



Committee: Joint
Committee Review: At a future date
Staff: Christine Wellons, Senior Legislative Attorney
Purpose: To receive testimony – no vote expected
Keywords: #ConsumerProtection #GasPriceTransparency

AGENDA ITEM #8
February 28, 2023
Public Hearing

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

Public speakers

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
Bill 7-23

Pages 1-2
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MEMORANDUM

February 23, 2023

TO: County Council

FROM: Christine Wellons, Senior Legislative Attorney

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

PURPOSE: Public Hearing – receive testimony

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

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.

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, <https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/sb0178?ys=2023RS>)

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:

Credit price 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:
Bill 7-23

Circle #
1

Bill No. 7-23
Concerning: Consumer Protection –
Gasoline Station Signage
Revised: 01/20/2023 Draft No. 3
Introduced: February 7, 2023
Expires: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Alborno
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	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

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

26 (1) comply with Section 10-315 of the Business Regulation Article;
27 and

28 (2) 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 (c) A sign posted by a gas station under Section 10-315(e)(2) of the Business
32 Regulation Article must include, clearly and visibly, the highest credit
33 price.