For immediate release
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IN THE MIDST OF COVID-19 CRISIS, THE MISSOURI LEGISLATURE PRIORITIZES ATTACKS ON CONSUMER PROTECTION LAWS

The Missouri Legislature reconvened this week intent on passing SB 591, a bill that severely weakens Missouri’s cornerstone consumer protection law, the Missouri Merchandising Practices Act. The bill, if passed, would also eliminate – in most instances - "the assessment of any damages to punish and deter bad conduct by wrongdoers, even when the conduct is "outrageous", and even when it is done with "evil motive".

The legislature is taking up SB 591 as COVID-19-related fraud proliferates. As of April 26, 2020, the Federal Trade Commission reported 27,333 complaints of COVID-19 related consumer fraud, amounting to a loss of more than twenty million dollars. On its website, the Missouri Attorney General warns Medicaid recipients “to be suspicious of unexpected callers or visitors who offer COVID-19 assessments, tests, or supplies” because “scammers” are using personal information to “commit fraud.”

The National Consumer Law Center (“NCLC”), an organization that monitors states’ consumer protection laws, concluded that SB 591 would “strip away Missourians’ protections against unfair, abusive, deceptive, and predatory practices.” In its analysis, NCLC stated that SB 591 would, “abandon vulnerable consumers,” “gut the MMPA’s protections for homeowners,” and would “bring Missouri farther out of line compared to other states,” among many other problems.

Consumer advocates across the state are expressing alarm. “This bill will deprive consumers’ of protection from the majority of abuses we see,” said Greg Aleshire, a consumer rights attorney in Springfield, Missouri. Such abuses include wrongful home foreclosures, abusive debt collection tactics, and wrongful car repossessions, he said. “We are talking about companies and financial institutions that take a person’s home, a person’s car, or sue a person for a debt not owed - without any right to do it. When this kind of abuse happens, Missourians should be able to seek justice.” David Angle, a consumer rights attorney out of Columbia, formerly with the Missouri Attorney General’s office, said the bill would encourage “widespread lawlessness in the marketplace. Businesses that outright lie and cheat consumers will have no price to pay if this passes. And, these cheating businesses will get a competitive advantage over honest ones. We don’t want this kind of race to the bottom.”

The bill caught the ire of housing rights advocates too. “We are outraged that, in a time when masses of Missouri citizens are at risk for eviction and homelessness, this is what the legislature has chosen to do - instead of providing housing relief. It just adds salt to what are very deep wounds already” said Wilson Vance, a tenant and organizer with KC Tenants.

SB 591, sponsored by Bill White, passed the Missouri Senate on March 3, 2020 and is expected to be taken up by the House in coming days.

Helpful links:
1. A copy of the bill annotated by the Missouri Association of Consumer Attorneys
2. NCLC’s analysis of the bill