

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 178
Finance

(Senator Kagan)

Business Regulation - Sale of Motor Fuel - Signage (Gas Price Gouging Act)

This bill requires a specified sign at all retail service stations to state the credit and debit price (if the station dealer accepts credit or debit cards) and the cash price for a whole measurement unit of regular gasoline sold on the premises. An exemption from the existing signage requirement for retail service station dealers who operate with up to three dispensing units and six combined nozzles is repealed, thus making the new requirement apply to all retail service station dealers. The bill also makes a conforming change to a provision related to optional signage for diesel and other motor fuel products.

Fiscal Summary

State Effect: The Comptroller can enforce the bill with existing budgeted resources. Imposition of existing penalty provisions is not expected to materially affect State finances or operations.

Local Effect: Imposition of existing penalty provisions is not expected to materially affect local government finances or operations.

Small Business Effect: Minimal. There may be limited one-time costs for retail service stations to comply with the bill.

Analysis

Current Law: Retail service stations (*i.e.*, retail businesses where motor fuel is sold) must meet various registration, inspection, and signage requirements. Failure to comply with

provisions related to the inspection and sale of motor fuel is a misdemeanor and is subject to a maximum penalty of a \$5,000 fine and/or one year imprisonment.

A sign or other means on or near a retail outlet that advertises the retail price of motor fuel may list the price and each tax separately if the listing of the total of the price and all taxes is the same size as the separate listing of the price. Even so, the sign must list the total of the price and all taxes by numerals of uniform size, subject to additional specified requirements.

A retail service station dealer who operates more than three dispensing units that combined have more than six nozzles must also keep a sign on the premises that, in addition to meeting other specified requirements, (1) states the *lowest* price for a whole measurement unit of regular gasoline sold on the premises; (2) states the unit of measurement used; and (3) is readable by passing motorists. The required sign may also state the lowest price for a whole measurement unit of diesel and other motor fuel products sold on the premises.

If a new or additional sign is required to comply with this requirement, the supplier of the gasoline must provide the sign and numerals without cost to the retail service station dealer.

Additional Information

Prior Introductions: Similar legislation has been introduced within the last three years. See SB 322 of 2022; and SB 220 and HB 101 of 2020.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 7, 2023
km/mcr

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