



OFFICE OF THE GOVERNOR
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ALEXANDER R. NARRUHN
Governor
MEKIOSHY WILLIAM
Lieutenant Governor

EXECUTIVE ORDER NO. 001, 2026

Declaration of Temporary Price Freeze During State of Emergency

WHEREAS, Article VI, Section 12(a) of the Chuuk State Constitution authorizes the Governor to declare a state of emergency in the event of disaster and to take necessary measures consistent with law; and

WHEREAS, the Chuuk Disaster Commander Office and the Disaster Preparedness Taskforce reported that Tropical Storm Sinlaku caused severe damage throughout Chuuk State, including strong winds, storm surge, island-wide power outages, blocked roads, damaged infrastructure, disruption to communications and transportation, and displacement of residents into shelters; and

WHEREAS, the reported immediate needs arising from this emergency include water, food, fuel, logistics, communications equipment, generators, tools, responder supplies, and other necessities essential to public health, safety, and survival; and

WHEREAS, during emergencies, sudden and excessive price increases for essential goods, materials, transportation, housing, or services can seriously impair access to necessities, undermine relief efforts, and threaten the health and welfare of the people of Chuuk State;

WHEREAS, Chuuk State Law No. 15-20-17, the Price Gouging Act of 2020, prohibits the sale or offer for sale of consumer goods or services at an unconscionably excessive price during a declared state of emergency or at a time where limited supply of any product arises in the State; and

WHEREAS, Section 4 of CSL No. 15-20-17 provides that it is a violation of law for any party within the chain of distribution of consumer goods or services to sell or offer to sell such goods or services at an unconscionably excessive price within the affected geographic region during a declared state of emergency; and

WHEREAS, the State has a compelling interest in protecting the public from unlawful price gouging during emergencies, shortages, and disruptions in the supply of essential goods and services; and

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WHEREAS, strict and immediate enforcement of CSL No. 15-20-17 is necessary to preserve public welfare, maintain fair market practices, and prevent exploitation of consumers during the current emergency;

NOW, THEREFORE, I, Alexander Narruhn, Governor of the State of Chuuk, by virtue of the authority vested in me under the Constitution and laws of the State of Chuuk, and pursuant to the existing Declaration of State of Emergency, do hereby order as follows:

WHEREAS, strict and immediate enforcement of CSL No. 15-20-17 is necessary to preserve public welfare, maintain fair market practices, and prevent exploitation of consumers during the current emergency;

NOW, THEREFORE, I, Alexander Narruhn, Governor of the State of Chuuk, by virtue of the authority vested in me under the Constitution and laws of the State of Chuuk, and pursuant to the existing Declaration of State of Emergency, do hereby order as follows:

Section 1. Declaration of Temporary Price Freeze.

During the existence of the declared state of emergency, CSL No. 15-20-17 shall be strictly enforced throughout the State of Chuuk, including all affected geographic areas subject to emergency conditions, supply disruptions, or limited product availability.

Section 2. Covered Goods and Services.

The price freeze shall apply to essential goods and services necessary for public health, safety, survival, response, and recovery during the emergency, including but not limited to:

- food and drinking water;
- ice and basic household necessities;
- fuel, diesel, gasoline, kerosene, and cooking gas;
- generators, batteries, flashlights, radios, and communication supplies;
- lumber, plywood, roofing materials, nails, hardware, tarpaulins, and other emergency building supplies;
- medicine, medical supplies, hygiene and sanitation products; transportation and emergency freight services; temporary shelter, lodging, and rental housing; and

any other item or service designated by the State as essential to emergency response and public welfare.

Section 3. Prohibited Conduct.

During the period of this price freeze, no person, business, vendor, landlord, or other entity shall raise, increase, charge, demand, or receive an excessive or higher price for any covered good or service above the price ordinarily charged immediately before the emergency, except where an increase is clearly justified by an actual increase in replacement cost, shipping cost, or other verifiable operating cost directly caused by the emergency.

Section 4. Duty of Fair Dealing.

For purposes of enforcement under CSL No. 15-20-17, a price charged during the declared state of emergency that is equal to or exceeds twenty percent (20%) above the average price at which the same or similar consumer goods or services were obtainable in the affected area

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during the seven (7) days immediately preceding the declaration of emergency shall constitute prima facie evidence of an unconscionably excessive price.

Section 5. Monitoring and Reporting.

Pursuant to CSL No. 15-20-17, the Office of the Registrar of Corporations, with the assistance of the Office of the Attorney General, is hereby directed to promptly receive, investigate, and take all lawful action with respect to complaints of price gouging arising during the declared state of emergency, including pursuit of civil penalties, injunctive relief, restitution, and costs as authorized by law.

Section 6. Public Notice.

All businesses, suppliers, wholesalers, distributors, retailers, and other affected entities are deemed on notice of the declared state of emergency and of the legal requirements of CSL No. 15-20-17. Lack of actual notice shall not constitute a defense to any violation.

Section 7. Relation to Existing Emergency Orders.

This Executive Order shall be read together with, and in support of, the existing Declaration of State of Emergency and all lawful emergency measures taken pursuant thereto.

Section 8. General Provisions.

- (a) This Executive Order shall be implemented consistent with the Constitution and laws of Chuuk State.
- (b) Nothing in this Executive Order shall be construed to create any right or benefit enforceable against the State except as otherwise provided by law.
- (c) If any provision of this Executive Order is held invalid, the remaining provisions shall remain in full force and effect.

Section 9. Civil Penalties.

- (a) Any person, business, corporation, partnership, landlord, vendor, or other entity that violates this Executive Order, including by selling, offering to sell, renting, or offering to rent consumer goods or services at an unconscionably excessive price during the declared state of emergency, shall be subject to a civil penalty of not less than One Thousand Dollars (\$1,000.00) and not more than Five Thousand Dollars (\$5,000.00) for each violation, consistent with Chuuk State Law No. 15-20-17.
- (b) Complaints concerning violations of this Executive Order shall be investigated by the Office of the Registrar of Corporations, and the Registrar, on his own or through the Attorney General, may bring an action to impose the civil penalties and other relief authorized by law.

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Section 10. Effective Date and Duration.

This Executive Order shall take effect immediately upon issuance and shall remain in force for the duration of the declared State of Emergency, unless sooner amended, rescinded, or superseded by law or further executive action.

Issued this 13th day of April, 2026.


ALEXANDER R. NARRUHN
Governor
Chuuk State