

SB 239 INTRODUCED BY HIRSCH, STORY, BECK, ET AL.  
MOTOR FUEL SUPPLIER MAY OPERATE RETAIL OUTLET IN  
ONLY LIMITED CIRCUMSTANCES

1/28 INTRODUCED  
1/28 REFERRED TO BUSINESS & INDUSTRY  
2/05 HEARING  
2/09 ADVERSE COMMITTEE REPORT ADOPTED 40 2

1 *Senate* BILL NO. *239*  
 2 INTRODUCED BY *Harick Steve Beck Camie*  
 3 *Beate*

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A MOTOR  
 5 FUEL SUPPLIER MAY OPEN AND OPERATE OR CONTINUE TO OPERATE A  
 6 RETAIL MOTOR FUEL OUTLET ONLY UNDER LIMITED CIRCUMSTANCES;  
 7 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

8  
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Definitions. Unless the context requires  
 11 otherwise, as used in [sections 1 through 4], the following  
 12 definitions apply:

13 (1) "Motor fuel" means gasoline or diesel fuel of a  
 14 type distributed for use in self-propelled motor vehicles  
 15 and includes gasohol and aviation fuels.

16 (2) "Motor fuel franchise" means an oral or written  
 17 contract, either expressed or implied, between a motor fuel  
 18 supplier and motor fuel retailer under which the motor fuel  
 19 retailer is supplied motor fuel for sale to the public, and  
 20 includes any agreements between a motor fuel supplier and  
 21 motor fuel retailer under which the retailer is permitted to  
 22 occupy premises owned, leased, or controlled by the supplier  
 23 for the purpose of engaging in the retail sale of motor fuel  
 24 supplied by the motor fuel supplier.

25 (3) "Motor fuel retailer" means a person, firm,

1 association, or corporation engaged primarily in the sale of  
 2 motor fuel pursuant to a motor fuel franchise entered into  
 3 with a motor fuel supplier or other seller of motor fuel.

4 (4) "Motor fuel supplier" means a person, firm,  
 5 association, or corporation, including an affiliate of the  
 6 person, firm, association, or corporation, engaged in the  
 7 refining of crude oil into petroleum who supplies motor fuel  
 8 for sale, consignment, or distribution through retail  
 9 outlets.

10 (5) "Retail motor fuel outlet" means a location where  
 11 motor fuel is distributed for purposes other than resale.

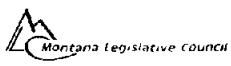
12 Section 2. Limitation of motor fuel supplier -- retail  
 13 motor fuel outlet -- exception. (1) (a) Except as provided  
 14 in [section 3], after July 1, 1987, a motor fuel supplier  
 15 may not open and operate a retail motor fuel outlet in this  
 16 state:

17 (i) with company personnel, a subsidiary company, or a  
 18 commissioned agent; or

19 (ii) under a contract with any firm or corporation  
 20 managing such outlet on a fee arrangement with the motor  
 21 fuel supplier.

22 (b) A retail motor fuel outlet must be operated by a  
 23 motor fuel retailer.

24 (2) (a) Except as provided in [section 3], after  
 25 December 31, 1987, a motor fuel supplier may not operate a



1 retail motor fuel outlet in this state:

2 (i) with company personnel, a subsidiary company, or a  
3 commissioned agent; or

4 (ii) under a contract with any firm or corporation  
5 managing such outlet on a fee arrangement with the motor  
6 fuel supplier.

7 (b) A retail motor fuel outlet must be operated by a  
8 motor fuel retailer.

9 Section 3. Temporary operation. A motor fuel supplier  
10 may open and temporarily operate a retail motor fuel outlet  
11 for a period not exceeding 90 days under circumstances in  
12 which:

13 (1) a motor fuel retailer voluntarily terminates or  
14 voluntarily agrees not to renew the motor fuel franchise; or

15 (2) the franchise is terminated or not renewed by the  
16 motor fuel supplier under applicable state and federal laws.

17 Section 4. Period of allowed operation. During a  
18 period of operation allowed to a motor fuel supplier by  
19 [section 2 or 3], it is unlawful for the motor fuel supplier  
20 to sell to a motor fuel retailer at a price more than 5  
21 cents above the price of the motor fuel sold at the  
22 supplier's own motor fuel outlet located within the trade  
23 area of the motor fuel retailer.

24 Section 5. Effective date. This act is effective on  
25 passage and approval.

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