
HOUSE BILL 1053

State of Washington 60th Legislature 2007 Regular Session

By Representatives Hudgins, Morrell, Simpson, Dickerson, Moeller, B. Sullivan, Goodman, Morris, Dunshee, Chase and Ormsby

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1 AN ACT Relating to increasing the availability of alternative fuels
2 at retail fuel stations; and amending RCW 19.120.080.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.120.080 and 2000 c 171 s 72 are each amended to
5 read as follows:

6 Without limiting the other provisions of this chapter, the
7 following specific rights and prohibitions shall govern the relation
8 between the motor fuel refiner-supplier and the motor fuel retailers:

9 (1) The parties shall deal with each other in good faith.

10 (2) For the purposes of this chapter and without limiting its
11 general application, it shall be an unfair or deceptive act or practice
12 or an unfair method of competition and therefore unlawful and a
13 violation of this chapter for any person to:

14 (a) Require a motor fuel retailer to purchase or lease goods or
15 services of the motor fuel refiner-supplier or from approved sources of
16 supply unless and to the extent that the motor fuel refiner-supplier
17 satisfies the burden of proving that such restrictive purchasing
18 agreements are reasonably necessary for a lawful purpose justified on
19 business grounds, and do not substantially affect competition:

1 PROVIDED, That this provision shall not apply to the initial inventory
2 of the motor fuel franchise. In determining whether a requirement to
3 purchase or lease goods or services constitutes an unfair or deceptive
4 act or practice or an unfair method of competition the courts shall be
5 guided by the decisions of the courts of the United States interpreting
6 and applying the anti-trust laws of the United States.

7 (b) Discriminate between motor fuel retailers in the charges
8 offered or made for royalties, goods, services, equipment, rentals,
9 advertising services, or in any other business dealing, unless and to
10 the extent that the motor fuel refiner-supplier satisfies the burden of
11 proving that any classification of or discrimination between motor fuel
12 retailers is reasonable, is based on motor fuel franchises granted at
13 materially different times and such discrimination is reasonably
14 related to such difference in time or on other proper and justifiable
15 distinctions considering the purposes of this chapter, and is not
16 arbitrary.

17 (c) Sell, rent, or offer to sell to a motor fuel retailer any
18 product or service for more than a fair and reasonable price.

19 (d) Require a motor fuel retailer to assent to a release,
20 assignment, novation, or waiver which would relieve any person from
21 liability imposed by this chapter.

22 (e) Threaten, harass, or coerce or attempt to coerce a motor fuel
23 retailer for the purpose of compelling the retailer to refrain from
24 purchasing or selling alternative motor fuel from a person or firm
25 other than the refiner-supplier.

26 (3) Any provision of a franchise that prohibits a motor fuel
27 retailer from purchasing or selling an alternative motor fuel from a
28 person or firm other than the refiner-supplier, or limits the quantity
29 of motor fuel to be purchased from the other person or firm, or any
30 provision of a franchise which directly or indirectly discourages a
31 motor fuel retailer from purchasing or selling alternative motor fuels
32 from other persons or firms, is null and void as it pertains to that
33 particular alternative motor fuel if the refiner-supplier does not
34 supply or offer to supply to the motor fuel retailer alternative motor
35 fuel. Nothing in this subsection grants to any motor fuel retailer any
36 rights, authority, or obligation with respect to the permissible uses

1 of the premises or facilities owned, leased, or controlled by a
2 refiner-supplier under the terms of the franchise.

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