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An Act To Allow a Gasoline Retailer To Offer Discounts to Customers Who Pay by Cash or Similar Means

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 10 MRSA §1452, as enacted by PL 1975, c. 549, is amended to read:

§ 1452. Legislative findings and purpose

The Legislature finds and declares that the distribution and retail sale of motor fuels at reasonable prices and in adequate supply throughout the State vitally affects the public health, welfare and safety, and that increased competition at all levels of the motor fuel market and maintenance within that market of a significant proportion of businesses independent of major marketers and refiners will promote reasonable prices and better assure supplies to all areas of the State. It is therefore necessary to define and regulate the relationship between parties to franchise agreements involving the sale or distribution of motor fuels in the State and to prescribe other trade practices. The Legislature finds and declares that any provision in existing franchise agreements involving the sale or distribution of motor fuels in the State that prohibits retail dealers or distributors from offering a discount to a buyer based upon the method of payment by the buyer for gasoline constitutes an unreasonable restraint on competitive pricing and inhibits the fair and efficient functioning of a free market economy within the petroleum industry.

Sec. 2. 10 MRSA §1454, sub-§1, ¶G is enacted to read:

G. A franchise agreement may not prohibit a retail dealer or distributor from offering a discount to a buyer to induce the buyer to pay by cash, debit card, check or similar means rather than by credit card. A franchise agreement may not prohibit a retail dealer or distributor from offering a discount to a buyer based upon the method of payment by the buyer for gasoline. Any provision in such a franchise agreement prohibiting a retailer or distributor from offering such a discount is void and without effect as contrary to public policy.

SUMMARY

This bill establishes that motor fuel franchise agreements in Maine may not prohibit a retail dealer or distributor from offering a discount to a buyer to induce the buyer to pay by cash, debit card, check or similar means rather than by credit card. The bill also provides that any provision in such a franchise agreement prohibiting a retail dealer or distributor of motor fuels from offering such a discount is void and without effect as contrary to public policy.