# CORRECTED TO ADD COSPONSORS



Committee: Joint

Committee Review: At a future date

**Staff:** Christine Wellons, Senior Legislative Attorney **Purpose:** To introduce agenda item – no vote expected **Keywords:** #ConsumerProtection #GasPriceTransparency

AGENDA ITEM #9A February 7, 2023 Introduction

#### **SUBJECT**

Bill 7-23, Consumer Protection – Gasoline Station Signage

Lead Sponsor: Councilmember Albornoz

Co-Sponsors: Councilmembers Katz, Stewart, Luedtke, Balcombe, Sayles, and Mink, Council Vice-

President Friedson, Council President Glass and Councilmember Jawando

#### **EXPECTED ATTENDEES**

None

#### **COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION**

N/A

#### **DESCRIPTION/ISSUE**

Bill 7-23 would:

- (1) define and prohibit certain deceptive trade practices by gasoline stations;
- (2) require the inclusion of certain supplemental information on state-required signage at gasoline stations; and
- (3) generally amend the law regarding deceptive, unfair, or unconscionable trade practices.

## **SUMMARY OF KEY DISCUSSION POINTS**

N/A

# **This report contains:**

Staff Report Pages 1-2
Bill 7-23 © 1

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#### MEMORANDUM

February 2, 2023

TO: County Council

FROM: Christine Wellons, Senior Legislative Attorney

SUBJECT: Bill 7-23, Consumer Protection – Gasoline Station Signage

PURPOSE: Introduction – no Council votes required

Bill 7-23, Consumer Protection – Gasoline Station Signage, sponsored by Lead Sponsor Councilmember Albornoz and Co-Sponsors Councilmembers Katz, Stewart, Luedtke, Balcombe, Sayles, and Mink, Council Vice-President Friedson, Council President Glass, and Councilmember Jawando is scheduled for introduction on February 7, 2023. A public hearing is tentatively scheduled for February 28 at 1:30 p.m. and a joint Public Safety/Economic Development Committee worksession is tentatively scheduled for March 13, 2023, would:

- (1) define and prohibit certain deceptive trade practices by gasoline stations;
- (2) require the inclusion of certain supplemental information on state-required signage at gasoline stations; and
- (3) generally amend the law regarding deceptive, unfair, or unconscionable trade practices.

#### BACKGROUND

Under state law, certain gas station signs must be readable by passing motorists, and must contain certain information. *See* Md. Code Ann., Business Regulation § 10-315. Specifically, the signs must include the *lowest* unit price charged for regular gas on the premises.

In practice, the *lowest* price varies depending upon the method of payment. For instance, the per unit price for regular gas when using a credit card is generally higher than the per unit cost when using cash.

To avoid consumer confusion about the lowest price with regard to various payment options, Senator Kagan has introduced state legislation to require the posting of either: the highest price, or the cash and credit price per unit of gas sold at the station. (Senate Bill 178, <a href="https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/sb0178?ys=2023RS">https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/sb0178?ys=2023RS</a>)

# **BILL SPECIFICS**

Consistent with the intent of Senator Kagan's bill, Council Bill 7-23 would require – as a consumer protection measure – the posting on gas station signs of the highest *credit price*. This information would supplement the information already required under the state law.

Under the bill, credit price would be defined as:

<u>Credit price</u> means the total amount, including any fees, payable to a gas station by a customer using a credit card or other non-cash form of payment, for one whole measurement unit of regular gasoline sold on the premises.

The failure to post the highest credit price would constitute an unfair or deceptive trade practice under County law.

This packet contains:	Circle #
Bill 7-23	1

Bill No	07-23			
Concerning:	Consumer	Protection		_
Gasoline	Station Signa	ge		
Revised: 0	1/20/2023	Draft No.	3	
Introduced:	February 7	, 2023		
Expires:	December	7, 2026		
Enacted:				
Executive: _				
Effective:				
Sunset Date:				
Ch I	aws of Mont (	Co		

# COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Albornoz

Co-Sponsors: Councilmembers Katz, Stewart, Luedtke, Balcombe, Sayles, and Mink, Council Vice-President Friedson, Council President Glass, and Councilmember Jawando

## AN ACT to:

- (1) define and prohibit certain deceptive trade practices by gasoline stations;
- (2) require the inclusion of certain supplemental information on state-required signage at gasoline stations; and
- (3) generally amend the law regarding deceptive, unfair, or unconscionable trade practices.

# By amending

Montgomery County Code Chapter 11, Consumer Protection Section 11-4

#### By adding

Section 11-4C

Boldface
Underlining
Added to existing law by original bill.

[Single boldface brackets]
Double underlining
Added by amendment.

[[Double boldface brackets]]

\* \* \*

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law or original bill.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1	Sec 1. Section 11-4 is amended, and Section 11-4C is added, as follows:		
2	2 11-4. Deceptive trade practices.		
3	A merchant must not engage in a deceptive, unfair, or unconscionable trade		
4	practi	ice, wh	ether or not any specific consumer has, in fact, been misled,
5	decei	ved, or	damaged thereby. Deceptive, unfair, or unconscionable trade
6	practi	ices inc	elude:
7			* * *
8	(y)	taking	g payment for goods or services without delivering the goods or
9		perfo	rming the services; [or]
10	(z)	practi	icing, or in any way engaging in, any trade, occupation, or profession
11		witho	out a license, registration, certificate, or other evidence of training or
12		exper	rience required by law; or
13	<u>(aa)</u>	<u>a viol</u>	ation of Section 11-4C.
14	14 <u>11-4C. Gasoline Stations – Accurate Signage Required.</u>		
15	<u>(a)</u>	For p	ourposes of this section, the following terms have the meanings
16		indica	ated.
17		<u>(1)</u>	Business Regulation Article means the Business Regulation
18			Article of the Maryland Code, as amended.
19		<u>(2)</u>	<u>Credit price</u> means the total amount, including any fees, payable
20			to a gas station by a customer using a credit card or other non-cash
21			form of payment, for one whole measurement unit of regular
22			gasoline sold on the premises.
23		<u>(3)</u>	Gasoline station means a merchant who sells motor fuel at
24			retail under Section 10-315 of the Business Regulation Article.
25	<u>(b)</u>	A gas	soline station must:

26		<u>(1)</u>	comply with Section 10-315 of the Business Regulation Article;
27			<u>and</u>
28		<u>(2)</u>	if the gas station posts a sign under Section 10-315(e) of the
29			Business Regulation Article, include within the sign additional
30			pricing information required under subsection (c) of this Section.
31	<u>(c)</u>	A sig	n posted by a gas station under Section 10-315(e)(2) of the Business
32		Regu	lation Article must include, clearly and visibly, the highest credit
33		price	