

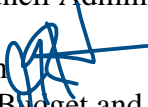


June 22, 2023

**FISCAL AND POLICY NOTE**

TO: Jennifer A. Jenkins  
Council Administrator

William M. Hunt  
Deputy Council Administrator

THRU: Josh Hamlin   
Director of Budget and Policy Analysis

FROM: Malcolm Moody - *mm*  
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement (CORRECTED)  
CB-044-2023 Gas Station Credit Price Signage

---

CB-044-2023 (*Proposed by: Council Members Burroughs, Oriadha, Blegay, Dernoga, and Olson*)

Assigned to the Government Operations Fiscal Policy (GOFP) Committee

---

AN ACT CONCERNING GAS STATION CREDIT PRICE SIGNAGE for the purpose of requiring gas stations to display the credit card price on their signs.

---

**Fiscal Summary**

**Direct Impact**

*Expenditures:* No additional expenditures likely

*Revenue:* Potentially minimal additional revenue

**Indirect Impact**

None Likely.

Website: <https://pgccouncil.us> | Wayne K. Curry Administration Bldg.  
Office: (301) 952-3431 | 1301 McCormick Drive, 3rd Floor  
FAX: (301) 780-2097 | Largo, Maryland 20774

### **Legislative Summary:**

CB-044-2023, proposed and sponsored by Council Members Burroughs, Oriadha, Blegay, Dernoga, and Olson, was presented on March 21, 2023, and was referred to the Government Operations Fiscal Policy (GOPF) Committee. The Bill would require gas stations to display the highest credit price for regular gasoline sold at the gas stations.

---

### **Current Law/Background:**

Under state law, see Section 10-315<sup>1</sup> of the Annotated Code of Maryland, certain gas station signs must be readable by passing motorists, and must contain certain information. The price for gasoline can vary based on the method of payment, which generally leads to a higher per unit cost when paying using credit card. To prevent confusion about variances in the cost of gasoline depending on the method of payment, the Maryland General Assembly this year considered a bill to require signage on gas stations to display the credit and debit price of regular gasoline, diesel, and other motor fuel products<sup>2</sup>. The Bill, which was sponsored by Senator Kagan would have repealed and reenacted, with amendments Section 10-315 of the Business Regulation Article of the Annotated Code of Maryland. Senate Bill 178 did not make it out of Committee after the First Reading.

Montgomery County has enacted Council Bill 7-23<sup>3</sup>, which will require gas stations to post the highest credit price and has similarities to the introduced Bill. Council Bill 7-23 would require *credit price* to be defined under Chapter 11<sup>4</sup> of the Montgomery County Code. The Montgomery County Council adopted the following amendments<sup>5</sup> to Council Bill 7-23 which are relevant to CB-044-2023, as presented:

- Clarified the definition of the term credit price under the bill, specify that *credit price* is also the *lowest price* for gas stations that charge the same for cash and credit. Gas stations would then not be required to include additional credit pricing information on signage.
- Removed the requirement that the credit price must be posted “*clearly and visibly*” on gas station signs due to the phrase being undefined and therefore difficult to enforce<sup>6</sup>.
- The County Council also included, at the request of the WMDA/CAR Service Station and Automotive Repair Association, an alternative method of compliance. To mitigate the additional costs and time associated with installing new digital signs to comply with the bill, the enacted Montgomery County law allows stations to meet the requirements of the bill through separate, A-frame signs that are visible from the road. This provision is subject

---

<sup>1</sup> [MD. Business Regulation Code § 10-315 \(2022\)](#)

<sup>2</sup> [SB0178 - Business Regulation - Sale of Motor Fuel - Signage \(Gas Price Gouging Act\)](#)

<sup>3</sup> Montgomery County Council - [Bill 7-23 - Consumer Protection – Gasoline Station Signage](#)

<sup>4</sup> Montgomery County Code - [Chapter 11. Consumer Protection](#)

<sup>5</sup> [Action Staff Report Pg. 3 – 6](#)

<sup>6</sup> Section 10-315 of the Annotated Code of Maryland already has visibility requirements for gas station signs.

to a sunset provision, making the alternative method of compliance unavailable after seven (7) years.

The current Prince George's County Code, under Subtitle 5. Businesses and Licenses, Division 25. Convenience Stores and Gas Stations of the County Code<sup>7</sup>, includes definitions for gas stations as well as visibility and signage requirements for gas stations. This section of the County Code does not include any definitions for credit price or mandates for displaying the highest credit price at a gas station. The bill would define credit price and add regulations around displaying the highest credit price at gas stations within Subtitle 5 of the Code.

---

### Resource Personnel:

- Leroy D. Maddox Jr., Legislative Officer
- Pleshette Monroe, Chief of Staff, District 8

---

### Discussion/Policy Analysis:

#### *Provisions of CB-044-2023:*

The proposed Bill would require, within a year of its effective date, that gas stations shall comply with Section 10-315 of the Business Regulation Article and any sign posted under Section 10-315(e) of the Business Regulation Article to include additional pricing information. There would also be a requirement that any sign posted by a gas station under Section 10-315(e)(2) of the Business Regulation Article to include, clearly and visibly, the highest credit price. Under this Bill the terms *Business Regulation Article* and *Credit Price* will be defined under Subtitle 5. Section 5-2501 of the County Code:

- Business Regulation Article will be defined as:
  - The Business Regulation Article of the Annotated Code of Maryland.
- Credit Price will be defined as:
  - 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.

With this information it may be appropriate for the Council's consideration of CB-044-2023 to include:

- (1) How would this Bill be enforced? Section 5-2506<sup>8</sup> provides measures if gas stations are found to lack necessary surveillance cameras, but not for signage violations.

---

<sup>7</sup> Prince George's County Code - [Division 25. - Convenience Stores and Gas Stations.](#)

<sup>8</sup> [Sec. 5-2506. - Grace Period and Noncompliance.](#)

(2) Would a gas station be subject to the signage requirement if credit and cash/debit are the same price?

---

**Fiscal Impact:**

- *Direct Impact*

Enactment of CB-044-2023 is not likely to have an adverse fiscal impact on the County in the form of additional expenditures related to the requirement of gas stations to display the highest credit price. It is possible that revenue could be generated if a gas station is cited in violation of the law under enforcement provisions that include fines.

- *Indirect Impact*

Enactment of CB-044-2023 is not likely to have an indirect fiscal impact on the County. There is some potential workload increase for County staff required to investigate any potential violations of the law, but this is not likely to be significant.

- *Appropriated in the Current Fiscal Year Budget*

No

---

**Effective Date of Proposed Legislation:**

The Act shall take effect forty-five (45) days after it becomes law.

---

If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email.