

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE**Revised**

Senate Bill 605 (Senator Dorman)

Finance

Gasoline Products - Sales

This bill suspends the voluntary allowance uniformity provision for producers, refiners, and wholesalers of motor fuel products until after September 30, 2000. The Comptroller is required to study the bill's effect on the pricing practices of the State's gasoline market between July 1, 1998, and December 31, 1998, and report its findings to the House Economic Matters and Senate Finance Committees on or before February 1, 1999.

This bill is effective July 1, 1998.

Fiscal Summary

State Effect: None. Any expenditures for the Comptroller resulting from the bill's report requirement can be handled with existing resources.

Local Effect: None.

Small Business Effect: Potential meaningful impact on small businesses.

Fiscal Analysis

Background: The voluntary allowance uniformity provision addressed by this bill allows equal treatment among motor fuel dealers with the same motor fuel supplier. More specifically, if a motor fuel supplier provides a temporary price reduction in the wholesale price of fuel to a retail dealer, then that price reduction must also be extended to all other retail service station dealers supplied.

Small Business Effect: This bill could affect retail service station dealers to the extent that

motor fuel suppliers choose to no longer provide temporary uniform price reductions in the wholesale price of fuel for retail service station dealers, and instead are selective in choosing retail dealers that receive temporary price reductions.

Information Sources: Comptroller of the Treasury (Motor Fuel Tax Unit), Department of Legislative Services

Fiscal Note History: First Reader - February 25, 1998
Inc Revised - Senate Third Reader - March 23, 1998
Revised - Enrolled Bill - May 4, 1998

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