

**Subject** Consumer Grocery Pricing Fairness Act

**Authors** Greenman and others

**Analyst** Larie Ann Pampuch (larie.pampuch@house.mn.gov)

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## Overview

This bill creates the Consumer Grocery Pricing Fairness Act, which requires grocery suppliers to extend the same terms of sale for grocery items to all retailers and wholesalers.

## Summary

Section	Description
1	<p><b>[325D.80] Short title.</b></p> <p>Allows sections 325D.80 to 325D.85 be cited as the “Consumer Grocery Pricing Fairness Act.”</p>
2	<p><b>[325D.81] Definitions.</b></p> <p>Provides definitions related to the Consumer Grocery Pricing Fairness Act, including:</p> <ul style="list-style-type: none"><li>▪ Covered Good – Any grocery item except gasoline, prescription drugs, tobacco, or alcohol.</li><li>▪ Covered Retailer – A business selling grocery items directly to consumers in Minnesota.</li><li>▪ Covered Supplier – A manufacturer or producer selling groceries, with annual sales exceeding \$6 billion.</li><li>▪ Covered Wholesaler – A business that buys groceries to distribute to retailers in Minnesota.</li><li>▪ Dominant Covered Retailer – A retailer with annual grocery sales exceeding \$18 billion and operations in at least 20 states, including Minnesota.</li><li>▪ Price Differential – Differences in pricing or terms of sale for the same product, affecting competitive fairness.</li><li>▪ Terms of Sale – The conditions under which goods are sold, including price, rebates, discounts, and delivery terms.</li></ul>

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3	<p><b>[325D.82] Consumer grocery price fairness.</b></p> <p><b>Subd. 1. Covered supplier; term of sale.</b> Prohibits covered suppliers from offering different terms of sale for identical grocery items to all retailers and wholesalers purchasing in similar quantities. Prohibits a covered supplier from not providing a retailer or wholesaler with anonymized data about the supplier's sales, upon request of the retailer or wholesaler.</p> <p><b>Subd. 2. Covered supplier; covered goods.</b> Prohibits suppliers from refusing to sell to a non-dominant retailer or wholesaler unless there is a commercially reasonable justification.</p> <p><b>Subd. 3. Dominant covered retailer.</b> Prohibits dominant covered retailers impose a covered supplier to comply with terms of sale when the dominant retailer is acquiring more grocery items than the dominant retailer can sell and the acquisition would result in grocery items being unreasonably unavailable at a covered retailer. Prohibits a dominant covered retailer from coerces a covered supplier into violating this section.</p> <p><b>Subd. 4. Agency liability.</b> A supplier or dominant covered retailer is responsible for violations committed by any third party acting on its behalf.</p>
4	<p><b>[325D.83] Defenses; immunity.</b></p> <p><b>Subd. 1. Defense to unlawful conduct.</b> Entities accused of violating the law can avoid liability if they prove by a preponderance of the evidence that the difference in terms was due to genuine efficiencies, the retailer voluntarily accepted the terms of sale in exchange for commercially reasonable consideration, or the terms of sale apply to grocery items that were perishable, seasonal, part of a distress sale under court, or in the discontinuation of a business.</p> <p><b>Subd. 2. Covered supplier immunity.</b> Allows exemption from liability if a supplier was coerced by a dominant retailer to violate the law, the supplier would have suffered substantial harm if they did not meet the demands, and the supplier disclosed this information to the attorney general.</p>
5	<p><b>[325D.84] Enforcement.</b> Allows the attorney general or a supplier or retailer who is injured by a violation of this act to file suit for an injunction and a civil penalty in an amount not greater than 1.5 times the actual damage or the pricing differential suffered by the retailer or wholesaler.</p>
6	<p><b>[325D.85] Limitation; other law.</b></p> <p><b>Subd. 1. Business relationships.</b> Does not prohibit a business from refusing to do business with another unless a refusal violates this act.</p>

**Section** **Description**

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**Subd. 2. Antitrust laws; no effect.** Except as otherwise provided, this act does not limit, impair, or supersede antitrust law.



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