



S.B. 218

126th General Assembly
(As Introduced)

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BILL SUMMARY

- Prohibits a retail dealer from raising gasoline prices until any of the service station's tanks are refilled.
- Requires a retail dealer to keep records of all fill or refill times of a service station's tanks.
- Requires the county auditor to randomly inspect gasoline retail service stations within the auditor's jurisdiction and inform the Attorney General of any violation of the bill.
- Requires the Auditor of State to adopt rules implementing the bill's provisions.
- Creates the Ohio Task Force on Gasoline Policy to review gasoline prices, production, delivery, and related matters, to petition the United States Congress, and to report to the Governor and General Assembly.

CONTENT AND OPERATION

Currently, the retail sale of gasoline is not price-regulated. The bill establishes a limitation on the circumstances under which a retail gasoline dealer can raise the price of gasoline at a service station. It also creates a task force to review and report on gasoline prices and related issues.

Gasoline prices

(R.C. 1345.022)

Limitation on raising retail prices

The bill prohibits a "retail dealer"¹ from raising the retail price of gasoline between the time any of the gasoline retail service station's underground gasoline storage tanks is filled or refilled and any of those tanks is next filled or refilled. The bill expressly does not prohibit a retail dealer from lowering the retail price. The retail dealer must keep records of the times a service station's underground gasoline storage tanks are filled or refilled.

Enforcement

The placement of the bill's gasoline price provisions in R.C. 1345.022 implies an intent that its limitation on retail gasoline price increases be enforced by the Attorney General under the Consumer Sales Practices Act of continuing R.C. 1345.01 to 1345.13 and 1345.99 (no penalty appears to apply for any failure of a dealer to keep required records, but false records would appear punishable under the falsification law of R.C. 2921.13).

The bill additionally establishes duties for county auditors and the Auditor of State. Specifically, to ensure compliance with the bill's requirements, a county auditor must randomly inspect the gasoline retail service stations that are located within the county auditor's jurisdiction. The bill requires the county auditor to inform the Attorney General of any violation or alleged violation that the auditor has reasonable cause to believe exists. The bill states that it does not limit any of the Attorney General's powers under the Consumer Sales Practices Act.

Further, the bill requires the Auditor of State to adopt rules under the Administrative Procedure Act (R.C. Chapter 119.) to implement the bill's requirements.

Ohio Task Force on Gasoline Policy

(Section 2)

Duties

The bill creates the Ohio Task Force on Gasoline Policy, which must convene not later than 90 days after the bill's effective date. The duties of the

¹ "Retail dealer" means a person who owns, operates, controls, or supervises an establishment at which gasoline is sold or offered for sale to the public (R.C. 1345.021).

Task Force are as follows: the Task Force must (1) develop a mechanism to monitor the wholesale gasoline prices of Ohio's bordering states in an effort to compare Ohio wholesale gasoline prices to those of other states, (2) investigate possible market manipulation of gasoline futures in the commodities market, (3) establish a method for the Department of Natural Resources to determine Ohio's oil reserves, the amount of production that supplies those reserves, and the feasibility of using those reserves to stabilize Ohio's retail gasoline prices, (4) determine the production capacity of Ohio's oil refineries and make forecasts to determine if current production capacity can meet future demand for the next five, ten, and twenty years, (5) recommend how Ohio can increase production of alternative fuels such as ethanol and biodiesel, (6) evaluate Ohio's production and delivery system of gasoline, including evaluation of the receipt of crude oil shipments from out of state, the production of gasoline in Ohio's refineries, and the distribution of gasoline to wholesale buyers and retail consumers, and (7) petition Congress to adopt policies that would increase the exploration and production of domestic oil.

Additionally, within one year after the initial Task Force meeting, the Task Force must submit a report of the findings, recommendations, methods, and petitions required under the bill to the Governor and the members of the General Assembly. Thereafter, the Task Force must submit such a report not later than one year following the preceding report.

The bill specifies that the Task Force is not subject to the continuing Sunset Review Law (R.C. 101.82 through 101.87), under which agencies generally expire after four years unless renewed pursuant to Law's procedures.

Composition

The Task Force consists of 15 members. The Governor must appoint to the Task Force four consumers of large amounts of gasoline, four consumers of small amounts of gasoline, one gasoline wholesaler, one gasoline retailer, and one representative of a petroleum company. The Speaker of the House of Representatives and the President of the Senate each must appoint two members from their respective houses, with one being from each house's majority party and one from each house's minority party.

Appointments, vacancies, and compensation

The Governor, the Speaker, and the President of the Senate must make the required initial appointments not later than 45 days after the bill's effective date. Seven of those appointments must be for a term ending one year after that date, and eight must be for a term ending two years after that date. Subsequent terms are for two years and must end on the same day and month as did the preceding

term. A member must hold office from the date of appointment until the end of the appointed term and can be reappointed.

A vacancy must be filled in the same manner as the original appointment. Any member filling a vacancy occurring prior to the expiration date of the predecessor's term must hold office for the remainder of that term. A member must continue to hold office after the expiration date of the member's term until the member's successor takes office or until 60 days elapses, whichever occurs first. Members of the Task Force are not compensated except for actual and necessary expenses.

HISTORY

ACTION	DATE
Introduced	10-27-05

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