



DAVID CRAIG

STATE SENATOR

January 9, 2018

The Honorable Tony Evers
Office of the Governor
115 East, State Capitol
Madison, WI 53702

Dear Governor Evers:

Congratulations on taking office as the Chief Executive of our great state! As you and your administration assume the functions of the executive branch over the coming weeks and months, I would like to extend a willing hand to partner together in areas of shared priority during this time of divided government. Though we may disagree at times, promoting the economic wellbeing of Wisconsin families and small businesses is a foundational priority where I believe we can find common ground. There are significant, bi-partisan initiatives which can help local businesses and families of all political stripes, and one in particular that will help middle-class families and seniors save money on necessities like gas, groceries, and prescription drugs.

Wisconsin's Unfair Sales Act, also known as the "minimum markup law," has far surpassed its life expectancy. Implemented nearly 80 years ago, this antiquated law has limited the pricing freedom of Wisconsin businesses and put the financial burden squarely on middle-class consumers.

Put simply, the Unfair Sales Act is a government-mandated price floor that causes Wisconsin consumers to pay more. This anti-free market law makes it illegal for store owners across the state to sell goods at a discount, establishing markups at least nine percent above wholesale cost. The limitation of marketplace competition, combined with the mandated restriction on discounted pricing, prevents consumers from stretching their dollar and is a direct assault on household budgets.

Often times without knowing it, many people across Wisconsin have been paying higher prices than consumers in other states, including everyday necessities like gas, groceries, electronics, school supplies, and even prescription medications. Under current law, consumers in Wisconsin are barred from many discounted shopping events – especially when it comes time for major holiday and back-to-school shopping in the fall – which families in other states enjoy. In fact, Wisconsin is now just one of 15 states to keep unpopular, Great Depression-era minimum markup laws even as other states have moved to repeal.

Alleviating the financial burden imposed by the Unfair Sales Act is not a Republican or Democrat issue, it is a Wisconsin issue, and we can work together to repeal this law and allow Wisconsin's families and businesses to prosper by getting government further out of their budgets.

Under current law, local businesses are further disadvantaged in an ever-evolving global marketplace. The economy today is much different than it was in the 1930s, and with the growing shift to online retail, it is critical that we remove barriers to success for entrepreneurs and end this unnecessary government intervention into private business.

By repealing the Unfair Sales Act, we will allow Wisconsin businesses the freedom to set their own prices to better compete for and attract local customers, rather than losing revenue to out-of-state online retailers and neighboring states. This is a winning solution for businesses and consumers alike.

The role of government in state economic matters should be minimal, allowing for the free-market principles that our nation was founded on to flourish. The United States did not become the world's preeminent economy and freest nation by obstructing competition and promoting government – at any level – to act as a central authority on the permissible actions of buyers and sellers. We must follow the core tenants of American prosperity by unleashing the free-market here in Wisconsin.

As a father of six, I understand that saving money at the pump or spending a few dollars less at the grocer adds up to a big difference in the household budget. Removing the anti-free market minimum markup law could be a bi-partisan step towards helping Wisconsin's entrepreneurs and middle-class families prosper.

I ask you to work with the Legislature in championing this reform which will further improve Wisconsin's standing as one of the best places to live, work, and raise a family.

Sincerely,

A handwritten signature in black ink, appearing to read "David Craig". The signature is stylized and cursive.

David Craig
State Senator
28th Senate District