

**Department of Legislative Services**  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 120 (Chairman, Finance Committee)  
(By Request – Departmental – Comptroller)

Finance

Economic Matters

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**Motor Fuel - Gasoline Commingling by Brand or Grade - Prohibition**

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This departmental bill prohibits a marina from commingling gasoline by brand or grade with the intent to defraud. The current prohibition against commingling gasoline applies only to retail service station dealers. The bill also prohibits specified transporters of petroleum from willfully adulterating or commingling gasoline by brand or grade. Current law prohibits these persons from willfully adulterating or commingling gasoline with special fuel. The Comptroller must notify all marinas in Maryland of the bill's requirements by bulletin or any other appropriate means.

The bill takes effect September 1, 2006; however, the prohibition against commingling of fuel takes effect October 1, 2006.

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**Fiscal Summary**

**State Effect:** The applicable criminal penalty provisions are not expected to significantly affect State operations or finances. The notification requirement can be handled with existing budgeted resources.

**Local Effect:** The applicable criminal penalty provisions are not expected to significantly affect local finances or operations.

**Small Business Effect:** The Comptroller's Office has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

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## Analysis

**Current Law:** A retail service station dealer may not, with the intent to defraud, commingle gasoline by brand or grade. In addition, specified transporters of petroleum may not willfully adulterate or commingle gasoline with special fuel.

**Background:** The bill updates the Motor Fuel and Lubricants Law by prohibiting a marina from commingling gasoline by brand or grade with the intent to defraud, consistent with the same prohibition for retail service stations.

This bill is intended to facilitate quality control by making sure that different grades of gasoline sold in the State meet required specifications which would in turn help protect Maryland consumers from deceptive gasoline marketing practices.

Violators are guilty of a misdemeanor and subject to a fine of up to \$5,000 and/or imprisonment of up to one year.

**State Fiscal Effect:** The Comptroller's Office notes that it is aware of less than five marinas that have commingled gas by grade or brand over the past several years. As a result, the criminal penalty provisions applicable to violations under the bill are not expected to significantly affect State revenues.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office, Department of Legislative Services

**Fiscal Note History:** First Reader - January 24, 2006  
ncs/hlb Revised - Senate Third Reader - March 17, 2006

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Analysis by: Michael Sanelli

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510