



WISCONSIN COUNCIL  
OF CHURCHES  
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TO: Members of the Wisconsin State Legislature  
  
FROM: Wisconsin Catholic Conference, Lutheran Office for Public Policy in Wisconsin,  
Wisconsin Council of Churches  
  
DATE: February 3, 2026  
  
RE: Opposition to Amended SB 737 & AB 742, Lease-Purchase Agreements

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Dear Senators and Representatives,

We are writing to express our continued opposition to [Senate Bill 737](#) and [Assembly Bill 742](#), even with the proposed [amendment](#). **The amendment does not sufficiently address the issues we have raised and passing it will still cause Wisconsin consumers significant harm. We urge you to vote against it.**

The amended bill still removes these lease-purchase or rent-to-own (RTO) transactions from the Wisconsin Consumer Act (WCA), which offers some of the best consumer protections in the country. Sidestepping the WCA will only hurt consumers.

Even if it were necessary to exempt these transactions from the WCA, which we contest, the amended text does not offer equivalent protections to the WCA. To name just a few examples from the amended bill:

- The amendment does not include all of the WCA's strong prohibitions against unconscionable practices in [425.107](#). Among other things, the WCA prohibits practices that "may enable merchants to take advantage of the inability of customers reasonably to protect their interests by reason of physical or mental infirmities, illiteracy or inability to understand the language of the agreement, ignorance or lack of education or similar factors." [Wis. Stat. [425.107\(3\)\(d\)](#) underline added to indicate language missing from the amended bill]
- There is no explicit provision in the bill prohibiting deceptive advertising practices. The WCA protects against this.
- The amended bill would allow an RTO dealer to repossess an item even during the 2 to 5 day reinstatement period. Under the bill, even with a successful reinstatement, the consumer is not guaranteed to get the same item back (e.g., computer). The WCA provides consumers with a 15-day right to cure a default.
- There is no legal recourse if an RTO dealer violates certain customer communications prohibitions. The WCA allows for legal recourse and consumers can recover damages.

This list is not exhaustive; the WCA has even more provisions that provide stronger consumer protections than the bill.

Keeping RTO transactions under the WCA will best protect Wisconsin consumers. Not only does the amendment fall short in creating equivalent applicable WCA protections, but it fails to add true RTO-specific consumer protections. For example,

- Including APR so consumers can compare the true costs of the transaction.
- Limiting late fees, insurance fees, home pick-up fees, delivery fees, reinstatement fees, etc.
- Limiting the total number of payments that a consumer would be required to pay for the purchase of the item. Some states (such as West Virginia, Ohio, Connecticut, Iowa, Maine, New York, Pennsylvania, and South Carolina) have these limits.
- Prohibiting transferring the burden of loss or failure on to the consumer. The current bill allows RTO dealers to place the burden of loss (as in a broken appliance) on the consumer, despite the dealer retaining ownership.

To the extent that the amended bill provides any consumer protections or remedies, there is a “get out of jail free” provision for RTO dealers in the bill’s [420.11 \(p. 16\)](#) that will protect them from any liability for any violations as long as they claim that they are acting in good faith. For example:

“A lessor is not subject to the provisions of s. 420.10 [Consumer Remedies] with respect to any action or omission of the lessor made in a good faith effort to comply with any provision of this chapter.”

In sum, we cannot support legislation that weakens the WCA and hurts consumers. Seven out of ten consumers who try to buy consumer goods through RTO transactions are unsuccessful. This amended bill still exempts RTOs from the WCA and does not provide equivalent consumer protections. When RTO dealers and all other businesses are currently operating in Wisconsin under the WCA, why would the State want to exempt outside RTOs who are a known risk to consumers?

Please vote against SB 737 and AB 742. Thank you.