

HOUSE No. 3181

The Commonwealth of Massachusetts

PRESENTED BY:

Bradley H. Jones, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to study gasoline-focused sales-below-cost.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Bradley H. Jones, Jr.</i>	<i>20th Middlesex</i>	<i>1/19/2023</i>
<i>Nicholas A. Boldyga</i>	<i>3rd Hampden</i>	<i>1/26/2023</i>
<i>F. Jay Barrows</i>	<i>1st Bristol</i>	<i>1/26/2023</i>
<i>Kimberly N. Ferguson</i>	<i>1st Worcester</i>	<i>1/31/2023</i>

HOUSE No. 3181

By Representative Jones of North Reading, a petition (accompanied by bill, House, No. 3181) of Bradley H. Jones, Jr., and others for legislation to establish a special commission (including members of the General Court) to study gasoline-focused sales-below-cost. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act to study gasoline-focused sales-below-cost.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding any general or special law to the contrary, there shall be a
2 special commission to study and provide recommendations on the feasibility of eliminating
3 gasoline-focused sales-below-cost (SBC) laws for all gasoline station fuel sales in the
4 commonwealth. The commission shall seek to find the quantifiable effects of gasoline-focused
5 sales-below-cost laws in the commonwealth. The study shall seek to use an econometric fixed-
6 effects model with longitudinal and state panel data to examine the effects of SBC laws on the
7 weighted average price of unleaded gasoline, the wholesale price of gasoline, and the number of
8 sellers in the retail gasoline sector. The commission shall investigate states in the United States
9 that do not have SBC laws and determine the feasibility of instituting a similar approach in the
10 commonwealth. The commission shall make determinations on the economic feasibility of
11 repealing SBC laws in the commonwealth. The commission shall take into account market
12 concentration, wholesale prices, and retail prices. The commission shall make recommendations

13 on guidelines and approaches to dealing with SBC laws and estimates of potential savings for
14 consumers. The commission's recommendations may include but are not limited to retaining the
15 law, raising or lowering the gasoline price floor, or repealing the law entirely. The commission
16 shall seek input from statisticians and econometricians to determine the best method to model
17 and approach this topic to achieve the most robust and sound results.

18 SECTION 2. The commission shall consist of the house and senate chairs of the joint
19 committee on economic development and emerging technologies, who shall serve as the co-
20 chairs; the speaker of the house of representatives or a designee; the president of the senate or a
21 designee; the house minority leader or a designee; the senate minority leader or designee; and 4
22 persons who have extensive knowledge in the economics of industrial organization, consumer
23 welfare, and statistical methodologies, who shall be appointed by the chairs in consultation with
24 the Federal Reserve Bank of Boston. The commission shall hold no less than four public
25 hearings.

26 SECTION 3. The commission shall submit its report and findings, along with any
27 recommendations, to the house and senate committees on ways and means, the joint committee
28 on economic development and emerging technologies, and the clerk of the house of
29 representatives and the clerk of the senate 12 months after the passage of this legislation.