THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL No. 341 Session of 2011

INTRODUCED BY GREENLEAF, TARTAGLIONE, STACK, FONTANA, BREWSTER, KASUNIC, ALLOWAY, FERLO, GORDNER, WASHINGTON, BROWNE AND FARNESE, JANUARY 28, 2011

AS REPORTED FROM COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, SEPTEMBER 24, 2012

AN ACT

1 2 3	Amending Title 3 (Agriculture) of the Pennsylvania Consolidated Statutes, authorizing an Automotive Fuel Testing and Disclosure Program.
4	The General Assembly of the Commonwealth of Pennsylvania
5	hereby enacts as follows:
6	Section 1. Chapter 41 of Title 3 of the Pennsylvania
7	Consolidated Statutes is amended by adding a subchapter to read:
8	SUBCHAPTER F
9	AUTOMOTIVE FUEL TESTING
10	AND DISCLOSURE PROGRAM
11	<u>Sec.</u>
12	<u>4187.1. Scope of subchapter.</u>
13	<u>4187.2. Definitions.</u>
14	4187.3. Automotive Fuel Testing and Disclosure Program.
15	4187.4. Standards for automotive fuel.
16	4187.5. Automotive fuel rating, disclosure and labeling
17	requirements.

1	<u>4187.6.</u> Investigations.
2	4187.7. Violations and penalties.
3	4187.8. Annual report.
4	<u>§ 4187.1. Scope of subchapter.</u>
5	This subchapter relates to automotive fuel testing and
6	<u>disclosure.</u>
7	<u>§ 4187.2. Definitions.</u>
8	The following words and phrases when used in this subchapter
9	shall have the meanings given to them in this section unless the
10	context clearly indicates otherwise:
11	<u>"American Society for Testing and Materials International" or</u>
12	"ASTM." The international voluntary consensus standards
13	organization formed for the development of standards on
14	characteristics and performance of materials, products, systems,
15	services and the promotion of related knowledge.
16	"AMERICAN SOCIETY FOR TESTING AND MATERIALS INTERNATIONAL" OR
17	"ASTM." A MEMBER-BASED INTERNATIONAL STANDARDS ORGANIZATION
18	THAT DEVELOPS AND PUBLISHES VOLUNTARY CONSENSUS TECHNICAL
19	STANDARDS AND TEST METHODS FOR A VARIETY OF MATERIALS AND
20	PRODUCTS, INCLUDING AUTOMOTIVE FUEL AND OTHER PETROLEUM
21	PRODUCTS, OR ANY SUCCESSOR ORGANIZATION.
22	"Automotive fuel." Any liquid or gaseous matter used for the
23	generation of power in an internal combustion engine. THE TERM
24	SHALL INCLUDE, BUT MAY NOT BE LIMITED TO, THE FOLLOWING:
25	(1) AUTOMOTIVE SPARK-IGNITION ENGINE FUEL, WHICH
26	INCLUDES BUT IS NOT LIMITED TO:
27	(I) GASOLINE.
28	(II) GASOHOL, A MIXTURE OF UNLEADED GASOLINE AND AT
29	LEAST 10% DENATURED ETHANOL.
30	(III) FUELS DEVELOPED TO COMPLY WITH THE CLEAN AIR

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1	<u>ACT (69 STAT. 1, 42 U.S.C. § 7401 ET SEQ.), SUCH AS</u>
2	REFORMULATED GASOLINE AND OXYGENATED GASOLINE.
3	(2) ALTERNATIVE LIQUID AUTOMOTIVE FUELS, INCLUDING, BUT
4	NOT LIMITED TO:
5	(I) METHANOL, DENATURED ETHANOL AND OTHER ALCOHOLS.
6	(II) MIXTURES OF GASOLINE CONTAINING 85% OR MORE BY
7	VOLUME OF METHANOL, DENATURED ETHANOL AND OTHER ALCOHOLS.
8	(III) LIQUEFIED NATURAL GAS.
9	(IV) LIQUEFIED PETROLEUM GAS.
10	(V) COAL-DERIVED LIQUID FUELS.
11	"Automotive fuel rating." For automotive spark-ignition_
12	engine fuel GASOLINE, the octane rating or, for alternative
13	liquid automotive fuel, the commonly used name of the fuel with
14	a disclosure of the amount, expressed as a minimum percent by
15	volume, of the principal components of the fuel.
16	"Consumer." A person who purchases automotive fuel for
17	purposes other than resale.
18	"Dispenser" or "dispensing system." A device designed to
19	measure and deliver automotive fuel into the fuel supply tank of
20	<u>a motor vehicle.</u>
21	"Distributor." A person who receives automotive fuel in this
22	Commonwealth for storage and subsequent distribution to another -
23	person other than the consumer.
24	"EPA." The United States Environmental Protection Agency.
25	"FTC." The United States Federal Trade Commission.
26	"Fueling dispensers." Individual fueling points, recognized
27	by price and volume displays for a dispenser's points of sale.
28	"Load rack terminals." A location where the commercial
29	transfer of petroleum products at the wholesale level is
30	conducted utilizing meters employed in the measurement of

1	product delivered to a seller by a buyer.
2	"Octane rating" or "octane number." The rating of the
3	antiknock characteristics of a grade or type of automotive fuel
4	as determined by dividing by two the sum of the research octane
5	number plus the motor octane number unless another procedure is
6	determined by the Department of Agriculture to be more
7	appropriate for the purposes of this subchapter.
8	"Oxygenate." A substance which, when added to gasoline,
9	increases the amount of oxygen in the gasoline blend.
10	"Oxygenate blender." A person who owns, leases, operates,
11	controls or supervises an oxygenate blending facility.
12	"Oxygenate blending facility." A refinery, bulk terminal,
13	bulk plant, other facility or truck or another place at which
14	oxygenated gasoline is produced OR BLENDED.
15	"Oxygenated gasoline." Gasoline which contains at least 2%
16	oxygen by weight.
17	"Producer." A person who purchases component elements and
18	blends them to produce OR MARKET automotive fuel.
19	"Program." The Automotive Fuel Testing and Disclosure
20	Program.
21	"Refiner." A person engaged in the manufacture, production
22	or importation of automotive fuel.
23	"Reformulated gasoline." Any gasoline which is certified by
24	the United States Environmental Protection Agency as complying
25	with the requirements of 42 U.S.C. § 7545 (relating to
26	regulation of fuels) and any regulations promulgated under the
27	<u>Clean Air Act (69 Stat. 322, 42 U.S.C. § 7401 et seq.).</u>
28	"Retailer." A person who sells automotive fuel to the
29	consumer.
30	"RESEARCH OCTANE NUMBER" AND "MOTOR OCTANE NUMBER." THE

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1	TERMS SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE
2	SPECIFICATIONS OF THE AMERICAN SOCIETY FOR TESTING AND MATERIALS
3	INTERNATIONAL ENTITLED "STANDARD SPECIFICATIONS FOR AUTOMOTIVE
4	SPARK ENGINE FUEL, " DESIGNATED D4814 OR ANY SUBSEQUENT UPDATED
5	SPECIFICATION, AND, WITH RESPECT TO ANY GRADE OR TYPE OF
6	AUTOMOTIVE FUEL, ARE DETERMINED IN ACCORDANCE WITH THE TEST
7	METHODS SET FORTH IN AMERICAN SOCIETY FOR TESTING AND MATERIALS
8	INTERNATIONAL STANDARD TEST METHODS FOR RESEARCH OCTANE NUMBER
9	AND MOTOR OCTANE NUMBER AS MAY BE ADOPTED BY THE FEDERAL TRADE
10	COMMISSION.
11	"RETAILER." A PERSON WHO SELLS OR OFFERS FOR SALE AUTOMOTIVE
12	FUEL TO THE GENERAL PUBLIC FOR ULTIMATE CONSUMPTION.
13	§ 4187.3. Automotive Fuel Testing and Disclosure Program.
14	(a) AuthorizationThe department may establish and
15	implement the Automotive Fuel Testing and Disclosure Program to
16	provide for the testing of automotive fuel on a random,
17	unannounced basis.
18	(b) Duties of departmentThe department may enforce the
19	provisions of this subchapter and shall have the following
20	<u>authority:</u>
21	(1) Take samples of automotive fuel FOR TESTING OF ITS
22	OCTANE RATING wherever it is offered or exposed for sale or
23	use or sold BY A RETAILER in this Commonwealth. When testing \leftarrow
24	occurs, it shall be coordinated with the testing required for
25	proper volumes of gasoline.
26	(2) Inspect and test on a random, unannounced basis. If
27	the octane level of the reading RATING OF A TESTED AUTOMOTIVE \blacklozenge
28	FUEL does not match the octane rating as displayed on the
29	fueling dispenser, the automotive fuel sample shall be tested
30	in accordance with the methods of the ASTM or other test

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1	methods adopted by the FTC under the Petroleum Marketing
2	Practices Act (Public Law 95-297, 15 U.S.C. § 2801 et seq.)
3	to ensure that the motor fuel sample is in compliance with
4	the motor fuel specifications of the ASTM.
5	(3) Maintain records of all inspections.
6	(4) Inspect the labeling of automotive fuel dispensers
7	and storage tanks at retail businesses or locations where the
8	products are sold or offered or exposed for sale or use.
9	(5) Enter into contractual agreements with qualified
10	laboratories as a cost-saving measure for the purpose of
11	analyzing automotive fuel samples, if the octane level of the
12	automotive fuel is questioned.
13	(6) Promulgate regulations as necessary for the
14	enforcement and administration of this subchapter. All
15	regulations adopted by the FTC under the Petroleum Marketing
16	Practices Act to govern the certification, disclosure,
17	posting and labeling of automotive fuel before, on or after
18	the effective date of this section are adopted as regulations
19	in this Commonwealth and shall remain in effect unless
20	subsequently modified by regulations promulgated by the
21	<u>department.</u>
22	(c) Sealers of weight and measures
23	(1) The department may enter into agreements with any
24	city or county for which a sealer has been appointed for the
25	enforcement of provisions of this subchapter and of rules or
26	regulations promulgated under this subchapter.
27	(2) The sealer of a city or county shall have the same
28	authority and shall perform the same duties within the city
29	or county as are granted to and imposed upon the department
30	with respect to the inspection, testing and taking of

1 <u>automotive fuel samples.</u>

2	(3) The agreement shall provide that any revenues
3	generated pursuant to enforcement activities carried out by
4	the sealer of the city or county shall be retained by the
5	<u>city or county.</u>
6	<u>§ 4187.4. Standards for automotive fuel.</u>
7	(a) Adoption of standardsThe department shall adopt the
8	latest standards for automotive spark ignition engines based on
9	the latest standards of the ASTM as determined by the FTC. The
10	standards shall be published as a notice in the Pennsylvania
11	<u>Bulletin.</u>
12	(b) Automotive fuelGasoline AUTOMOTIVE FUEL sold, offered +
13	or exposed for sale or stored or held for distribution in this
14	Commonwealth shall comply with all of the following:
15	(1) ASTM specification D4814 OR ANY SUBSEQUENT UPDATED
16	SPECIFICATIONS AS DETERMINED BY THE AMERICAN SOCIETY FOR
17	TESTING AND MATERIALS INTERNATIONAL.
18	(2) Volatility requirements promulgated by the EPA under
19	40 CFR Pt. 80 (relating to regulation of fuels and fuel
20	additives) OR ANY SUPPLEMENT THERETO OR REVISIONS THEREOF.
21	(3) The FOR OXYGENATED GASOLINE, THE Uniform Engine
22	Fuels, Petroleum Products and Automotive Lubricants
23	Regulation as adopted by the National Conference on Weights
24	and Measures in the National Institute of Standards and
25	Technology Handbook 130 and any supplements and revisions of
26	the regulation.
27	(c) Records and compliance reviewEach distributor,
28	producer or retailer who distributes, produces, BLENDS,
29	transports, stores, sells or offers or exposes for sale
30	automotive fuel in this Commonwealth shall maintain for one year

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1	original copies of all bills, manifests, delivery tickets and
2	invoices for the purpose of compliance review.
3	<u>§ 4187.5. Automotive fuel rating, disclosure and labeling</u>
4	requirements.
5	(a) Disclosure requirementsEach distributor, producer or
6	refiner who sells or offers or exposes for sale or delivers,
7	distributes, BLENDS or produces automotive fuel in this
8	Commonwealth shall provide, at the time of delivery, a bill,
9	shipping manifest or other type of written invoice to the person
10	who receives the automotive fuel. The bill, shipping manifest or
11	other written invoice shall state the automotive fuel rating.
12	(b) Posting and labeling requirements
13	(1) Each retailer of automotive fuel in this
14	Commonwealth shall label in a clear and conspicuous manner
15	each automotive fuel dispenser which is used to sell or offer
16	or expose for sale automotive fuel, with the automotive fuel
17	rating of the fuel, which shall be consistent with the
18	automotive fuel rating certified to the retailer by the
19	refiner or distributor REFINER, DISTRIBUTOR OR OXYGENATE
20	BLENDER, as the case may be.
21	(2) In the case of gasoline which is blended with other
22	gasoline by the retailer, the automotive fuel rating shall be \leftarrow
23	the average, weighted by volume, of the octane rating
24	certified to the retailer by the distributor or refiner for
25	each gasoline in the blend or consistent with the lowest
26	octane rating for any gasoline in the blend as certified to
27	the retailer by a refiner or distributor.
28	(c) Oxygenated gasoline labeling requirementsA person who
29	sells or offers or exposes oxygenated gasoline for sale shall
30	clearly and conspicuously label the dispenser which is used to

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1	sell oxygenated gasoline at retail or to dispense oxygenated
2	gasoline into the fuel supply tanks of motor vehicles with a
3	notice stating that the gasoline is oxygenated.
4	(d) Reformulated gasoline labeling requirementsA person
5	who sells or offers or exposes the reformulated gasoline for
6	sale shall clearly and conspicuously label the dispenser which
7	is used to sell reformulated gasoline at retail or to dispense
8	reformulated gasoline into the fuel supply tanks of motor
9	vehicles with a notice stating that the gasoline is
10	reformulated.
11	(e) Labeling toleranceLabeling shall be in accordance
12	with specifications of the ASTM entitled "Specifications for
13	Automotive Spark-Ignition Engine Fuel," designated D4814 OR ANY
14	SUPPLEMENTS THERETO OR REVISIONS THEREOF.
15	<u>§ 4187.6. Investigations.</u>
16	(a) General ruleThe department may conduct investigations
17	to determine compliance with this subchapter. Investigations
18	shall be conducted in accordance with sections 4116 (relating to
19	investigations) and 4120 (relating to police powers; right of
20	entry and stoppage). Inspections may be performed during normal
21	business hours and may include the collection and removal of
22	samples for laboratory testing if the quality or reliability of
23	the automotive fuel is questioned.
24	(b) Entry upon premises
25	(1) The department may access the premises and ENTER THE
26	PREMISES AND ACCESS records of any establishment where
27	automotive fuel is stored, held, processed PRODUCED,
28	distributed, offered or exposed for sale or sold in this
29	Commonwealth to:
30	(i) Inspect the automotive fuel in storage tanks and

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1	take samples from the tanks and the dispensing system
2	connected to the storage tanks. The retailer or
3	distributor may request a second sample to be taken by
4	the inspector at the same time the initial sample is
5	drawn. All costs of the second sample shall be paid by
6	the retailer or distributor, as the case may be, making
7	the request. If the request for a second sample is made
8	by the retailer in accordance with procedures established
9	through an agreement with the distributor, producer or
10	refiner, all costs of drawing, handling and shipping the
11	sample shall be borne by the distributor, producer or
12	refiner who supplied the automotive fuel to the retailer.
13	If the request for a second sample is made by the
14	distributor in accordance with procedures established
15	through an agreement with the producer or refiner, all
16	costs of drawing, handling and shipping the sample shall
17	be borne by the producer or refiner who supplied the
18	automotive fuel to the distributor.
19	(ii) Inspect automotive fuel dispensing systems and
20	related equipment, oxygenate labels, reformulated labels
21	and octane labels.
22	(iii) Make copies of automotive fuel shipping,
23	receiving and invoice documents and records to determine
24	compliance with sections 4187.4 (relating to standards
25	for automotive fuel) and 4187.5 (relating to automotive
26	fuel rating, disclosure and labeling requirements).
27	(2) The department shall limit inspections, compliance
28	reviews and copying under this subsection to information and
29	data relating to product quantity, quality, oxygen content,
30	octane, source and other information as may be reasonably

1	requested.
2	(c) RemediesIf the department determines that an
3	automotive fuel sample does not conform with the standards set
4	forth in section 4187.4 or that a label displayed on a
5	dispensing system, storage tank or other dispensing device does
6	not conform with the requirements of section 4187.5, the
7	department may initiate any or all of the following actions to
8	prohibit sale of the nonconforming automotive fuel or to
9	prohibit the use of the nonconforming dispensing system, storage
10	tank or other dispensing device:
11	(1) Reject and mark as rejected the dispensing system,
12	storage tank or other dispensing device from which the sample
13	was obtained or on which the nonconforming label is attached.
14	(2) Seal and mark as sealed the storage tanks from which
15	the sample was drawn or the nonconforming label attached.
16	(3) Initiate criminal proceedings under section
17	4187.7(d) (relating to violations and penalties).
18	(4) Issue a citation.
19	(5) Issue a stop-sale notice under subsection (d).
20	(6) Advise the retailer or distributor that the
21	automotive fuel must be blended with another automotive fuel
22	to bring it into compliance, provided that the product does
23	not endanger public health or safety or adversely affect the
24	emissions characteristics of the motor vehicles in which it
25	<u>is used.</u>
26	(7) Issue a written warning directing the retailer or
27	distributor to correct the nonconforming label.
28	(d) Stop-sale notice
29	(1) The department may immediately seize and seal, in
30	order to prevent further sales, any dispensing system,

1	storage tank or other dispensing device from which automotive
2	fuel is sold or offered or exposed for sale in violation of
3	the provisions of this subchapter and to issue a stop-sale
4	notice to the retailer or distributor if the department has
5	reason to believe the retailer or distributor willfully or
6	intentionally violated this subchapter or the regulations
7	promulgated in accordance with this subchapter.
8	(2) No automotive fuel subject to a stop-sale notice may
9	be sold, exposed, offered for sale or transported unless the
10	retailer or distributor has received approval from the
11	<u>department.</u>
12	(3) No automotive fuel which has been seized and sealed
13	by the department for violation of section 4187.4 or 4187.5
14	may be offered or exposed for sale until the department has
15	been fully satisfied that the automotive fuel has been
16	blended, refined or properly labeled to meet the requirements
17	of this subchapter and the retailer or distributor has been
18	notified of the department's decision to permit the sale or
19	relabeling of the fuel.
20	(e) Posting of stop-sale noticeThe department shall post,
21	in a conspicuous place on the premises where a dispensing
22	system, storage tank or other dispensing device has been sealed,
23	a notice stating that sealing has taken place and warning that
24	it shall be unlawful to break, mutilate or destroy the seal or
25	to remove the contents of the dispensing system, storage tank or
26	other dispensing device without the approval of the department.
27	(f) Notice required to remove seal
28	(1) A retailer, distributor or producer who owns an
29	automotive fuel dispensing system, storage tank or other
30	dispensing device which has been sealed by the department

1	shall obtain the approval of the department before the fuel
2	is removed or a proper label attached.
3	(2) A written notice of any corrective action taken
4	shall be submitted to the department within three working
5	days.
6	(3) The department may reinspect the automotive fuel
7	dispensing system, storage tank or other dispensing device to
8	determine compliance. The retailer, distributor, producer or
9	refiner that owns the system or device which has been sealed
10	shall provide documentation of the corrective action taken,
11	including any applicable shipping papers or bills of lading
12	showing the disposal or final disposition of the automotive
13	fuel and any other information necessary to permit the
14	department to audit and confirm that the corrective action
15	was as previously approved by the department.
16	(4) No retailer, distributor, producer or refiner may
17	remove a seal, except when given specific approval by the
18	<u>department.</u>
19	§ 4187.7. Violations and penalties.
20	(a) Retail violationsThe department may assess a civil
21	penalty of not more than \$5,000 upon a retailer who sells or
22	offers or exposes for sale automotive fuel from any dispensing
23	system, storage tank or other dispensing device which has not
24	been labeled in accordance with the provisions of this
25	subchapter, or who sells or offers or exposes for sale any
26	automotive fuel which does not meet or exceed the required
27	standards for the automotive fuel rating displayed on the label
28	attached to the dispensing system, storage tank or other
29	dispensing device, or who sells or offers or exposes for sale
30	automotive fuel which has been contaminated.

1	(b) Distributor, producer or refiner violationsThe
2	department may assess a civil penalty of not more than \$5,000
3	upon a distributor, producer or refiner who sells or offers or
4	exposes for sale automotive fuel which does not meet the
5	automotive fuel rating certified by the distributor, producer or
6	refiner or who sells or offers or exposes for sale automotive
7	fuel which does not meet the requirements of section 4187.4
8	(relating to standards for automotive fuel).
9	(c) Knowledge of deceptive practiceIn addition to any
10	civil penalty imposed for violations of subsection (a) or (b),
11	the department may assess a distributor, producer, refiner or
12	retailer with an additional civil penalty equal to:
13	(1) the difference between the price per gallon charged
14	to the consumer for the automotive fuel in question and the
15	price per gallon charged to the consumer for the lowest
16	octane grade at the retail dispensing facility at the time of
17	the violation; and
18	(2) multiplied by the capacity of the storage tank from
19	which the product in question was dispensed;
20	if the distributor, producer, refiner or retailer violates any
21	provisions of this subchapter with actual knowledge that the act
22	or practice underlying the violation is unfair or deceptive.
23	(d) Repeat violationsIn addition to any civil penalty
24	assessed in accordance with the provisions of this section, the
25	department may initiate criminal proceedings for a second or
26	subsequent violation of sections 4187.4 and 4187.5 (relating to
27	automotive fuel rating, disclosure and labeling requirements). A
28	second or subsequent violation shall constitute a misdemeanor of
29	the third degree.
30	(e) Removal of sealsThe department may assess a civil

1	penalty of not less than \$1,000 nor more than \$5,000 on any
2	person, other than a person designated by the department, who:
3	(1) breaks, mutilates or destroys any seal placed upon a
4	dispensing system, storage tank or other dispensing device
5	used to deliver or store automotive fuel;
6	(2) removes automotive fuel from a dispensing system,
7	storage tank or other dispensing device which has been
8	sealed; or
9	(3) defaces or removes a posted notice of sealing.
10	(f) HearingsNo civil penalty shall be assessed under this
11	section unless the person charged has been given notice and
12	opportunity for hearing in accordance with 2 Pa.C.S. (relating
13	to administrative law and procedure).
14	(g) Innocent sellers exemptionThe department shall not
15	impose a civil penalty for a violation of subsection (a)
16	regarding labeling if the retailer labeled the dispensing
17	system, storage tank or other dispensing device in reasonable
18	reliance on documentation provided by the distributor, producer
19	or refiner certifying the standards for automotive fuel rating.
20	(h) Private action by retailerIf a retailer unknowingly
21	and without deception sells or offers or exposes for sale
22	automotive fuel which does not conform with the provisions of
23	this subchapter, the distributor, producer, oxygenate blender or
24	refiner, as the case may be, of the nonconforming automotive
25	fuel shall be liable in damages to the retailer for any
26	ascertainable loss of money or property.
27	(i) Acts or practices constituting unfair tradeIt shall
28	be an unfair method of competition and an unfair or deceptive
29	act or practice in or affecting trade and commerce in this
30	Commonwealth within the meaning of section 3 of the act of

1	December 17, 1968 (P.L.1224, No.387), known as the Unfair Trade
2	Practices and Consumer Protection Law, for any retailer,
3	producer, distributor, oxygenate blender or refiner to violate
4	the provisions of this subchapter or any regulations promulgated
5	<u>under this subchapter.</u>
6	Section 2. The heading of Subchapter F of Chapter 41 of
7	Title 3 is amended to read:
8	SUBCHAPTER [F] <u>G</u>
9	MISCELLANEOUS PROVISIONS
10	Section 3. This act shall take effect in 30 days.