

SESSION OF 2004

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR
HOUSE BILL NO. 2928**

As Recommended by House Committee on
Commerce and Labor

Brief*

House Sub. for HB 2928 would prohibit the sale of below cost motor fuel by the following amendments:

- ! Prohibit the sale of gasoline at a below cost price.
- ! Exceptions are provided during special sales events, such as a grand opening; and for good faith efforts to meet a competitor's sale price within the same or adjacent municipality
- ! Action by the division of weights and measures in the Department of Agriculture, upon receipt of a complaint followed by a demand that the seller comply with the law, include an investigation within 10 business days, of allegations made. If the violation is confirmed, the division shall take the pumps out of service and notify the Attorney General of the violation.
- ! Action by the Attorney General may be taken, within 6 months of the act giving rise to the action, to:
 - " obtain a declaratory judgment regarding the violation;
 - " obtain a restraining order against the seller;
 - " recover any penalties; and
 - " recover expenses and investigation fees.
- ! Other remedies include a provision whereby a seller or marketer aggrieved by a violation of the law can bring a private cause of action, within 6 months of the act giving rise to the action, to:

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- " obtain a declaratory judgement;
- " obtain permanent or temporary injunctive relief against the violation; and
- " recover reasonable expenses including court costs and attorney fees.

! Expenses incurred in the enforcement of these provisions can be paid from the Petroleum Inspection Fee Fund.

Background

A conferee with the Petroleum Marketers and Convenience Store Association testified in favor of the bill.

Opposition to the bill was expressed on behalf of the Kansas Chamber of Commerce.

The fiscal note was prepared on the original bill. There was no fiscal note on the substitute bill.