



**Bill 7-23, Consumer Protection – Gasoline Station Signage**  
**Montgomery County Council**  
**February 28, 2023**

**Position:** Unfavorable

**Background:** Bill 7-23 would require fuel stations in Montgomery County to clearly highlight the highest credit price for gasoline.

**Comments:** The Maryland Retailers Association is opposed to Bill 7-23. This proposal is unnecessary and would negatively impact both consumers and existing fuel stations operating in the County.

Consumers are constantly searching for the lowest price that they can pay for a product or service, and this does not exclude prices for gasoline. Many gas stations provide discounts through loyalty programs and other services like car washes, and a variety of apps exist to help drivers identify the lowest prices in their area. It is common for consumers to even travel out of their way or make extra trips to save money and pay less for gas. State law even requires retailers to display the lowest price for gas to assist customers in this endeavor.

Differences between cash and credit prices exist because of card swipe fees. When a customer makes a purchase using a debit or credit card, banks and card networks charge a swipe fee of the business to process the transaction. Swipe fees typically range between 2-4% and are shouldered by the business. These fees are subsidized by item prices for most sectors of retail. Gas stations that advertise a lower price for purchases made with cash are providing transparency around this swipe transaction cost by allowing customers to choose how they would like to pay.

Many retailers are currently operating with signs that cannot display both cash and credit prices at the same time. They may have signs that transition between prices or display the credit price on a separate sign. Upgrading these signs can be very costly and would be required should this proposal pass. Additionally, State law requires that the lowest price be included on signage. Violation of State provisions can result in a penalty of up to \$5,000 and/or one year imprisonment.

Businesses are not operating with the intent to deceive customers and should not be accused of such by simply sharing the lowest price that is most often sought by consumers and required by State law. For this reason, we would urge an unfavorable vote on this proposal. Thank you for your consideration.