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NEWS FOR IMMEDIATE RELEASE

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Know Your Rights: AG Kaul Urges Wisconsin Consumers to Know Their Rights Regarding Price Gouging

MADISON, Wis. – As the State of Wisconsin continues to respond to the ongoing threat posed by the COVID-19 outbreak, consumers should know their rights and how they can take action against suspected price gouging.

"Our price gouging law protects Wisconsinites from being charged exorbitant prices due to a public health emergency," said Attorney General Kaul. "I encourage everyone to help fight price gouging by reporting possible cases to DATCP."

Wisconsin's Price Gouging Law

Wisconsin's statute §100.305 prohibits charging "unreasonably excessive prices," commonly referred to as price gouging, during "a period of abnormal economic disruption." The public health emergency declared by Governor Tony Evers on March 12, 2020 triggered enforcement of this law.

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. Retailers are permitted to pass on their cost increases, including increases in the cost to replace the goods being sold. 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.

According to the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP), it's not unusual to see an increase in prices with sudden increases in demand or decreases in supply. In many cases, these increases may be legitimate, and sellers are simply passing on increases in their own cost, which is allowable under Wisconsin's price gouging regulations. However, Wisconsinites are encouraged to report all cases of suspected price gouging to DATCP.

DATCP Complaint Process

Once DATCP receives and reviews a complaint, it may contact the business to request information. DATCP may also send a cease and desist letter. If appropriate, DATCP may refer the matter to the Department of Justice or a district attorney for an enforcement action.

If you suspect a business may be price gouging, you are urged to contact DATCP immediately.

How to Make a Complaint

To report suspected price gouging, please contact DATCP's Consumer Protection Hotline at <u>DATCPHotline@wisconsin.gov</u> or (800) 422-7128, or submit a complaint online: <u>https://datcp.wi.gov/Pages/Programs_Services/FileConsumerComplaint.aspx</u>.

Page 2 of 2