



Wisconsin's Price Gouging Law

Wisconsin Statute § 100.305, Wisconsin's price gouging statute, was created by 2005 Wisconsin Act 450. In addition to prohibiting charging "unreasonably excessive prices," commonly referred to as price gouging, the statute also directed DATCP to write administrative rules to establish formulas or standards used in determining "whether a wholesale or retail price is unreasonably excessive." Those standards can be found in Wis. Admin. Code ch. ATCP 106.

In order for the price gouging law to be enforced, Wis. Stat. § 100.305(2) requires that the Governor issue an executive order certifying that "the state or a part of the state is in a period of abnormal economic disruption." This means a period of time in which the state, or a part of the state, is experiencing a disruption (or a threat of disruption) to normal business transactions due to an emergency.

The Governor's executive order determines the scope of the disruption, and may specify a geographic area and the types of products or services disrupted.

Once declared, wholesalers and retailers in this state are prohibited from selling consumer goods or services that are subject to the order at prices that are more than 15% higher than pre-emergency prices. However, retailers are permitted to pass on their cost increases, including increases in the cost to replace the goods being sold. For example, if the Governor declares an emergency on plywood due to destructive tornadoes, sellers of plywood within the disrupted area may not increase prices by more than 15% above pre-declaration prices, unless the seller's cost justifies the increase, such as a retailer learning that its out-of-state supplier will be increasing the cost of plywood by 50% due to a nation-wide shortage. Provided the retailer possesses and relies on accurate information of the cost increase, that retailer may immediately raise the price accordingly without violating Wisconsin's price gouging regulations. Under this circumstance, the price increase may not exceed the seller's cost increase plus a normal markup. Sellers are also exempted from the price gouging prohibition if the price is required by law or if



the emergency declaration exempted the sale from coverage.

Penalties for violating the price gouging statute may include a civil forfeiture of up to \$10,000.

Should I file a Price Gouging Complaint?

It's not unusual to see an increase in prices with sudden increases in demand or decreases in supply.

This can be frustrating and consumers may feel like they are being taken advantage of.

However, most of the time these increases are legitimate and sellers are simply passing on increases in their own cost, which is allowable under Wisconsin's price gouging regulations.

When demand is high and supply is short, manufacturers, wholesalers, and retailers all experience increases in costs to expedite bringing additional products to market. These costs could include higher manufacturing costs and higher costs for shipping and handling.

To file a price gouging complaint during a declared period of abnormal economic disruption, please fill out this form:

Link to the two options found here:

[DATCP Home Wisconsin's Price Gouging Law](#)

[Online complaint form](#)

[Download this form](#) (word document)

Once the form is complete, please deliver it to the Bureau of Business Trade Practices in any of the following ways:

Standard mail: DATCP, Bureau of Business Trade Practices, PO Box 8911, Madison WI 53708-891

Email: datcpusacomplaints@wisconsin.gov

Fax: (608) 224-4937

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