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To the Honorable Chair and Members on the House Committee of Economic Development and Small Business,

My name is Catherine "Cat" Story and I am writing in support of HB 5895-5897. As both a consumer and a seasoned professional at a major hotel chain, I speak only on behalf of myself, and I do not represent my company, whose name I do not wish to disclose as I fear retaliation.

My experience as a certified Sales Manager within the hotel industry offers a somewhat unique perspective to the idea of price gouging. Although we do not sell items such as toilet paper, hand sanitizer, shelf-stable foods, etc. in my industry, we do sell beds. We offer a "home away from home," therefore, when someone comes to us during a state of emergency (often because of a natural disaster), it is almost always because they have nowhere else to go.

Everyone in the general public stands to be impacted by this legislation. No one is exempt from hardship. Of course, I'd be remiss not to emphasize that there are communities who are disproportionately affected, as is often the case... Including and especially lower income households. Natural disasters have a greater impact on these communities, therefor price gouging (especially within the hotel industry) is going to affect these communities more.

From a hospitality standpoint, employees are also negatively impacted by price gouging.

Revenue management raises the rates. This occurs "above property," or automatically. Guests become angry and sometimes hostile, as a result. It is the responsibility of our on-site staff to address these complaints, and I am sure you can imagine how much undue stress this causes to our staff who truly have no control over our revenue strategy. Most of us have never even met the people who do.

Of course, price gouging is prohibited under Michigan law (MCL 445.903 referencing the Michigan Consumer Protection Act), but as well-meaning as our existing legislation may be, the verbiage denoting the stipulations of what is considered "price gouging" (identified as no more than "grossly in excess") is incredibly vague and subjective, and even more difficult to enforce. Most people do not have the time or energy to leave a bad review, much less, the money and resources needed to take a household name to court for illegal practices. Not to mention, how many people might be affected before that even happens, especially as there are no laws which emphasize the illegality of price gouging *specifically* during a state of emergency.

It is worth mentioning that price gouging is frowned upon in my industry. However, the only thing feasibly holding corporations to these ethical standards within the current legislation, is their reputation. There are too many loopholes. I would personally like to see clearer, more specific verbiage to hold businesses accountable.

Price gouging does not enhance our economy. It does not acknowledge the value of our consumers. Price gouging is an extremely unethical practice, which benefits from unprecedented and oftentimes tragic events – within the lives of the very people keeping our businesses alive.

I support HB 5895-5897 because this legislation still allows for supply and demand (still allowing businesses to profit during times of distress) and is enforceable. A tangible threshold is necessary to prevent companies from claiming plausible deniability under unethical practices. In my personal and professional opinion, Michigan deserves more than the current legislation.

...And as someone who stands to personally profit from price gouging by means of commission, I am here to tell you that 10% above market average is 100% reasonable.

Thank you,

Catherine "Cat" Story

Executive Meeting Manager