

DECLARATION OF LOCAL EMERGENCY

WHEREAS, conditions of peril to the safety of persons have arisen within the United States as a result of a significant shortage in powdered baby formula manufactured and sold within the United States; and

WHEREAS, in February 2022, the largest manufacturer of infant formula in the United States, Abbott Nutrition, voluntarily recalled several lines of powdered infant formula and temporarily closed its Sturgis, Michigan facility following contamination concerns; and

WHEREAS, the closure of Abbott's facility, along with supply chain problems caused by the COVID-19 pandemic have led to national shortages in infant formula; and

WHEREAS, according to the Centers for Disease Control and Prevention, the majority of parents and caregivers rely on some amount of formula to feed their babies; and

WHEREAS, the current difficulties parents and caregivers are experiencing in obtaining infant formula nationwide have been widely reported; and

WHEREAS, based on a shortage of specialty infant formulas, families that rely on such formulas for medical reasons are confronted with an acute difficulty in feeding their children; and

WHEREAS, on May 16, 2022, the Food and Drug Administration ("FDA") reached an agreement with Abbott Nutrition to resume production in the Sturgis, Michigan facility, and it is anticipated to take up to eight weeks before any newly produced formula will reach retail stores; and

WHEREAS, to ease the nationwide shortage, on May 18, 2022, President Biden invoked the Defense Production Act, requiring suppliers to direct needed resources to infant formula manufacturers; and

WHEREAS, President Biden also launched Operation Fly Formula, which directed the Department of Health and Human Services and the Department of Agriculture to use Department of Defense commercial aircraft to transport infant formula that meets U.S. health and safety standards to the United States; and

WHEREAS, in response to the infant formula shortage, many retail stores have

depleted stock if not completely sold out of major formula brands, which has led to widely reported price spikes and limits in sales, both of which disproportionately impact low-income parents and children; and

WHEREAS, the FDA has called on various companies to issue purchasing limits in order to limit predatory behavior, the Department of Justice has encouraged state attorneys general to use their powers to monitor and address price gouging in the infant formula market, and President Biden has called on the Federal Trade Commission (“FTC”) to monitor and investigate reports of illegal and predatory conduct; and

WHEREAS, the FTC has warned that scammers are exploiting the shortage by setting up fake online accounts, and tricking consumers into paying steep prices for formula that never arrives; and

WHEREAS, on May 19, 2022, the California Attorney General issued a consumer alert regarding the formula shortage, and confirmed that the California Department of Justice would begin monitoring the market for unlawful activity, including market manipulation and violations of other state consumer protection and antitrust laws; and

WHEREAS, on May 24, 2022, the FTC launched an inquiry into the nature and prevalence of any deceptive, fraudulent, or otherwise unfair business practices aimed at taking advantage of families during this shortage; and

WHEREAS, the national shortage poses an imminent threat to the ability of parents, caregivers and residents to obtain infant formula in the City of Los Angeles, and poses a significant danger to the health and safety of infants within the City of Los Angeles; and

WHEREAS, the City’s ability to mobilize local resources, coordinate interagency response, and protect residents from scamming, price-gouging and excessive accumulation of goods for resale will be critical to successfully responding to the anticipated infant formula shortage here in Los Angeles; and

WHEREAS, these conditions warrant and necessitate that the City of Los Angeles declare the existence of a local emergency pursuant to Los Angeles Administrative Code Section 8.27.

NOW THEREFORE, I hereby declare the existence of a local emergency and direct the Emergency Operations Organization (“EOO”) to take the necessary steps for the protection of life, health and safety in the City of Los Angeles.

IT IS FURTHER ORDERED AND DECLARED, that during the existence of said local emergency the powers, functions, and duties of the EOO of the City shall be those prescribed by state law, by ordinances, and resolutions of the City; and

IT IS FURTHER ORDERED AND DECLARED, that pursuant to Los Angeles Municipal Code ("LAMC") Section 47.12, price gouging and excessive accumulation of infant formula in excess of reasonable need for resale at inflated prices shall be prohibited during the declared local emergency, and the Office of the Los Angeles City Attorney is hereby requested to exercise its full authority in enforcing LAMC Section 47.12 in addition to any other applicable consumer protection laws aimed at preventing fraud and deceptive business practices that exploit consumers during the shortage, and prosecuting any violations thereof; and

I FURTHER DIRECT, the Emergency Management Department and the Community Investment for Families Department to support coordination of any necessary Citywide planning and response efforts, as needed, to ensure equitable distribution of infant formula in collaboration with the Los Angeles County Department of Public Health, the Los Angeles County Office of Emergency Management, the Los Angeles County Department of Public Social Services and any other relevant partners.

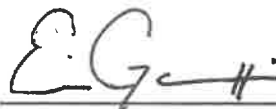
I THEREFORE DIRECT, that the Declaration of Local Emergency shall take effect immediately and that widespread publicity and notice shall be given said Declaration through the most feasible and adequate means of disseminating such notice throughout the City.

Dated at Los Angeles, California

June 3, 2022

Time: 10:19 AM

Signed



ERIC GARCETTI

Mayor

Filed with the City Clerk

Date: JUNE 3, 2022

Time: 12:42 PM

Initials: [Handwritten Signature]