



California Department of Real Estate
Industry Advisory
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DRE Warns Against Price Gouging in Wildfire Areas

Unfortunately, California has already experienced record-setting wildfires this year. That's led to the evacuation of tens of thousands of people and the loss of hundreds of homes. With this in mind, the California Department of Real Estate (DRE) reminds licensees and consumers that price gouging is a criminal offense in counties where a state of emergency has been declared.

The anti-price gouging law is triggered when the emergency declaration is issued and applies to rental housing, including hotels and motels, as well as consumer food items and other goods and services and continues for 30 days from the date of that declaration, unless it is extended.

To protect California consumers effected by wildfires, DRE will diligently investigate complaints of unlawful price gouging related to rental housing by licensees and will take appropriate disciplinary action if the evidence warrants.

The law ([Penal Code section 396](#)) is intended to protect victims of disasters from being further harmed. Price gouging is punishable by a fine of up to \$10,000 and/or imprisonment for up to one year. Charges of unlawful business practices can also be brought against licensees who violate anti-price gouging laws.

DRE encourages all licensees to share in the commitment to helping, rather than taking advantage of, wildfire survivors.

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