

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 882
Economic Matters

(Delegate Rosenberg)

Finance

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

This bill requires a specified sign at all retail service stations to prominently display the credit and debit price (if higher than the cash price) or the credit and debit price and the cash price for a whole measurement unit of regular gasoline sold on the premises. All numerals on the sign must be the same size. 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for retail service station dealers who operate with up to three dispensing units and six combined nozzles is repealed, thus making the new requirement apply to all retail service station dealers.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. Finally, the bill specifies that provisions governing signage at retail service stations supersede any inconsistent local law.

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.

Generally, signs regulated by the above requirements (or other State law or by federal law) may be regulated by the local zoning authority and must be consistent with the local law, ordinance, or regulation governing signs. However, a sign required at a service station pursuant to the requirements above (or any other State or federal law) is exempt from the provisions of a local law, ordinance, or regulation for the purpose of determining (1) the total number of signs permitted and (2) the area of signs permitted.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 178 of 2023 and SB 322 of 2022.

Designated Cross File: SB 651 (Senator Kagan) - Finance.

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

Fiscal Note History: First Reader - February 27, 2024
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