

2010 -- S 2475

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS - MOTOR FUEL DISTRIBUTION AND SALES

Introduced By: Senator John F. McBurney

Date Introduced: February 11, 2010

Referred To: Senate Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 5-55-5 of the General Laws in Chapter 5-55 entitled "Motor Fuel
2 Distribution and Sales" is hereby amended to read as follows:

3 **5-55-5. Unfair practices.** -- (a) It is unlawful for any refiner, distributor, producer, or
4 transporter of petroleum products engaged in business in this state, either directly or indirectly, to
5 discriminate in price between purchasers of petroleum products of similar grade and quality.

6 (b) Nothing in this section shall prevent differentials which only make allowance for
7 differences in the cost of manufacture, marketing, transportation, sale, or delivery resulting from
8 the different methods or quantities in which the commodities are sold and delivered to the
9 purchasers.

10 (c) Nothing in this section shall prevent persons engaged in selling goods, wares, or
11 merchandise in commerce from selecting their own customers in bona fide transactions and not in
12 restraint of trade.

13 (d) It is unlawful for any wholesaler or reseller of petroleum products to sell at retail
14 level for less than four (4) cents below his or her wholesale price to wholesale accounts who
15 resell at retail in the same market area.

16 (e) Nothing in this section applies to the purchase of petroleum products for their own
17 use by state and local agencies.

18 (f) The provisions of this section only apply to producers, refiners, or wholesalers whose

1 total production, gasoline refining capacity, or sales volume at the wholesale level is fifteen
2 thousand (15,000) gallons a day or more.

3 (g) It is unlawful for any producer or refiner of motor fuel, or its affiliate, engaged in
4 business in this state, to sell motor fuel at a retail outlet owned or operated by it, for less than the
5 non-refiner wholesale cost. For purposes of this section non-refiner wholesale cost shall mean the
6 lowest posted terminal price of motor fuel of like grade and quality of any refiner selling to the
7 wholesale class of trade in the general trade area.

8 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would make it unlawful for any producer or refiner of motor fuel to sell motor
- 2 fuel at a retail outlet owned or operated by it for less than the non-refiner wholesale cost.
- 3 This act would take effect upon passage.

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