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## District Attorney Warns Against Price Gouging During Baby Formula Shortage

## Governor's Executive Order Clears the Way for Local Prosecutions

San Diego County District Attorney Summer Stephan is warning businesses and scammers not to take advantage of consumers by price gouging for baby formula during the ongoing shortage brought on by supply chain issues. Stephan says her office is accepting reports of price gouging for potential investigation and prosecution. On Tuesday, Governor Gavin Newsom issued an <u>executive</u> <u>order</u> establishing protections against price gouging for families struggling to access safe and affordable baby formula, clearing the way for prosecutors to file criminal charges.

"We want county residents to know that we stand ready to protect their consumer rights under the law and we won't let people looking to cash in by taking advantage of families in need," DA Stephan said. "We take violations related to price gouging very seriously and encourage consumers to report suspected price hikes that they believe may be illegal."

The Governor's order generally prohibits selling infant formula at a price that exceeds, by more than 10 percent, the price of the formula charged by the seller on February 17, 2022. Violators of the order are subject to criminal prosecution that can result in a fine of up to \$1,000 and/or by imprisonment up to six months. Violators are also subject to civil enforcement actions including civil penalties of up to \$2,500 per violation, injunctive relief, and mandatory restitution.

You can report suspected price gouging (in English or Spanish) to the District Attorney's Consumer Protection Unit at (619) 531-3507 or at <u>consumer@sdcda.org</u>

## **Resources for Parents**

- Parents should not use recalled formula. Return recalled formula to the store or call the manufacturer of the recalled formula at 800-986-8540 for a replacement.
- Parents struggling to find baby formula should visit <u>healthychildren.org</u>.
- More information and resources can also be found in the California Department of Public Health's <u>Consumer Alert</u> and the U.S. Department of Health and Human Service's <u>Fact Sheet</u> on the baby formula shortage.



- Families using benefits through the California Women, Infants, and Children (WIC) program can find more information on the <u>California WIC Infant Formula Availability webpage</u>.
- Before buying baby formula from any unfamiliar source, research the company's reputation through the Better Business Bureau (BBB) at <u>www.bbb.org</u>. For more information about potential scams related to the baby formula shortage, visit the BBB website <u>here</u>.

The District Attorney's Consumer Protection Unit is a sub-unit of the Economic Crimes Division. The unit is composed of Deputy District Attorneys, Investigators and Paralegals dedicated to protecting consumers and law-abiding businesses from fraudulent or unfair business practices.

When appropriate, the Consumer Protection Unit will investigate consumer complaints. These complaints typically involve businesses within San Diego County that are involved in unfair or illegal practices.

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## About the San Diego County District Attorney's Office

The San Diego County DA's Office prosecutes all felony crimes in the county and misdemeanor crimes committed outside the City of San Diego. The office files about 40,000 criminal cases a year and balances prosecution with numerous crime prevention programs. District Attorney Summer Stephan leads the office of more than 1,000 dedicated employees who pursue fair and equal justice, and support victims daily across San Diego County.