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Attorney General Griffin Sues Capital City Tree Service for Price Gouging

Griffin: 'I am sending a clear message to companies doing business in Arkansas: you will not profit off the despair of fellow Arkansans'

LITTLE ROCK – Attorney General Tim Griffin released the following statement today after his office filed a lawsuit against Capital City Tree Service, LLC and its owners and operators, Charles Shaw, Janet Shaw, and Matthew Shaw, for illegal and unconscionable actions taken against Arkansans during severe weather events in 2023 and 2024:

"States of emergency were declared in March 2023 and May 2024 after tornadoes and thunderstorms ravaged different parts of Arkansas. Many consumers suffered property damage, including trees falling on their homes. During these times of suffering and devastation, Capital City Tree Service, LLC operated throughout the state as a tree removal service. In the wake of these storms, this company took advantage of Arkansas consumers in their time of need in hopes of enriching itself. For example, Capital City Tree Service routinely charged more than \$20,000—and in at least one instance as high as \$35,948—to remove a single tree. In April 2023 alone, the month after the tornado, the company billed Arkansas consumers more than \$450,000 for tree removal services.

"Arkansas law prohibits an increase in price of more than 10% during times of emergency. To attempt to circumvent this price-gouging prohibition, Capital City Tree Service insisted that consumers sign contracts requiring an eight-hour minimum, even though most jobs took less than four hours to complete. Additionally, the company failed to provide consumers estimates of the total price of the equipment needed, and in the few instances where estimates were provided, they were substantially lower than the final invoiced amount. Capital City Tree Service routinely rushed consumers through the contract on a tablet or phone and failed to provide them sufficient time before executing the agreement. Many of the consumers harmed were over the age of 60.

"To entice consumers to hire them, Capital City Tree Service told consumers that there would be no out-of-pocket cost for the tree removal services provided. Instead, Capital City Tree Service repeatedly told consumers that it would only bill the consumer's insurance company and work with the insurance company to resolve any payment.

"But Capital City Tree Service refused to work with any consumer's insurance company and demanded full payment of its inflated invoice. If payment was not received, the company filed a lien on the consumer's house, and in at least one instance, asked a consumer to sign over the deed to his house.

"This is exactly the type of business practice that our price-gouging laws exist to prevent. I am sending a clear message to companies doing business in Arkansas: you will not profit off the despair of fellow Arkansans. If you illegally exploit Arkansas consumers, my office will pursue you to the full extent of the law."

The lawsuit seeks full restitution for consumers, injunctive relief against Capital City Tree Service, and penalties for violating the Arkansas Deceptive Trade Practices Act.

Any consumers who believe they may be a victim of Capital City Tree Service can file a consumer complaint with the Office of the Attorney General by calling (501) 682-2007, by emailing consumer@arkansasag.gov, or by visiting www.arkansasag.gov/file-a-complaint.

To read a copy of the lawsuit, <u>click here</u>.

About Attorney General Tim Griffin

Tim Griffin was sworn in as the 57th Attorney General of Arkansas on January 10, 2023, having previously served as the state's 20th Lieutenant Governor from 2015-2023. From 2011-2015, Griffin served as the 24th representative of Arkansas's Second Congressional District, where he

served on the House Committee on Ways and Means, House Armed Services Committee, House Committee on Foreign Affairs, House Committee on Ethics and House Committee on the Judiciary while also serving as a Deputy Whip for the Majority.

Griffin is currently an officer in the Arkansas Army National Guard and holds the rank of colonel. Griffin served as an officer in the U.S. Army Reserve Judge Advocate General's (JAG) Corps for more than 28 years. In 2005, Griffin was mobilized to active duty as an Army prosecutor at Fort Campbell, Kentucky, and served with the 101st Airborne Division (Air Assault) in Mosul, Iraq.

His previous assignments include serving as the Commander of the 2d Legal Operations Detachment in New Orleans, Louisiana; the Commander of the 134th Legal Operations Detachment at Fort Liberty (née Bragg), North Carolina; and as a Senior Legislative Advisor to the Under Secretary of Defense for Personnel and Readiness at the Pentagon. Griffin earned a master's degree in strategic studies as a Distinguished Honor Graduate from the U.S. Army War College, Carlisle Barracks, Pennsylvania.

Griffin also served as U.S. Attorney for the Eastern District of Arkansas, and Special Assistant to the President and Deputy Director of Political Affairs for President George W. Bush; Special Assistant to Assistant Attorney General Michael Chertoff, Criminal Division, U.S. Department of Justice; Special Assistant U.S. Attorney, U.S. Attorney's Office, Eastern District of Arkansas; Senior Investigative Counsel, Government Reform and Oversight Committee, U.S. House of Representatives; and Associate Independent Counsel, Office of Independent Counsel David M. Barrett, In re: HUD Secretary Henry Cisneros.

Griffin is a graduate of Magnolia High School, Hendrix College in Conway, and Tulane Law School in New Orleans. He attended graduate school at Oxford University. He is admitted to practice law in Arkansas (active) and Louisiana (inactive). Griffin lives in Little Rock with his wife, Elizabeth, a Camden native, and their three children.

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