

TITLE 4: ECONOMIC RESOURCES
DIVISION 5: BUSINESS REGULATION

§ 5142. Price Freeze.

(a) Declaration. Upon the Governor's declaring that the Commonwealth is in typhoon condition two, or tropical storm condition one, or in case of the Governor's declaration of a state of significant emergency or a state of major disaster, pursuant to his or her constitutional power to do so, the Governor may declare a price freeze, which shall last until the Governor rescinds the price freeze, or the declaration of emergency or disaster is terminated.

(b) Effects. Upon the declaration of a price freeze, all prices of items for sale, and housing rentals including apartments and condos, shall be frozen until the Governor rescinds the price freeze or the declaration of emergency or disaster is terminated.

(c) Price Increases Illegal During Duration of the Freeze. While a price freeze is in effect, it shall be illegal to raise the price of any of items for sale or housing rentals including apartments and condos.

Source: [PL 10-17, § 3](#); amended by [PL 19-03](#) §§ 3-6 (Aug. 14, 2015), modified.

Commission Comment: PL 19-03 repealed former subsection (b) and amended subsections (a), (c), and (d). The Commission renumbered former subsections (c) and (d) to (b) and (c) respectively, pursuant to 1 CMC § 3806(a). In addition to severability and savings clauses, PL 19-03 included the following:

Section 1. Short Title. This Act may be cited as the "Commonwealth Price Freeze Act of 2015."

Section 2. Findings and Purpose. The Legislature finds that the Commonwealth Price Freeze Act does not presently allow the Governor to declare a price freeze for more than ten days during a state of major disaster. Given the overwhelming destruction of Typhoon Soudelor, the Commonwealth Price Freeze Act requires immediate amendment in order to more effectively protect the residents from predatory pricing activities by merchants following the typhoon.

The Legislature finds that there are several reports of price gouging throughout the community notwithstanding the price freeze order that was issued on August 3, 2015, and extended through August 13, 2015. The Legislature further finds that without an amendment to the Act, the necessary price freeze protection for the community will not be extended through the duration of the typhoon recovery efforts. Additionally, the Act must be amended to extend the price freeze to all items for sale and housing rentals including apartments and condos during the typhoon recovery. Accordingly, the purpose of this legislation is to amend the Commonwealth Price Freeze Act for more than ten days during a state of major disaster and to add other effects or items subject to the price freeze.