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**STATE OF MARYLAND**  
**OFFICE OF THE ATTORNEY GENERAL**  
**CONSUMER PROTECTION DIVISION**

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February 29, 2024

TO: The Honorable Pamela Beidle, Chair  
Finance Committee

FROM: Steven M. Sakamoto-Wengel  
Consumer Protection Counsel for Regulation, Legislation and Policy

Benjamin Fleury, 3L, University of Maryland School of Law, and  
Legislative Law Clerk, Consumer Protection Division

RE: Senate Bill 651 – Business Regulation – Sale of Motor Fuel – Pricing  
Signage (SUPPORT)

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We are writing to express the support of the Consumer Protection Division of the Office of the Attorney General for Senate Bill 651, sponsored by Senator Kagan, which would require service stations to post signs listing the credit and debit price for gasoline, if the service station accepts credit and debit cards, and the cash price, rather than the lowest price, which is the requirement under current law. The Division regularly receives complaints from consumers who drive into a gas station in response to a sign advertising the price per gallon only to find when they get to the pump that the actual price is higher unless they pay with cash.

A survey reported by Statista showed that the substantial majority of gas purchases are made with credit and debit cards, not cash. <https://www.statista.com/statistics/294113/payment-preference-gas-station-us-2013/> The survey found that, in 2018, 85% of consumers used debit cards or credit cards when paying for gas and only 15% paid cash. Consequently, the price displayed to the public should be the price that most consumers will be paying, not the price available only to a small minority of consumers. Signs identifying both the cash and credit prices would similarly accomplish the goal of informing consumers of the actual price they will be paying *before* they drive into the station.

Nothing in Senate Bill 651 prohibits a service station from charging different prices for cash and credit purchases – rather the bill solely requires that prices disclosed on the station's

signs be the price that consumers are most likely to pay. Many service stations already use signs that display both the cash and credit prices so consumers know what they will be charged before they enter the station.

The price that most people would pay—the credit price—is material information and displaying the lower cash price for gas without also conspicuously displaying the higher credit price would constitute an omission of material information, the omission of which misleads consumers. However, Senate Bill 651 would be helpful because it would expressly require that both the cash and the credit price be displayed on the same sign.

Accordingly, the Consumer Protection Division respectfully requests that the Senate Finance Committee give Senate Bill 651 a favorable report.

cc: Members, Finance Committee  
The Honorable Cheryl Kagan