

**Testimony on Senate Bill 18**  
**Senate Committee on Transportation and Veterans Affairs**  
**May 3, 2017**

Mr. Chairman and members of the committee, thank you for hearing testimony on Senate Bill 18 this morning.

Small business owners across rural regions of the state still own and maintain older, non-digitized, gasoline pumps that do not rise above \$1.99 or \$2.99. When gasoline prices rise above these levels, pump owners would display the price per gallon of gasoline fractionally. For instance, many owners display the cost of ½ gallon and explain that the amount displayed is doubled to obtain a consumer's cost per gallon.

This method has worked for many pump owners, however, the Weights & Measures and Petroleum Inspection Division (Department of Agriculture, Trade and Consumer Protection) found many of these pumps noncompliant during inspection, because state law requires motor fuel prices to be advertised by the gallon. In 2015, the Department found 41 locations engaging in fractional pricing.

The amount of gasoline that these owners sell is substantially lower compared to other industry peers, leaving them with low profit margins. These low profit margins and the high expense of installing new pumps makes the installment of new pumps or interfaces cost prohibitive.

It is important to underscore that these are small resort, corner shop, or bar owners that play a key role in local tourism industries due to snowmobiling and ATV riding. Keeping riders fueled keeps riders on the nearby trails, which provides hotels, bars, shops, and restaurants with activity.

This proposal would alleviate the burden on these pump owners by allowing for the advertisement of gasoline prices by the half-gallon for those that sell less than 15,000 gallons annually. I encourage your support for this proposal.

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## **AB 56 – Advertising Motor Fuel Prices by the Half-Gallon** **Senate Committee on Transportation and Veterans Affairs** **May 3<sup>rd</sup>, 2017**

Thank you for the opportunity to testify today on Assembly Bill 56. We are bringing this bill forward again after it successfully passed off the Assembly floor but ran out of time in the Senate. This bill changes the law from requiring motor fuel prices to be advertised by the gallon to allow for a person who sells less than 15,000 gallons of motor fuel in Wisconsin per year to advertise their prices by the half-gallon.

This bill came about after discussion with Mom-&-Pop tavern owners who sell fuel for recreational vehicles. Currently, many of these places have older fuel pumps that only have the ability to display prices up to \$2.99. Therefore, many of the owners advertise the cost of fuel per ½ gallon and explain that the displayed amount needs to be doubled at the register. However, the Weights & Measures and Petroleum Inspection Division of the Department of Agriculture, Trade, and Consumer Protection has deemed this method to be out of compliance and is requiring the owners to make changes. In order to come into compliance, the small-scale proprietors would have to purchase new pumps, of which the cost would outweigh any benefit of selling fuel.

This bill has received support from the Wisconsin Petroleum Marketers & Convenience Store Association and the Tavern League and I ask for your support of AB 56.

Thank you again and I am happy to answer any questions that you may have about this bill.