

HOUSE JOINT RESOLUTION NO. 12

INTRODUCED BY BRADLEY, LYNCH, D. BROWN,
ADDY, TVEIT, GRADY, HARRINGTON, GUTHRIE,
PAVLOVICH, THOMAS

IN THE HOUSE

JANUARY 21, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON HIGHWAYS & TRANSPORTATION.
JANUARY 23, 1989	FIRST READING.
JANUARY 30, 1989	ON MOTION, REREFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
FEBRUARY 9, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 13, 1989	PRINTING REPORT.
FEBRUARY 14, 1989	SECOND READING, DO PASS.
FEBRUARY 15, 1989	ENGROSSING REPORT.
FEBRUARY 16, 1989	THIRD READING, PASSED. AYES, 83; NOES, 15.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 17, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON HIGHWAYS & TRANSPORTATION.
	FIRST READING.
MARCH 17, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 18, 1989	SECOND READING, CONCURRED IN.
MARCH 21, 1989	THIRD READING, CONCURRED IN. AYES, 49; NOES, 0.
	RETURNED TO HOUSE.

MARCH 22, 1989

IN THE HOUSE

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

HOUSE JOINT RESOLUTION NO. 12

INTRODUCED BY

Bradley Lynch
Thomson
Grady Hargreaves
Battine
Carlson

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF THE SYSTEM OF MARKETING MOTOR FUELS IN MONTANA TO DETERMINE IF BELOW-COST PRICING GIVES UNFAIR COMPETITIVE ADVANTAGE TO CERTAIN RETAILERS; AND REQUIRING A REPORT OF THE STUDY'S FINDINGS TO THE 52ND LEGISLATURE.

WHEREAS, independent and small dealers and distributors of petroleum and related products, who are vital to a healthy, competitive marketplace, are unable to survive subsidized, below-cost pricing at the retail level by other retailers who have other sources of income; and

WHEREAS, subsidized, below-cost pricing is a predatory practice that is not conducive to fair trade; and

WHEREAS, laws prohibiting below-cost pricing are effective in protecting independent and small retailers and wholesalers in other jurisdictions from subsidized pricing; and

WHEREAS, a decision on whether a law prohibiting below-cost pricing is needed in Montana depends upon a determination that a problem of predatory pricing in the motor fuels industry does exist in Montana and upon the

extent of the problem.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That an appropriate interim committee be assigned to study the marketing of motor fuels in Montana to determine if there exist discriminatory or predatory systems of pricing in which independent retailers are unfairly burdened with higher costs than competing retailers owned by or affiliated with companies that also own production facilities and distribution systems.

BE IT FURTHER RESOLVED, that if the interim committee determines that discriminatory or predatory pricing is indeed subjecting independent Montana retailers to unfair competition from other retailers who benefit from below-cost pricing, the interim committee prepare legislation to remedy the problem of unfair competition caused by below-cost pricing.

BE IT FURTHER RESOLVED, that the interim committee report in writing to the 52nd Legislature and submit proposed remedial legislation if the interim committee determines that legislation is necessary.

-End-

RE-REFERRED AND
APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT
AS AMENDED

HOUSE JOINT RESOLUTION NO. 12

INTRODUCED BY BRADLEY, LYNCH, D. BROWN,
ADDY, TVEIT, GRADY, HARRINGTON, GUTHRIE,
PAVLOVICH, THOMAS

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
INTERIM STUDY OF THE SYSTEM OF MARKETING MOTOR FUELS IN
MONTANA TO DETERMINE IF BELOW-COST SUBSIDIZED PRICING GIVES
AND PREDATORY MOTOR FUEL FRANCHISE PRACTICES GIVE UNFAIR
COMPETITIVE ADVANTAGE TO CERTAIN WHOLESALERS AND RETAILERS;
AND REQUIRING A REPORT OF THE STUDY'S FINDINGS TO THE 52ND
LEGISLATURE.

WHEREAS, independent and small dealers and distributors
of petroleum and related products, who are vital to a
healthy, competitive marketplace, are unable to survive
subsidized--below-cost pricing AND PREDATORY MOTOR FUEL
FRANCHISE PRACTICES at the WHOLESALE AND retail level LEVELS
by other WHOLESALERS AND retailers who have other sources of
income; and

WHEREAS, subsidized--below-cost pricing is--a AND
predatory practice--that--is MOTOR FUEL FRANCHISE PRACTICES
ARE not conducive to fair trade; and

WHEREAS, laws prohibiting below-cost--pricing THOSE

PRACTICES are effective in protecting independent and small
retailers and wholesalers in other jurisdictions from
subsidized-pricing; and

WHEREAS, a decision on whether a law prohibiting
below-cost-pricing THOSE PRACTICES is needed in Montana
depends upon a determination that a problem of SUBSIDIZED
PRICING AND predatory pricing MOTOR FUEL FRANCHISE
AGREEMENTS in the motor fuels industry does exist in Montana
and upon the extent of the problem.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
OF REPRESENTATIVES OF THE STATE OF MONTANA:

That an appropriate interim committee be assigned to
study the marketing of motor fuels in Montana to determine
if there exist discriminatory or predatory systems of
pricing OR MOTOR FUEL FRANCHISE AGREEMENTS in which
independent WHOLESALERS AND retailers are unfairly burdened
with higher costs than competing WHOLESALERS AND retailers
owned by or affiliated with companies that also own
production facilities and distribution systems.

BE IT FURTHER RESOLVED, that if the interim committee
determines that discriminatory or predatory pricing--is
PRACTICES ARE indeed subjecting independent Montana
WHOLESALERS AND retailers to unfair competition from other
WHOLESALERS AND retailers who benefit from below-cost

HJR 0012/02

1 pricing THOSE PRACTICES, the interim committee prepare
2 legislation to remedy the problem of unfair competition
3 caused by below-cost-pricing THOSE PRACTICES.

4 BE IT FURTHER RESOLVED, that the interim committee
5 report in writing to the 52nd Legislature and submit
6 proposed remedial legislation if the interim committee
7 determines that legislation is necessary.

-End-

HOUSE JOINT RESOLUTION NO. 12

INTRODUCED BY BRADLEY, LYNCH, D. BROWN,
ADDY, TVEIT, GRADY, HARRINGTON, GUTHRIE,
PAVLOVICH, THOMAS

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
INTERIM STUDY OF THE SYSTEM OF MARKETING MOTOR FUELS IN
MONTANA TO DETERMINE IF BELOW-COST SUBSIDIZED PRICING GIVES
AND PREDATORY MOTOR FUEL FRANCHISE PRACTICES GIVE UNFAIR
COMPETITIVE ADVANTAGE TO CERTAIN WHOLESALERS AND RETAILERS;
AND REQUIRING A REPORT OF THE STUDY'S FINDINGS TO THE 52ND
LEGISLATURE.

WHEREAS, independent and small dealers and distributors
of petroleum and related products, who are vital to a
healthy, competitive marketplace, are unable to survive
subsidized--below-cost pricing AND PREDATORY MOTOR FUEL
FRANCHISE PRACTICES at the WHOLESALE AND retail level LEVELS
by other WHOLESALERS AND retailers who have other sources of
income; and

WHEREAS, subsidized--below-cost pricing is--a AND
predatory practice--that--is MOTOR FUEL FRANCHISE PRACTICES
ARE not conducive to fair trade; and

WHEREAS, laws prohibiting below-cost--pricing THOSE

PRACTICES are effective in protecting independent and small
retailers and wholesalers in other jurisdictions from
subsidized-pricing; and

WHEREAS, a decision on whether a law prohibiting
below-cost-pricing THOSE PRACTICES is needed in Montana
depends upon a determination that a problem of SUBSIDIZED
PRICING AND predatory pricing MOTOR FUEL FRANCHISE
AGREEMENTS in the motor fuels industry does exist in Montana
and upon the extent of the problem.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
OF REPRESENTATIVES OF THE STATE OF MONTANA:

That an appropriate interim committee be assigned to
study the marketing of motor fuels in Montana to determine
if there exist discriminatory or predatory systems of
pricing OR MOTOR FUEL FRANCHISE AGREEMENTS in which
independent WHOLESALERS AND retailers are unfairly burdened
with higher costs than competing WHOLESALERS AND retailers
owned by or affiliated with companies that also own
production facilities and distribution systems.

BE IT FURTHER RESOLVED, that if the interim committee
determines that discriminatory or predatory pricing--is
PRACTICES ARE indeed subjecting independent Montana
WHOLESALERS AND retailers to unfair competition from other
WHOLESALERS AND retailers who benefit from below-cost

HJR 0012/02

1 pricing THOSE PRACTICES, the interim committee prepare
2 legislation to remedy the problem of unfair competition
3 caused by below-cost-pricing THOSE PRACTICES.

4 BE IT FURTHER RESOLVED, that the interim committee
5 report in writing to the 52nd Legislature and submit
6 proposed remedial legislation if the interim committee
7 determines that legislation is necessary.

-End-

HOUSE JOINT RESOLUTION NO. 12

INTRODUCED BY BRADLEY, LYNCH, D. BROWN,
ADDY, TVEIT, GRADY, HARRINGTON, GUTHRIE,
PAVLOVICH, THOMAS

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
INTERIM STUDY OF THE SYSTEM OF MARKETING MOTOR FUELS IN
MONTANA TO DETERMINE IF ~~BELOW-COST~~ SUBSIDIZED PRICING GIVES
AND PREDATORY MOTOR FUEL FRANCHISE PRACTICES GIVE UNFAIR
COMPETITIVE ADVANTAGE TO CERTAIN WHOLESALERS AND RETAILERS;
AND REQUIRING A REPORT OF THE STUDY'S FINDINGS TO THE 52ND
LEGISLATURE.

WHEREAS, independent and small dealers and distributors
of petroleum and related products, who are vital to a
healthy, competitive marketplace, are unable to survive
subsidized,--below-cost pricing AND PREDATORY MOTOR FUEL
FRANCHISE PRACTICES at the WHOLESALE AND retail level LEVELS
by other WHOLESALERS AND retailers who have other sources of
income; and

WHEREAS, subsidized,--below-cost pricing is--a AND
predatory practice--that--is MOTOR FUEL FRANCHISE PRACTICES
ARE not conducive to fair trade; and

WHEREAS, laws prohibiting below-cost--pricing THOSE

PRACTICES are effective in protecting independent and small
retailers and wholesalers in other jurisdictions from
subsidized-pricing; and

WHEREAS, a decision on whether a law prohibiting
below-cost-pricing THOSE PRACTICES is needed in Montana
depends upon a determination that a problem of SUBSIDIZED
PRICING AND predatory pricing MOTOR FUEL FRANCHISE
AGREEMENTS in the motor fuels industry does exist in Montana
and upon the extent of the problem.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE
OF REPRESENTATIVES OF THE STATE OF MONTANA:

That an appropriate interim committee be assigned to
study the marketing of motor fuels in Montana to determine
if there exist discriminatory or predatory systems of
pricing OR MOTOR FUEL FRANCHISE AGREEMENTS in which
independent WHOLESALERS AND retailers are unfairly burdened
with higher costs than competing WHOLESALERS AND retailers
owned by or affiliated with companies that also own
production facilities and distribution systems.

BE IT FURTHER RESOLVED, that if the interim committee
determines that discriminatory or predatory pricing--is
PRACTICES ARE indeed subjecting independent Montana
WHOLESALERS AND retailers to unfair competition from other
WHOLESALERS AND retailers who benefit from below-cost

HJR 0012/02

1 pricing THOSE PRACTICES, the interim committee prepare
2 legislation to remedy the problem of unfair competition
3 caused by below-cost-pricing THOSE PRACTICES.

4 BE IT FURTHER RESOLVED, that the interim committee
5 report in writing to the 52nd Legislature and submit
6 proposed remedial legislation if the interim committee
7 determines that legislation is necessary.

-End-