LRB-3948/3 RNK:jlg:jf

1999 SENATE BILL 426

March 1, 2000 – Introduced by Senators Burke and Clausing, cosponsored by Representatives Seratti, Bock, Kreuser, La Fave, J. Lehman, Miller, Musser, Pettis, Pocan, Richards, Sykora, Turner and Ziegelbauer. Referred to Committee on Judiciary and Consumer Affairs.

AN ACT *to create* 100.20 (7) of the statutes; **relating to:** a private right of action against persons who engage in unfair methods of competition in business and unfair trade practices in business.

Analysis by the Legislative Reference Bureau

Current law prohibits persons from engaging in unfair methods of competition in business or unfair trade practices in business (unfair trade practices). The department of agriculture, trade and consumer protection (DATCP), after public hearing, may issue general and special orders prohibiting certain unfair trade practices.

Under current law, the department of justice, (DOJ), may file a complaint with DATCP against a person that DOJ alleges is engaging in an unfair trade practice. DATCP must then proceed with a hearing and adjudication of the matter. DATCP may also bring a court action to enjoin the violation of any order that it issues concerning an unfair trade practice. The court may, before entry of a final judgment, award a person certain damages suffered because of the violation of the order. Finally, a person who suffers damages because of the violation of an order issued by DATCP may bring his or her own court action to recover twice the amount of those damages.

This bill creates a separate private right of action that entitles a person to bring a court action for damages suffered as the result of the commission of an unfair trade

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practice, regardless of whether DATCP has issued an order concerning that unfair trade practice.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. 100.20 (7) of the statutes is created to read:

100.20 (7) Except as provided in sub. (5), any person who suffers damages as the result of another person engaging in an unfair method of competition in business or an unfair trade practice in business may bring an action against the person who engaged in the unfair act to recover the amount of those damages, together with reasonable attorney fees and costs, notwithstanding s. 814.04.

SECTION 2. Initial applicability.

(1) This act first applies to unfair methods of competition and unfair trade practices that are engaged in on the effective date of this subsection.

10 (END)