



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Senate Bill 358	Senate Amendment 1
<i>Memo published: May 2, 2006</i>	<i>Contact: Mary Offerdahl, Staff Attorney (266-2230)</i>

Senate Bill 358 prohibits a seller in Wisconsin from selling, or offering to sell, at wholesale or at retail, consumer goods or services at unreasonably excessive prices if the Governor, by executive order, has certified “that the state is in a period of abnormal economic disruption.” The bill defines “period of abnormal economic disruption” as “a period of time during which normal business transactions in the state are disrupted, or are threatened to be disrupted, due to an emergency.” *Senate Amendment 1* inserts “or a part of the state” after “the state,” so that the prohibition is triggered if the Governor has certified “that the state or a part of the state” is in a period of abnormal economic disruption, and “period of abnormal economic disruption” means a period of time during which normal business transactions “in the state or a part of the state” are disrupted, or are threatened to be disrupted, due to an emergency.

Senate Bill 358 defines an “emergency” to include specified events such as a tornado, flood, fire, storm, and hostile action. The bill defines “hostile action” as “an act of violence against a person or property in the United States by a foreign power or by a terrorist.” *Senate Amendment 1* inserts “foreign or domestic” in front of “terrorist” in the definition.

Senate Bill 358 defines “seller” as “a manufacturer, supplier, wholesaler, distributor, or retailer.” *Senate Amendment 1* adds “producer” to these, so that a producer is also a “seller” under the bill.

Under *Senate Bill 358*, if a seller violates the prohibition, the Department of Agriculture, Trade and Consumer Protection (DATCP) must issue a warning notice to the seller specifying the action that the seller is required to take in order not to be in violation. If the seller fails to comply with the warning notice or subsequently violates the prohibition, DATCP or the Department of Justice (DOJ), after consulting with DATCP, may file a court action to enjoin the seller from violating the prohibition or to recover a forfeiture of not more than \$10,000 from the seller; or DATCP or DOJ may seek both an injunction and a forfeiture. *Senate Amendment 1* revises this so that DATCP or the DOJ, after consulting with DATCP, **may** issue the warning notice described above if a seller violates the prohibition, but may also seek an injunction, a forfeiture, or both as described above without first issuing, or at the same time as issuing, a warning.

Legislative History

Senate Amendment 1 was offered by Senator Brown. On May 1, 2006, the Senate Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform adopted Senate Amendment 1, and recommended passage of Senate Bill 358 as amended, with both actions taken on votes of Ayes, 5; Noes, 0.

MO:jal