **“Similarly Situated Sellers”** means persons, contractors, businesses or other entities where relevant circumstances show they are similar or alike. Relevant circumstances include, but are not limited to, the seller’s geographic location, the similarity of goods or services offered, including whether the goods or services are substitutes or complements to each other, and the relative size and scale of the seller’s business operation. For an online seller, all other online sellers shall be deemed to be similarly situated sellers.

**(d) Excessive Price Increases Prohibited.** Upon proclamation of a public emergency pursuant to Section 8.27 of the Los Angeles Administrative Code, or for which a local disaster or emergency is declared by the President of the United States or Governor of California, or upon the declaration of a local emergency by an official, board or other governing body vested with authority to make that declaration in Los Angeles County or in the City of Los Angeles, and for a period of 30 days following the date such proclamation or declaration is terminated, it shall be unlawful for any person, contractor, business or other entity to sell or offer to sell any Consumer Food Item, emergency supply, medical supply, repair or reconstruction service, gasoline or diesel fuel for:

1. a price more than 10 percent above the prevailing price for that item or service offered by similarly situated sellers in the City during the three months immediately prior to the proclamation or declaration of emergency, or

2. a price more than 10 percent above the price charged by that person for that item or service immediately prior to the proclamation or declaration of emergency, or

3. a price more than 10 percent above the price at which the same or similar items or services are available for purchase by consumers in the City during the time of the emergency.

**(e) Excessive Rent Increases Prohibited.** Upon proclamation of a public emergency pursuant to Section 8.27 of the Los Angeles Administrative Code, or for which a local disaster or emergency is declared by the President of the United States or Governor of California, or upon the declaration of a local emergency by an official, board or other governing body vested with authority to make that declaration in Los Angeles County or in the City of Los Angeles, and for a period of 30 days following the date such proclamation or declaration is terminated, it shall be unlawful for any person, business, or other entity to increase the rental price advertised, offered, or charged to, or accepted from, an existing or prospective tenant for any Rental Unit, as follows:

1. For a Rental Unit rented at any time within one year prior to the time of the proclamation or declaration of emergency, by more than 10 percent of the actual rental price paid by the existing tenant or, if there is no existing tenant, then by more than 10 percent of the actual rental price paid by the most recent tenant.

2. Notwithstanding Subdivision (1), for a Rental Unit rented at the time of the proclamation or declaration of emergency, which is subject to the restrictions on rent in Chapter XV of this Code (the Rent Stabilization Ordinance of the City of Los Angeles) and which continues to be rented by the existing tenant while the proclamation or declaration of emergency remains in effect, by more than the amount of the maximum adjusted rent permitted under Chapter XV of this Code.

3. For a Rental Unit that was not rented at any time within one year prior to the time of the proclamation or declaration of emergency, but was advertised or offered for rent within one year prior, by more than 10 percent of the most recent rental price advertised or offered before the proclamation or declaration of emergency.

4. Notwithstanding Subdivision (1), for a Rental Unit rented at the time of the proclamation or declaration of emergency but which becomes vacant by means of eviction while the proclamation or declaration of emergency remains in

effect, by any amount that results in a rental price more than the rental price paid by the evicted tenant.

5. Notwithstanding Subdivision (1), for a Rental Unit rented at the time of the proclamation or declaration of emergency but which Rental Unit is voluntarily vacated while the proclamation or declaration of emergency remains in effect and which is subject to Chapter XV of this Code, by more than 10 percent of the greater of the actual rent paid by the vacating tenant or 160 percent of the fair market rent established by the United States Department of Housing and Urban Development.

6. For a Rental Unit not rented and not advertised or offered for rent within one year prior to the proclamation or declaration of emergency, by more than 10 percent of 160 percent of the fair market rent established by the United States Department of Housing and Urban Development.

Nothing in this subsection authorizes a person, business, or other entity to increase the rental price advertised, offered, or charged to, or accepted from, an amount greater than the amount of rent authorized by either Chapter XV or Section 45.37 of this Code.

Nothing in Chapter XV of this Code authorizes a person, business, or other entity to increase the rental price advertised, offered, or charged to, or accepted from, an amount greater than the amount of rent authorized by this subsection

**(f) Excessive Rent Increases Through Price Increases to Rent-Related Goods or Services Prohibited.** Notwithstanding Subsection (e), upon proclamation of a public emergency pursuant to Section 8.27 of the Los Angeles Administrative Code, or for which a local disaster or emergency is declared by the President of the United States or Governor of California, or upon the declaration of a local emergency by an official, board or other governing body vested with authority to make that declaration in Los Angeles County or in the City of Los Angeles, and for a period of 30 days following the date such proclamation or declaration is terminated, it shall be unlawful for any person, business, or other entity, to increase the rental price charged to, or accepted from, any existing or prospective tenant for any Rental Unit, by imposing a new charge or fee, or by increasing any existing charge or fee, or by demanding or accepting payment, for any good or service, whether in the lease or separate agreement, including, but not limited to, gardening, parking, or utilities, that are currently or were formerly included in the rental agreement. Notwithstanding the foregoing, any rental price limited by Subdivision (e) may be increased by up to 5 percent if the Rental Unit was previously rented, advertised, or offered for rent unfurnished, and it is now being advertised or offered for rent fully furnished.

**(g) Excessive Lodging Price Increases Prohibited.** Upon proclamation of a public emergency pursuant to Section 8.27 of the Los Angeles Administrative Code, or for which a local disaster or emergency is declared by the President of the United

States or Governor of California, or upon the declaration of a local emergency by an official, board or other governing body vested with authority to make that declaration in Los Angeles County or in the City of Los Angeles, and for a period of 30 days following the date such proclamation or declaration is terminated, it shall be unlawful for an owner or operator of a Hotel to increase the Hotel's rates, as imposed or advertised immediately prior to the proclamation or declaration of emergency, by more than 10 percent.

**(h) Excessive Accumulation for Resale at Inflated Prices Prohibited.**

Upon proclamation of public emergency pursuant to Section 8.27 of the Los Angeles Administrative Code, or for which a local disaster or emergency is declared by the President of the United States or Governor of California, or upon the declaration of a local emergency by an official, board or other governing body vested with authority to make that declaration in Los Angeles County or in the City of Los Angeles and for a period of 30 days following the date such proclamation or declaration is terminated, it shall be unlawful for any person, contractor, business or other entity to accumulate emergency supplies or medical supplies in excess of the reasonable demands of business, personal or home consumption, for the purpose of resale at prices in excess of prevailing prices in the area in the City where the person, contractor, business or other entity is operating.

**(i) Defenses.** A person, business, contractor or other entity may offer as a defense proof that an increase in price of the consumer good or service was directly attributable to the specific amount of the additional costs imposed on it by the supplier of the goods or for labor and materials used to provide the service. An owner or operator of a Hotel may offer as a defense proof that the increase in lodging price is directly attributable to additional costs imposed on it for goods or labor used in its business, to seasonal adjustments in rates that are regularly scheduled, or to previously contracted rate agreements. A person, business, or other entity may offer as a defense proof that the increase in rental price is directly attributable to additional costs for repairs or additions beyond normal maintenance that were amortized over the rental term that caused the rent to be increased greater than 10 percent. It shall not be a defense to a prosecution that an increase in rental price for a Rental Unit was based on the length of the rental term, the inclusion of additional goods or services, except as authorized in herein, or that the rent was offered by, or paid by, an insurance company, or other third party, on behalf of a tenant. Further, it shall not be a defense to a prosecution that an increase in rental price for a Rental Unit was based on the mutual agreement of the landlord and tenant, or their agents, if the execution of the rental agreement occurs after the declaration of emergency.

**(j) Private Right of Action.** An aggrieved person, or any person, organization, or entity who will fairly and adequately represent the interests of an aggrieved tenant(s), may institute civil proceedings as provided by law, against any person, business, or entity violating any of the provisions of this section and any person, business, or entity who aids or facilitates another to violate the provisions of this section. If the aggrieved person, or the person, organization, or entity who will fairly and

adequately represent the interests of an aggrieved tenant(s), is the prevailing party under this section, the court shall award compensatory damages and reasonable attorney's fees and costs, and may award civil penalties up to \$30,000 per violation depending upon the severity of the violation, tenant relocation costs, and other appropriate relief, as adjudged by the court. The remedies in this section are not exclusive nor do they preclude any person from seeking any other remedies, penalties, and damages, as provided by law.

**(k) Penalty.**

1. Any person who shall be convicted of violating the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of up to \$1,000 or by imprisonment in the County Jail for not more than six months, or by both such fine and imprisonment.

2. The City Attorney may also prosecute a civil action under applicable state law to enforce this section and in any action a civil penalty may be imposed as provided by law and where appropriate, restitution ordered to aggrieved persons.

(l) This section shall be liberally construed so that its beneficial purposes may be served in protecting the public from excessive increases in the prices charged for certain housing, lodging, goods and services and in protecting against excessive accumulation of emergency supplies or medical supplies during the proclaimed or declared emergency. Any agreement or consent by a buyer, purchaser, lessee, or other similarly situated person to waive or modify their rights or protections under this section, if such agreement or consent is entered into or given after the effective date of the emergency declaration, shall be void as contrary to public policy.

**(m) Conflicts.** Nothing in this section shall be interpreted or applied to create any power or duty in conflict with any federal or state law.

**(n) Severability.** If any subsection, subdivision, sentence, clause or phrase of this section is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this section. The City Council hereby declares that it would have adopted this section and each and every subsection, subdivision, sentence, clause, and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion of the section would be subsequently declared invalid or unconstitutional.

**Sec. 2. URGENCY CLAUSE.** The City Council finds and declares that this ordinance is required for the immediate protection of the public peace, health, and safety for the following reasons National, state, and local emergencies have already been declared in relation to the wildfire that impacted parts of the City of Los Angeles in January 2025. City Councilmembers require immediate changes to the Municipal Code to address price gouging and excessive accumulation of goods, supplies, and services

critical to respond to the wildfire emergency. The City Council adopts this ordinance to become effective upon publication pursuant to Los Angeles City Charter Section 253.



Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By  \_\_\_\_\_

MICHAEL J. DUNDAS  
Senior Assistant City Attorney

Date February 11, 2025

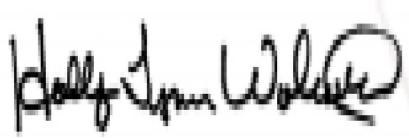
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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than three-fourths** of all its members.

CITY CLERK

MAYOR

  
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Ordinance Passed February 12, 2025

Approved 02/24/2025

Ordinance Published: 02/26/2025  
Ordinance Effective Date: 02/26/2025