



Auto Consumer Alliance
13900 Laurel Lakes Avenue, Suite 100
Laurel, MD 20707

Testimony to the Senate Finance Committee
SB 651 – Business Regulation – Sale of Motor Fuel –Pricing Signage –
(Gas Price Gouging Act)
Position: Favorable

The Honorable Pam Beidle
Senate Finance Committee
3 East, Miller Senate Building
Annapolis, MD 21401
cc: Members, Senate Finance Committee

Feb. 29, 2024

Honorable Chair Griffith and Members of the Committee:

I'm a consumer advocate and Executive Director of Consumer Auto, a non-profit group that works to protect consumers and secure safety, transparency, and fair treatment for Maryland drivers.

Consumer Auto supports **SB 651** because it will make posted gas prices more transparent and more fair to consumers – and help drivers save money on a product most of us need to purchase every week. Since few consumers use cash to buy gas, allowing dealerships to post only the lowest price for their gas – which very often is a cash price that is significantly lower than the credit price many customers will actually pay – gives consumers incomplete and sometimes misleading information about the price they are likely to pay.

Requiring dealers to prominently post either both the cash and credit price or the highest price of their gas is a simple way to prevent customers from getting a nasty and costly surprise at the pump. Several states already mandate this disclosure. Ten states, including New York, Connecticut, Massachusetts, Florida, and even Texas forbid credit card surcharges for gas altogether.¹

The cost of gas is a quite significant budget item for many of us. With the average driver using more than 650 gallons/year, most families spend families more than \$2,000/year on gas – and a 5- to 10-cent/gallon surcharge for credit card purchases can add up quickly. This reform will give consumers fuller and fairer information to help manage the cost.

The relevant section of the Maryland Code (Business Regulation 10-315) already regulates signs at gas stations rather closely in an effort to make prices clear to consumers – right down to regulating the relative sizes of the numerator and denominator in a gas price quote. Yet that careful effort is undermined when gas stations gas can prominently display only the lowest available price, without clearly disclosing that customers who use credit may pay significantly more.

We ask you to give **SB 651** a FAVORABLE report.

Sincerely,
Franz Schneiderman
Consumer Auto

¹ <https://www.nerdwallet.com/article/credit-cards/credit-card-charged-more-gas-station>