

109TH CONGRESS
1ST SESSION

H. R. 4114

To prohibit the sale of crude oil, gasoline, diesel fuel, natural gas, or petroleum distillates at an unjust or unreasonable price.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 20, 2005

Mr. LOBIONDO (for himself, Mr. SMITH of New Jersey, and Mrs. EMERSON) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To prohibit the sale of crude oil, gasoline, diesel fuel, natural gas, or petroleum distillates at an unjust or unreasonable price.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Price Dis-
5 cipline Act of 2005”.

6 **SEC. 2. UNJUST OR UNREASONABLE FUEL PRICING.**

7 It shall be unlawful for any entity engaged in the pe-
8 troleum or gasoline business to sell crude oil, gasoline, die-

1 sel fuel, natural gas, or petroleum distillates at an unjust
2 or unreasonable price.

3 **SEC. 3. FEDERAL TRADE COMMISSION RULEMAKING.**

4 Not later than 90 days after the the date of the en-
5 actment of this Act, the Federal Trade Commission shall
6 promulgate any rules necessary to enforce this Act. Such
7 rules shall establish what constitutes an unjust or unrea-
8 sonable price for purposes of this Act. In promulgating
9 such rule, the Commission shall consider the following fac-
10 tors:

11 (1) The relation of the price to the prevailing
12 price of that commodity in the market in the same
13 geographic region during the previous 12-month pe-
14 riod.

15 (2) Shipping, manufacturing, or other costs to
16 the entity.

17 (3) Whether there has been a national or re-
18 gional disruption in the supply of the commodity.

19 (4) Whether there is any indication of the enti-
20 ty taking unfair advantage of any circumstances.

21 **SEC. 4. ENFORCEMENT BY THE FEDERAL TRADE COMMIS-**
22 **SION.**

23 (a) UNFAIR AND DECEPTIVE ACT OR PRACTICE.—
24 A violation of section 2 and the rules promulgated pursu-
25 ant to this Act shall be treated as a violation of a rule

1 defining an unfair or deceptive act or practice prescribed
2 under section 18(a)(1)(B) of the Federal Trade Commis-
3 sion Act (15 U.S.C. 57a(a)(1)(B)).

4 (b) ENFORCEMENT.—The Federal Trade Commis-
5 sion shall enforce this Act in the same manner, by the
6 same means, and with the same jurisdiction as though all
7 applicable terms and provisions of the Federal Trade
8 Commission Act were incorporated into and made a part
9 of this Act.

10 (c) PRIORITY OF ENFORCEMENT ACTIONS.—In en-
11 forcing section 2, the Federal Trade Commission shall give
12 priority to enforcement actions concerning any entity en-
13 gaged in the petroleum or gasoline business earning prof-
14 its in the refining, sale, exchange, or shipping of crude
15 oil, gasoline, diesel fuel, natural gas, or petroleum dis-
16 tillates in excess of \$500,000,000 per year.

17 (d) CIVIL PENALTIES.—Consistent with section 5 of
18 the Federal Trade Commission Act (15 U.S.C. 45), an en-
19 tity engaged in the petroleum or gasoline business that
20 violates section 2 shall be subject to a fine of not more
21 than \$11,000 per violation.

22 **SEC. 5. CRIMINAL PENALTIES.**

23 Any person who violates section 2 shall be fined
24 under title 18, United States Code—

1 (1) if a corporation, not to exceed
2 \$100,000,000; or

3 (2) if any other person, not to exceed
4 \$1,000,000, or imprisoned for not more than 10
5 years, or both.

6 **SEC. 6. DEFINITIONS.**

7 (a) ENTITY.—For the purpose of this Act, the term
8 “entity engaged in the petroleum or gasoline business”
9 means an individual or corporation engaged in the refin-
10 ing, sale, exchange, or shipping of crude oil, gasoline, die-
11 sel fuel, natural gas, or petroleum distillates.

12 **SEC. 7. EFFECT ON OTHER LAWS.**

13 Nothing in this Act annuls, alters, or affects in any
14 manner the meaning, scope, or applicability of the laws
15 of any State or subdivision of a State relating to price
16 gouging, except to the extent those laws are inconsistent
17 with the provisions of this Act, and then only to the extent
18 of the inconsistency.

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