

SUBJECT: Charges for sale of motor vehicle fuel

COMMITTEE: Energy — committee substitute recommended

VOTE: 6 ayes — Holzheuser, West, Hawley, Hirschi, Jackson, Torres
0 nays
3 absent — Dutton, Ramsay, Smithee

WITNESSES: For — Tom Smith, Public Citizen
Against — None
On — Rob Looney, Texas Mid-Continent Oil & Gas

DIGEST: CSHB 955 would make it a Class C misdemeanor (maximum penalty a \$500 fine) for a seller of motor fuels to impose a surcharge or charge a per-unit price higher than the price indicated on any on-premises sign, promotional material or gas pump solely because the buyer paid with a credit card or cash. The bill would take effect September 1, 1995.

SUPPORTERS SAY: CSHB 955 would eliminate a problem many motorists have encountered after they dispense fuel into their vehicle at a retail location, only to discover that they are being charged a higher price than is indicated on the pump or on other signs. The usual explanation is that motorists are charged a higher rate if they pay with a credit card rather than by cash.

CSHB 955 would protect the consumer by making the price listed on the pump or any sign on the premises the highest price a customer can be required to pay for motor vehicle fuel, regardless of the method of payment. The bill also would discourage dealers from advertising prices lower than those actually charged.

OPPONENTS SAY: No apparent opposition.

NOTES: The committee substitute eliminated a prohibition in the original bill against giving rebates to customers on the basis of payment method.