

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 912 (Senator Dorman, *et al.*)

Finance

Referred to Economic Matters

Business Regulation - Retail Service Stations - Operation

This amended bill prohibits a producer or refiner of motor fuel from indirectly operating a retail service station through an entity in which the producer or refiner has a direct or indirect ownership interest of any nature. The bill does not apply to any entity lawfully operating retail service stations in the State as of March 1, 1997.

Fiscal Summary

State Effect: None. The bill does not directly affect governmental operations or finance.

Local Effect: None.

Small Business Effect: Potential meaningful impact on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: There are approximately 2,200 retail service stations statewide. Under current law, retail service stations, many of which are small businesses, may not be operated by producers or refiners. Retail service stations operated by motor fuel producers or refiners would have a competitive advantage over other stations because they would have direct access to motor fuels at producer and refiner prices. Thus, this bill maintains the competitive balance among retail service stations by strengthening the prohibition against motor fuel refiners and producers from owning or operating retail service stations.

Information Source(s): Department of Transportation, Office of the Comptroller (Motor Fuel Tax), Department of Fiscal Services

Fiscal Note History: First Reader - March 24, 1997
nrd Revised - Senate Third Reader - April 1, 1997

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