



**House
Legislative
Analysis
Section**

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REGULATE OIL COMPANY GAS DISTRIBUTION
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House Bill 6000

Sponsor: Rep. Debbie Stabenow Mich. State Law Library
Committee: Transportation

Complete to 9-17-90

A SUMMARY OF HOUSE BILL 6000 AS INTRODUCED 9-12-90

The bill would create a new act to prohibit an oil refiner or oil refiner affiliate, after January 1, 1991, from opening and operating a retail gasoline service station in the state — or, after January 1, 1992, from operating a retail service station — except as provided for under the bill. Under the bill, the director of the Department of Commerce could promulgate rules prescribing the circumstances under which a "manufacturer" could temporarily operate a retail service station. Upon application by a refiner and a "showing of good cause," the commerce department director could allow reasonable extensions to the divestiture dates.

Also, an oil refiner or distributor that supplied motor fuel to retail service station dealers 1) would have to extend the same terms and conditions in fuel purchases uniformly to all retailers that the refiner or distributor supplied and 2) could not require any terms and conditions in a contract with retailers that favored one retailer over another in establishing or setting the retail price of motor fuel. An oil refiner or distributor would have to apportion uniformly all motor fuel to retail service station dealers during a period of shortage and could not discriminate among retailers in the allocation of fuel.

The bill would not limit or restrict the exercise of powers or the performance of duties by the attorney general or by local prosecutors which they otherwise were authorized to exercise or perform under any provisions of law, including seeking injunctive relief to stop prohibited activity. A person who violated the bill's provisions would be guilty of a misdemeanor and could be imprisoned for up to one year or fined up to \$10,000, or both.

House Bill 6000 (9-17-90)