S T A T E O F N E W Y O R K

4113

2009-2010 Regular Sessions

I N A S S E M B L Y

January 30, 2009

Introduced by M. of A. BRODSKY, PRETLOW -- Multi-Sponsored by -- M. of A. SWEENEY -- read once and referred to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to prohibiting contracts requiring purchase of minimum amounts of motor fuel by a dealer

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislative intent. The legislature hereby finds and declares that the public policy of New York state requires the government and people of the state to institute measures to conserve energy, to protect the environment, and to reduce pollutant emissions by reducing the consumption of motor fuels pursuant to the provisions of the federal and state energy and clean air acts.

This reduced consumption of motor fuels is intended to decrease the amount of motor vehicle miles traveled in New York state. In addition, however, reduced consumption will also result in a reduction in the amount of motor fuel sold to the public by motor fuel dealers. Since many small service stations operate under contracts with their suppliers that contain provisions requiring the purchase and sale of a minimum amount of motor fuel, any reduction in the amount of motor fuel sold by these stations may amount to an unfair penalty.

The legislature finds and declares that this consequential reduction in gallonage, resulting from compliance with public policy and state and federal law, should not impair the ability of small service stations to maintain their traditional business relationships.

Therefore, the legislature declares that it is in the best interest of the people and environment of the state of New York to invalidate and render unenforceable provisions requiring the purchase and sale of minimum amounts of motor fuel by retailers from distributors.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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S 2. The environmental conservation law is amended by adding a new section 19-0325 to read as follows:

S 19-0325. AGREEMENTS REQUIRING PURCHASE OF MINIMUM AMOUNT OF MOTOR FUEL.

NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, ANY PROVISION CONTAINED IN A CONTRACT, LEASE, OR FRANCHISE AGREEMENT REQUIRING A MOTOR FUEL DEALER TO PURCHASE, SELL, OR PURCHASE AND SELL A MINIMUM AMOUNT OF MOTOR FUEL FROM A DISTRIBUTOR IS HEREBY RENDERED VOID AND UNENFORCEABLE.

S 3. This act shall take effect immediately and shall apply to contracts, leases, and franchise agreements entered into or renewed on or after such effective date.