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2002 Regular Session 2lr0038

By: Chairman, Finance Committee (Departmental - Comptroller) Introduced and read first time: January 23, 2002 Assigned to: Rules Re-referred to: Finance, March 22, 2002	
Introduced and read first time: January 23, 2002 Assigned to: Rules	
Ne-rere	area to. Finance, Waren 22, 2002
Committee Report: Favorable	
	action: Adopted
Read so	econd time: March 28, 2002
	CHAPTER
1 AN	N ACT concerning
2	Motor Fuel and Lubricants - Dyed Diesel Fuel
4 5 6 7 8 9 10 11	PR the purpose of prohibiting the use of dyed diesel fuel in the propulsion tanks of highway vehicles; prohibiting the sale or delivery of dyed diesel fuel under certain circumstances; defining certain terms; establishing certain penalties for violations of this Act; authorizing the Comptroller to inspect the propulsion tanks of certain vehicles; requiring the Comptroller to enforce certain provisions of this Act; requiring certain persons to provide certain notice and requiring the posting of a certain notice relating to dyed diesel fuel under certain circumstances; and generally relating to prohibiting the use of dyed motor fuel for on-highway purposes. Y repealing and reenacting, with amendments, Article - Business Regulation
13 14	Article - Business Regulation Section 10-101 and 10-201
14	Annotated Code of Maryland
16	(1998 Replacement Volume and 2001 Supplement)
17 B' 18 19 20	Y adding to Article - Business Regulation Section 10-323.2 Annotated Code of Maryland
21	(1998 Replacement Volume and 2001 Supplement)

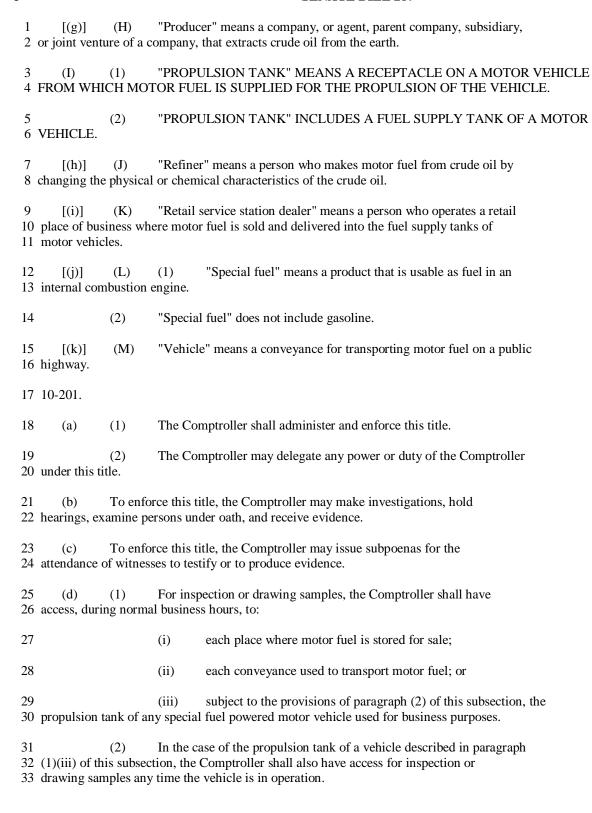
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

23 MARYLAND, That the Laws of Maryland read as follows:

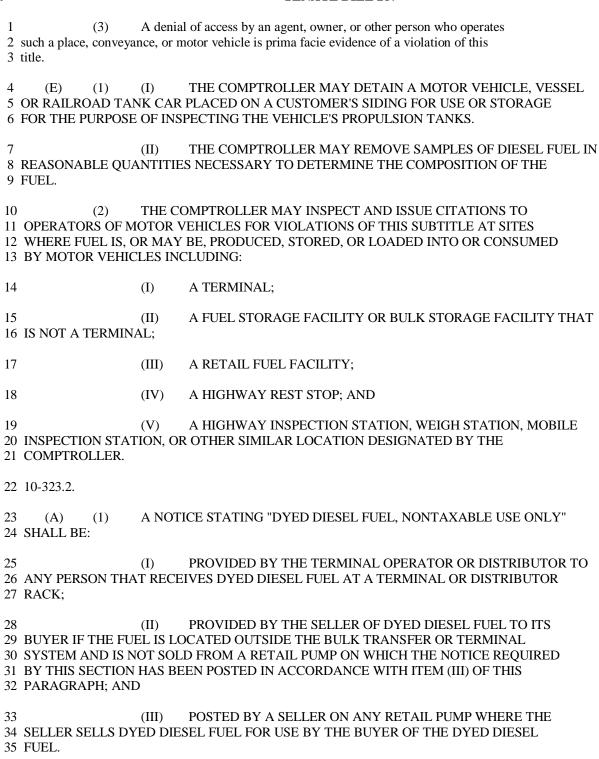
29 the conveyance.

1 **Article - Business Regulation** 2 10-101. 3 (a) In this title the following words have the meanings indicated. 4 "Conveyance" means a carrying or transporting device that has a (b) 5 capacity that exceeds 1,749 gallons exclusive of the fuel supply tank for its own 6 propulsion. 7 "Conveyance" includes a pipeline, tank car, vehicle, and vessel. (2) "DYED DIESEL FUEL" MEANS DIESEL FUEL THAT IS DYED UNDER U.S. 8 (C) 9 ENVIRONMENTAL PROTECTION AGENCY RULES FOR HIGH SULFUR DIESEL FUEL OR 10 IS DYED UNDER INTERNAL REVENUE SERVICE RULES FOR NONTAXABLE USE. "Gasoline" means a product that: 11 [(c)] (D) (1) 12 (i) is used as fuel in a spark ignited, internal combustion engine; or 13 (ii) is designated as gasoline by the Comptroller. "Gasoline" includes: 14 (2) 15 (i) casing head gasoline; 16 (ii) absorption gasoline; 17 (iii) other natural gasoline; and 18 (iv) aviation gasoline, as defined in § 9-101(c) of the Tax - General 19 Article. 20 [(d)](E) "Motor fuel" means: 21 (1) gasoline; or 22 (2) special fuel. "Motor vehicle" means a vehicle that: 23 [(e)] (F) 24 (1) is self-propelled; is designed to be operated on a public highway; and 25 (2) 26 (3) is not operated only on rails. 27 [(f)](G) "Petroleum transporter" means a person who transports motor fuel in 28 interstate or intrastate commerce in a conveyance, whether or not the person owns

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- THE NOTICE REQUIRED UNDER PARAGRAPH (1)(I) OR (II) OF THIS (2)
- 2 SUBSECTION SHALL BE PROVIDED AT THE TIME OF THE REMOVAL OR SALE OF THE
- 3 DYED DIESEL FUEL AND SHALL APPEAR ON SHIPPING PAPERS, BILLS OF LADING,
- 4 AND INVOICES ACCOMPANYING THE SALE OR REMOVAL OF THE DYED DIESEL FUEL.
- THE MOTOR FUEL TAX DIVISION MAY DETERMINE THAT
- 6 COMPLIANCE WITH A FEDERAL NOTICE PROVISION THAT IS SUBSTANTIALLY
- 7 SIMILAR TO A NOTICE REQUIREMENT OF THIS SUBSECTION SATISFIES THAT NOTICE
- 8 REQUIREMENT OF THIS SUBSECTION.
- A PERSON MAY NOT OPERATE A MOTOR VEHICLE ON A HIGHWAY IN (1)
- 10 THE STATE WITH FUEL SUPPLY TANKS CONTAINING DYED DIESEL FUEL UNLESS
- 11 PERMITTED TO DO SO UNDER A FEDERAL LAW OR REGULATION RELATING TO THE
- 12 USE OF DYED DIESEL FUEL ON THE HIGHWAYS.
- A PERSON MAY NOT SELL OR DELIVER DYED DIESEL FUEL IF
- 14 THE PERSON KNOWS OR HAS REASON TO KNOW THAT THE DYED DIESEL FUEL WILL
- 15 BE CONSUMED FOR A PROHIBITED ON-HIGHWAY USE.
- A PERSON WHO DISPENSES DYED DIESEL FUEL FROM A RETAIL 16 (II)
- 17 PUMP THAT IS NOT PROPERLY LABELED WITH THE NOTICE REQUIRED BY
- 18 SUBSECTION (A)(1) OF THIS SECTION, OR WHO KNOWINGLY DELIVERS DYED DIESEL
- 19 FUEL INTO THE STORAGE TANK OF SUCH A PUMP, SHALL BE PRESUMED TO KNOW
- 20 THAT THE DYED DIESEL FUEL WILL BE CONSUMED ON THE HIGHWAY.
- 21 (C) A PERSON MAY NOT:
- 22 (1) EXCEPT AS PROVIDED IN SUBSECTION (B)(1) OF THIS SECTION,
- 23 OPERATE A MOTOR VEHICLE ON A HIGHWAY IN THE STATE WITH DYED DIESEL FUEL
- 24 IN THE PROPULSION TANK OF THE MOTOR VEHICLE:
- 25 SELL OR DELIVER DYED DIESEL FUEL FROM A RETAIL PUMP THAT IS
- 26 NOT PROPERLY LABELED AS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION;
- SELL OR DELIVER DYED DIESEL FUEL FROM A PETROLEUM
- 28 DELIVERY VEHICLE INTO A PROPULSION TANK OF A MOTOR VEHICLE; OR
- REFUSE TO PERMIT INSPECTION OF A PROPULSION TANK IN
- 30 ACCORDANCE WITH § 10-201(E) OF THIS TITLE.
- A PERSON THAT VIOLATES ANY PROVISIONS OF THIS SECTION IS GUILTY 31 (D)
- 32 OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING
- 33 \$1.000 OR IMPRISONMENT NOT EXCEEDING 1 YEAR OR BOTH.
- IN ADDITION TO ANY OTHER PENALTY PROVIDED BY LAW, THE 34 (E)
- 35 COMPTROLLER MAY ASSESS AGAINST ANY PERSON THAT VIOLATES ANY PROVISION
- 36 OF THIS SECTION DEALING WITH THE USE, SALE, TRANSPORTATION, OR STORAGE OF
- 37 DYED DIESEL FUEL:

- 1 (1) FOR THE FIRST VIOLATION, A FINE OF \$1,000 OR \$10 PER GALLON OF
- 2 DYED DIESEL FUEL INVOLVED IN THE VIOLATION, WHICHEVER AMOUNT IS
- 3 GREATER; AND
- 4 (2) FOR A SECOND OR SUBSEQUENT VIOLATION, A FINE EQUAL TO THE
- 5 AMOUNT OF THE PENALTY ASSESSED UNDER ITEM (1) OF THIS SUBSECTION FOR THE
- 6 FIRST VIOLATION MULTIPLIED BY THE TOTAL NUMBER OF VIOLATIONS.
- 7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 8 October 1, 2002.