

**Statement of
Republican Leader Cathy McMorris Rodgers
CPAC Subcommittee Legislative Hearing on
“Pandemic Profiteers: Legislation to Stop Corporate
Price Gouging”
February 2, 2022**

As prepared for delivery

Good morning and welcome to our witnesses today. Americans are feeling the pain of a year of one-party-rule. President Biden’s inflation has hit a 40-year high. Prices have risen across the board from the pump to the grocery store, and everything in between.

I just heard from a mom in my district who is struggling to find baby formula. She said, “this supply chain crisis has really hurt my family in being able to find food.” Democrats’ radical, out of control spending, top-down mandates, COVID-19 restrictions, and surging energy costs have made rising prices and empty shelves worse.

It’s all connected. If we want to be transparent with the American people about rising prices, today’s topic should be focused on how to reverse the damage of President Joe Biden’s supply chain and inflation crisis. Unfortunately, today is a deliberate diversion.

On the issue of price gouging, standing up against those who have profited during the pandemic is a bipartisan issue. Last Congress I joined Chairman Pallone and subcommittee Chair Schakowsky, along with then Ranking Member Walden, in sending a letter to the FTC.

The letter requested biweekly updates from the FTC on their tracking of illegal behavior during the pandemic, like price gouging and scams. I’ll be entering that letter into the record.

So I wonder, if the majority believes this is a top concern, why didn’t they ask to restart the FTC updates this Congress? And why did they not consider our suggestions from two years ago on how to make the

legislation better? Because they were more comfortable making it solely partisan.

As I said, today's hearing is a deliberate diversion from Biden's inflation crisis. The COVID-19 Price Gouging Prevention Act still contains the flaws it did two years ago. For instance, it fails to define what constitutes an "excessive" price increase, despite many states having established their own laws specifying an allowable percentage while taking into account supply chain factors.

This proposal is supposed to be targeted towards goods and services during the Public Health Emergency that are most vulnerable to gouging. But it fails to address the real reason for spiking prices.

It doesn't take into account that when schools are forced to shut down many parents leave the workforce, unable to participate in the economy. It doesn't address workers being forced out of a job for refusing to submit to vaccine mandates. It doesn't take into account that we are in a very different stage of this pandemic than we were two years ago. It doesn't take into account the billions of dollars that the Democrats continue to pump into the economy, causing consumer demand to spike even as fewer products are available due to supply chain strains and workforce shortages.

This out-of-control spending only exacerbates the Biden inflationary death spiral. Last Congress, we were able to enact a bipartisan, bicameral deal for first offense penalty authority to tackle COVID-19 scams. It is unfortunate that the legislation today fails to embody that bipartisan spirit.

We should be working together on the Energy and Commerce Committee to usher in a new era of American leadership in innovation. At this very moment, the Transportation & Infrastructure Committee is having a hearing on autonomous vehicles. One month from now, the National Institute of Standards and Technology, which the House Science Committee has jurisdiction over, is holding a workshop on AVs.

But here we are – discussing a partisan price gouging bill that does nothing to solve what is most concerning to the American people—empty store shelves and rising costs on basic things families need.

Strengthening American competitiveness in AVs, AI, machine learning, and other emerging technologies, would help secure our supply chains and leadership in industries of the future. Instead, we're here in an attempt to find an excuse and new scapegoat for President Biden's mishandling of the economy. My colleagues and I stand ready to work on real solutions to resolve supply chain issues, reduce inflation, unleash innovation, and win the future.

Thank you, I yield back.