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SENATE BILL NO. 533

Offered January 11, 2012

A *BILL to amend and reenact § 59.1-21.16:2 of the Code of Virginia, relating to the Virginia Petroleum Products Franchise Act; operation of retail outlets.*

Patrons—Saslaw, Colgan, Edwards, Herring, Howell, Martin, McDougle, McWaters, Norment, Obenshain, Puckett, Puller, Stanley and Watkins

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:**1. That § 59.1-21.16:2 of the Code of Virginia is amended and reenacted as follows:**

§ 59.1-21.16:2. Operation of retail outlet by refiner; apportionment of fuels during periods of shortage; rules and regulations.

A. After July 1, 1979, no refiner of petroleum products shall operate any major brand, secondary brand, or unbranded retail outlet in the Commonwealth of Virginia with company personnel, a parent company, or under a contract with any person, firm, or corporation, managing a service station on a fee arrangement with the refiner; however, such refiner may operate such retail outlet with the aforesaid personnel, parent, person, firm, or corporation if such outlet is located not less than one and one-half miles from the nearest retail outlet operated by any franchised dealer *or jobber/distributor*, as measured by the most direct surface transportation route from the gas pump at the refiner's facility that is nearest a gas pump at the dealer's facility; and provided, that once in operation, no refiner shall be required to change or cease operation of any retail outlet by the provisions of this section.

During the period July 1, 1990, through June 30, 1991, no refiner may construct and operate with company personnel as defined in this section any new major brand, secondary brand, or unbranded retail outlet in the Commonwealth of Virginia, except on any property purchased or under option to purchase by March 1, 1990.

B. Every refiner of petroleum products shall apportion all gasoline and diesel fuel among their purchasers during periods of shortages on an equitable basis.

C. No new lease, lease renewal, new supply contract, or new supply contract renewal under this chapter shall impose purchase or sales quotas.

D. The Commissioner of Agriculture and Consumer Services shall adopt regulations (i) defining the circumstances under which a refiner may temporarily operate a previously dealer-operated retail outlet; (ii) providing for the rebuilding or relocation of retail outlets which were producer or refiner operated on July 1, 1979; (iii) requiring each refiner to file a list of retail outlets operated by such refiner and to keep such listing current; (iv) requiring each franchise dealer to file a listing of any retail outlets operated by such franchise dealer, and to keep such list current.

E. The provisions of this section shall not be applicable to retail outlets operated by producers or refiners on July 1, 1979.

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