United States Senate
WASHINGTON, DC 20510

September 15, 2020

The Honorable Makan Delrahim
Assistant Attorney General, Antitrust Division
United States Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

The Honorable Joseph Simons
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Mr. Delrahim and Chairman Simons:

As you are aware, on August 10, 2020, an unprecedented derecho devastated communities in more than one-third of Iowa's 99 counties. Hurricane-force winds ripped through the middle of Iowa in less than an hour, flattening corn fields, splintering trees, destroying grain bins, damaging thousands of homes and displacing Iowa families. Power outages impacted hundreds of thousands of Iowans in what one Iowa utility called its worst damage ever to transmission lines.

President Trump's expedited approval of Governor Kim Reynold's request for federal disaster assistance triggered much needed federal resources to assist Iowa's storm ravaged communities. We are grateful for this federal assistance because the damage to property and critical infrastructure in these Iowa communities is overwhelming.

However, we are concerned that the catastrophic damage to homes, businesses and farms has given rise to scammers and opportunists who want to take advantage of this disaster. The pandemic and power outages compounded the tremendous hardship to manage massive debris clean-up and repairs for personal and public property and provide humanitarian assistance for displaced residents requiring shelter and food services. In our meetings with Iowans, we have heard concerns about possible price gouging of necessary goods and services, as well as scams targeting victims of the derecho. Iowans, in particular farmers, have told us that they face prohibitive costs in acquiring the materials and equipment to rebuild their homes and livelihoods. The costs for farmers to remove,

repair, or replace grain bins alone will cost hundreds of millions of dollars. We will not let scammers and price gougers use this tragedy to raise prices to sky-high levels and thwart Iowans from repairing and rebuilding their homes, businesses and communities.

It is imperative that your departments investigate allegations of wrongdoing, fraud and price gouging related to the Iowa derecho, and aggressively go after the individuals who engage in these illegal activities. We urge your departments to do all they can to ensure that these kinds of anti-competitive and fraudulent actions do not further aggravate the suffering of Iowans who were the unfortunate victims of this devastating event.

Iowans were hit hard by the derecho's catastrophic force, and the nation has heard the heartbreaking stories and seen the tremendous damage to homes, crops, businesses and communities. We are working with Governor Reynolds and the Administration to get federal assistance to the state. We now need to make sure that Iowans are not further victimized by scammers and opportunists who seek to take advantage of this terrible disaster.

Thank you for your attention to this matter. We appreciate your service and look forward to your prompt response.

Sincerely,

Charles E. Grassley
U.S. Senator

Joni K. Ernst
U.S. Senator