

Bill requires posting of price differences between cash, credit card gas purchases

Contributed by Editor
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SACRAMENTO ‐ State Senator Patricia Wiggins (D-Santa Rosa) has introduced new legislation, Senate Bill 623, that would require each retail dispenser of motor fuel to display the price differential between transactions paid for with cash and with credit cards.

Californians have purchased, on average, about 16 billion gallons of gasoline per year. As of May 2008, the average price of a gallon of gasoline had topped \$4 per gallon in the state ‐ an increase of more than 69 percent over the last 12 months.

Some gasoline stations are offering different prices for gasoline based on the method of purchase, with some station owners discounting the price per gallon for cash transactions.

Credit cards can add about 2 to 3 percent to the cost of the transaction ‐ a higher cost paid for the “convenience” using a credit card at the pump.

In many, if not most, instances, the cost differentials are not adequately disclosed to the public.

Wiggins describes SB 623 ‐ which will be heard in the Assembly Business and Professions Committee on June 24 ‐ as a “consumer information disclosure” measure.

“Drivers should be clearly shown what they’re paying, particularly with prices at the pump rising meteorically,” Wiggins said. “And gas station owners must do a better job of telling consumers that they will pay a lower price for gas if they fill up using cash instead of plastic.”

Wiggins represents California’s large Second Senate District, which is made up of portions or all of six counties: Humboldt, Lake, Mendocino, Napa, Solano and Sonoma. Visit her Web site at <http://dist02.casen.govoffice.com/>.
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