Legislation Introduced To Repeal Wisconsin's Unfair Sales Act

By Misha Lee, MHA Wisconsin Lobbyist

Wisconsin's Unfair Sales Act, also known as the "Minimum Markup law," has been a source of debate for decades. Proponents argue that it protects small businesses from predatory pricing by large big box retailers, while opponents claim the law is outdated and artificially inflates prices for consumers. Recently, legislation has been introduced calling for the repeal of the Unfair Sales Act, but before state lawmakers rush to dismantle this law, it's important that they consider the potential consequences for smaller retailers and Wisconsin consumers.



We, the undersigned associations, support maintaining Wisconsin's Unfair Sales Act, as is.

Cooperative Network

Midwest Hardware Association

National Federation of Independent Businesses

Pharmacy Society of Wisconsin

Tavern League of Wisconsin

Wisconsin Association of Distributors

Wisconsin Beer Distributors Association

Wisconsin Fuel & Retail Association

Wisconsin Grocers Association

Wisconsin Propane Gas Association

Wisconsin Restaurant Association

Wisconsin Wine and Spirits Institute

Wisconsin's Unfair Sales Act Protects Consumers

To: Members of the Wisconsin State Legislature
From: Main Street Businesses for Fair Competition
Date: December 18, 2023
Re: Do not co-sponsor LRB 5364/1 and LRB 3929/1

The members of The Main Street Businesses for Fair Competition coalition request members of the Legislature not co-sponsor LRB 5364/1 and LRB 3929/1 authored by Representatives Maxey, Michalski, and Bodden and Senators Hutton and Stroebel. These proposals seek to eliminate Wisconsin's Unfair Sales Act and threaten thousands of small businesses across the state.

The ability of larger companies to sell products below cost threatens the viability of independent and family-owned businesses headquartered in our hometown communities. Laws that prohibit sales below cost, such as Wisconsin's Unfair Sales Act, lead to more overall competition and choices for consumers.

Small businesses are the backbone of Wisconsin's economy. We provide more than half the jobs in the state and most of the new jobs in any given year and we are the economic engine that keeps Wisconsin moving.

The Unfair Sales Act does not guarantee any retailer a profit nor does it guarantee a business will succeed. What the law does do is give locally owned Main Street businesses the ability to compete on a level playing field with large, out of state-based retailers.

When businesses compete fairly, consumers win. And that's what keeps Wisconsin's economy growing.

We ask that you consider the many small business owners in your district, the role they play in those communities and in Wisconsin's economy. We ask that you do not co-sponsor LRB 5364/1 or LRB 3329/1, authored by Representatives Maxey, Michalski, and Bodden and Senators Hutton and Stroebel.

MHA has joined forces with other like-minded business associations to form a coalition called, Main Street Businesses for Fair Competition, to fight back this effort and help educate policymakers on the negative impacts that could come from eliminating the law. Small business retailers are truly the backbone of Wisconsin's economy and the Unfair Sales Act serves as a vital tool for Main Street businesses to protect against unfair competition and predatory pricing, particularly if properly enforced.

Read a copy of the proposed legislation repealing the Unfair Sales Act here.

The proposal is expected to

have a public hearing in both houses sometime early next year and it remains uncertain how much further the proposal will advance afterwards. Meanwhile, it is important to stay informed about this issue and to make your voice heard with your state elected officials as the debate continues.

Have a safe and Happy Holidays!