



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4776

by Rep. Roger L. Eddy

SYNOPSIS AS INTRODUCED:

New Act

Creates the Alternative Motor Fuel Supply Act. Provides that any provision of a franchise which prohibits a dealer engaged in the retail sale of motor fuels from purchasing or selling alternative motor fuels from a person or firm other than the distributor, or limits the quantity of such motor fuel to be purchased from such other person or firm, or any provision of a franchise which directly or indirectly discourages a dealer from purchasing or selling such alternative motor fuels from such other person or firm, is null and void as it pertains to that particular alternative motor fuel if the distributor does not supply or offer to supply to the dealer such alternative motor fuel, but this does not grant to any dealer any rights, authority, or obligation with respect to the permissible uses of the premises or facilities owned, leased, or controlled by a distributor pursuant to the terms of the franchise. Contains provisions regarding violations and application. Effective immediately.

LRB095 16842 LCT 42880 b

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Alternative Motor Fuel Supply Act.

6 Section 5. Definitions. As used in this Act:

7 "Alternative motor fuel" means any of the following:

8 (1) a blend of 85% ethanol and 15% gasoline;

9 (2) a blend of at least 2% methyl-ester, commonly
10 referred to as bio-diesel, and diesel motor fuel;

11 (3) motor fuel comprised primarily of methane, stored
12 in either a gaseous or liquid state and suitable for use
13 and consumption in the engine of a motor vehicle, commonly
14 referred to as compressed natural gas; or

15 (4) hydrogen.

16 "Dealer" means any person engaged in the retail sale of
17 motor fuels for use in motor vehicles under a franchise entered
18 into with a distributor.

19 "Distributor" means any person engaged in the sale,
20 consignment, or distribution of motor fuels to dealers.

21 "Franchise" means any agreement between a distributor and a
22 dealer under which the dealer is granted the right to use a
23 trademark, trade name, service mark, or other identifying

1 symbol or name owned by the distributor, or to which the
2 distributor has the right to authorize the use thereof, and is
3 furnished by the distributor with products to be sold at retail
4 under such trademark, trade name, service mark, or other
5 identifying symbol or name or any agreement between a
6 distributor and a dealer under which the dealer is granted the
7 right to occupy or use premises or facilities owned, leased, or
8 controlled by the distributor, for the purpose of engaging in
9 the retail sale of motor fuels of the distributor, provided
10 that an agreement by one distributor to lease premises or
11 facilities to another distributor shall not constitute a
12 franchise.

13 "Retail" means the sale of motor fuels to the consuming
14 public for purposes other than resale.

15 Section 10. Purchasing or selling alternative motor fuels.
16 Any provision of a franchise which prohibits a dealer from
17 purchasing or selling alternative motor fuels from a person or
18 firm other than the distributor, or limits the quantity of such
19 motor fuel to be purchased from such other person or firm, or
20 any provision of a franchise which directly or indirectly
21 discourages a dealer from purchasing or selling such
22 alternative motor fuels from such other person or firm, shall
23 be null and void as it pertains to that particular alternative
24 motor fuel if the distributor does not supply or offer to
25 supply to the dealer such alternative motor fuel. Nothing

1 contained in this paragraph, however, shall grant to any dealer
2 any rights, authority, or obligation with respect to the
3 permissible uses of the premises or facilities owned, leased,
4 or controlled by a distributor pursuant to the terms of the
5 franchise.

6 Section 15. Violation. Any person or firm who is a
7 distributor, or an officer, agent, or employee of a
8 distributor, who threatens, harasses, coerces or attempts to
9 coerce a dealer for the purpose of compelling the dealer to
10 refrain from purchasing or selling alternative motor fuel from
11 a person or firm other than the distributor commits a petty
12 offense and is subject to a fine not to exceed \$1,000 for each
13 violation.

14 Section 20. Application. This Act shall not apply to a
15 franchise granted prior to the effective date of this Act;
16 however, a renewal or extension of such a franchise entered
17 into after the effective date of this Act shall not be excluded
18 from the application of this Act.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.