

distribution of gasoline products to noncontrolled outlets; defining certain terms; and exempting certain persons and farm cooperatives.

BY renumbering

Article - Commercial Law
 Section 11-301(b) ~~through 11-301(f)~~, respectively
~~to be Section 11-301(e) through 11-301(g)~~
and 11-301(c), respectively, to be Section 11-301(c)
and 11-301(d), respectively, and Section 11-301(d)
through 11-301(f), respectively, to be Section
11-301(g) through 11-301(i), respectively
 Annotated Code of Maryland
 (1975 Volume and 1977 Supplement)

BY adding to

Article - Commercial Law
 Section 11-301(b), (e) and (f) and 11-304(1)
 Annotated Code of Maryland
 (1975 Volume and 1977 Supplement)

Preamble

The General Assembly finds that distributors of gasoline have sold gasoline in the State through retail outlets operated by them at prices below or substantially the same as the wholesale price at which the same distributors have sold gasoline to their retail dealers. Because of this pricing policy, retail dealers have been unable to fairly compete with the retail outlets operated by the distributors, and as a result, some retail dealers have ceased their business operations and a substantial number of retail dealers are faced with unfair competitive pricing practices which may force them out of business, thereby substantially reducing the number of independent retail dealers in this State. While the outlets operated by the distributors are in these cases selling gasoline at their retail outlets for a price less than that of their franchised dealers, the General Assembly is concerned that as these distributor owned operations become greater in number in this state, and acquire a larger number of prime sites, this competition in the sale of gasoline to the public shall be diminished, resulting in a potential decrease in independent competitors, creating the potential for the distributors to take advantage of their then dominant and potentially collective monopolistic position in the retail market to substantially increase the retail price of gasoline to the consuming public in this State. The intent and purpose of this Act is to preserve competition among retail service stations in this State for the benefit of the consuming public and to assure that there will continue to be substantial competition among the several types of retail service stations in this State by providing a basis upon which all competitors shall be on an equal