

**Senate Bill No. 260**

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Passed the Senate April 23, 2009

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*Secretary of the Senate*

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Passed the Assembly September 2, 2009

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 13431 of the Business and Professions Code, relating to petroleum products.

## LEGISLATIVE COUNSEL'S DIGEST

SB 260, Wiggins. Petroleum products: motor oil.

Existing provisions of law generally govern the sale of petroleum products and establish a motor oil fee to be used for the administration and enforcement of these provisions. Existing law provides that persons involved in the sale of motor oil, as specified, pay a maximum fee of \$0.02 for each gallon of motor oil sold or purchased on or after July 1, 1980. Existing law provides that this fee may be established at a lower rate by the Secretary of Food and Agriculture and that the secretary may, by regulation, prescribe the frequency of payments, the procedures for such payment, the procedures for refunds, and penalties for late payment. Existing law provides that this fee be paid only once on any particular motor oil and that it not apply to motor oil exported for sale outside of California.

This bill would instead provide that persons involved in the sale of motor oil, as specified, pay a maximum fee of \$0.05 for each gallon of motor oil sold or purchased on or after January 1, 2010, and that a fee of \$0.03 for each gallon of motor oil sold or purchased may be applied by the secretary prior to the adoption of regulations.

*The people of the State of California do enact as follows:*

SECTION 1. Section 13431 of the Business and Professions Code is amended to read:

13431. The following persons shall pay to the secretary a maximum fee of five cents (\$0.05) for each gallon of motor oil sold or purchased on or after January 1, 2010, as hereinafter provided:

(a) The first person who produced the motor oil shall pay the fee when the motor oil is sold to any retail establishment or motor

oil dealer including any sold to the federal government, or its agencies.

(b) A retailer shall pay the fee for motor oil received when he or she transports or causes to be transported motor oil into this state from out of state.

(c) On any other sale of motor oil the dealer shall pay the fee except that this subdivision shall not apply to any person selling motor oil at retail.

(d) The assessment provided for in this section shall only be paid once on any particular motor oil.

The secretary may apply a fee of three cents (\$0.03) for each gallon of motor oil sold or purchased, as provided in subdivisions (a) to (d), inclusive, prior to the adoption of regulations.

The provisions of this section shall not apply to motor oil exported for sale outside this state.

Approved \_\_\_\_\_, 2009

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*Governor*