

DATCP Provides Important Information on Executive Order #72 and Wisconsin's Price Gouging Statute

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MADISON – Today, the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) is providing additional information on Wisconsin's price gouging statute as it relates to Executive Order #72, signed by Governor Tony Evers on Thursday, March 12.

Background:

As consumers prepare for the possibility of disruption to their daily lives as a result of COVID-19, Wisconsin retailers are working to meet the increased demands of consumers across the state. Often, when demand for specific products is extremely high, or supplies are limited, prices will rise. This can be frustrating, and consumers may feel like they are being taken advantage of.

In Executive Order #72, Governor Evers declared a public health emergency in the State of Wisconsin. He also declared that Wisconsin is experiencing a period of abnormal economic disruption because of COVID-19. This declaration authorizes DATCP to enforce Wisconsin's price gouging statute until the emergency has ended. This declaration applies to the entire state and applies to any consumer good or service being sold at wholesale or retail.

Statutory Authority:

Under Section 100.305 of the Wisconsin Statutes and Chapter ATCP 106 of DATCP's Administrative Code, wholesalers and retailers in Wisconsin are generally prohibited from selling consumer goods or services at prices that are more than 15% higher than pre-emergency prices. There are, however, some significant and important exemptions to this general prohibition:

- Price gouging does not occur when a price is set by law, or when the price increase is exempted by emergency declaration.
- Sellers *may* charge higher prices during a period of economic disruption as long as those price increases do not exceed the seller's actual cost plus a reasonable markup.

What Consumers Should Know:

Consumers should be aware that it is not uncommon for prices of consumer products to increase during times of high demand and/or low supply. Most of the time, these increases are legitimate due to an increase in the cost to bring these products to market. However, if consumers have concerns about pricing at a retailer, they can always report those concerns to DATCP.

To report suspected price gouging, please contact DATCP's Consumer Protection Hotline at DATCPHotline@wisconsin.gov or (800) 422-7128, or file an online complaint. Please provide the following information:

- Date the product was offered for sale
- Seller's name
- Seller's location
- Specific product being sold, including:
 - o Product name, product size, and price.

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