

tual damages and reasonable attorney and expert witness fees under subsection (d) if such nonrenewal is prohibited by section 2802 of this title.

**(f) Release or waiver of rights**

(1) No franchisor shall require, as a condition of entering into or renewing the franchise relationship, a franchisee to release or waive—

(A) any right that the franchisee has under this subchapter or other Federal law; or

(B) any right that the franchisee may have under any valid and applicable State law.

(2) No provision of any franchise shall be valid or enforceable if the provision specifies that the interpretation or enforcement of the franchise shall be governed by the law of any State other than the State in which the franchisee has the principal place of business of the franchisee.

(Pub. L. 95-297, title I, §105, June 19, 1978, 92 Stat. 331; Pub. L. 103-371, §4, Oct. 19, 1994, 108 Stat. 3485; Pub. L. 110-140, title II, §241(b), Dec. 19, 2007, 121 Stat. 1540.)

REFERENCES IN TEXT

The Federal Rules of Civil Procedure, referred to in subsec. (d)(1), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

AMENDMENTS

2007—Subsecs. (a), (b)(1), (d)(1)(B). Pub. L. 110-140 substituted “2802, 2803, or 2807” for “2802 or 2803” wherever appearing.

1994—Subsec. (f). Pub. L. 103-371 added subsec. (f).

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110-140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

**§ 2806. Relationship of statutory provisions to State and local laws**

**(a) Termination or nonrenewal of franchise**

(1) To the extent that any provision of this subchapter applies to the termination (or the furnishing of notification with respect thereto) of any franchise, or to the nonrenewal (or the furnishing of notification with respect thereto) of any franchise relationship, no State or any political subdivision thereof may adopt, enforce, or continue in effect any provision of any law or regulation (including any remedy or penalty applicable to any violation thereof) with respect to termination (or the furnishing of notification with respect thereto) of any such franchise or to the nonrenewal (or the furnishing of notification with respect thereto) of any such franchise relationship unless such provision of such law or regulation is the same as the applicable provision of this subchapter.

(2) No State or political subdivision of a State may adopt, enforce, or continue in effect any provision of law (including a regulation) that requires a payment for the goodwill of a franchisee on the termination of a franchise or nonrenewal of a franchise relationship authorized by this subchapter.

**(b) Transfer or assignment of franchise**

(1) Nothing in this subchapter authorizes any transfer or assignment of any franchise or pro-

hibits any transfer or assignment of any franchise as authorized by the provisions of such franchise or by any applicable provision of State law which permits such transfer or assignment without regard to any provision of the franchise.

(2) Nothing in this subchapter shall prohibit any State from specifying the terms and conditions under which any franchise or franchise relationship may be transferred to the designated successor of a franchisee upon the death of the franchisee.

(Pub. L. 95-297, title I, §106, June 19, 1978, 92 Stat. 332; Pub. L. 103-371, §5, Oct. 19, 1994, 108 Stat. 3485.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103-371, §5(1), redesignated existing provisions as par. (1) and added par. (2).

Subsec. (b). Pub. L. 103-371, §5(2), redesignated existing provisions as par. (1) and added par. (2).

**§ 2807. Prohibition on restriction of installation of renewable fuel pumps**

**(a) Definition**

In this section:

**(1) Renewable fuel**

The term “renewable fuel” means any fuel—

(A) at least 85 percent of the volume of which consists of ethanol; or

(B) any mixture of biodiesel and diesel or renewable diesel (as defined in regulations adopted pursuant to section 7545(o) of title 42 (40 CFR, part 80)), determined without regard to any use of kerosene and containing at least 20 percent biodiesel or renewable diesel.

**(2) Franchise-related document**

The term “franchise-related document” means—

(A) a franchise under this chapter; and

(B) any other contract or directive of a franchisor relating to terms or conditions of the sale of fuel by a franchisee.

**(b) Prohibitions**

**(1) In general**

No franchise-related document entered into or renewed on or after December 19, 2007, shall contain any provision allowing a franchisor to restrict the franchisee or any affiliate of the franchisee from—

(A) installing on the marketing premises of the franchisee a renewable fuel pump or tank, except that the franchisee’s franchisor may restrict the installation of a tank on leased marketing premises of such franchisor;

(B) converting an existing tank or pump on the marketing premises of the franchisee for renewable fuel use, so long as such tank or pump and the piping connecting them are either warranted by the manufacturer or certified by a recognized standards setting organization to be suitable for use with such renewable fuel;

(C) advertising (including through the use of signage) the sale of any renewable fuel;

(D) selling renewable fuel in any specified area on the marketing premises of the fran-

chisee (including any area in which a name or logo of a franchisor or any other entity appears);

(E) purchasing renewable fuel from sources other than the franchisor if the franchisor does not offer its own renewable fuel for sale by the franchisee;

(F) listing renewable fuel availability or prices, including on service station signs, fuel dispensers, or light poles; or

(G) allowing for payment of renewable fuel with a credit card,

so long as such activities described in subparagraphs (A) through (G) do not constitute mislabeling, misbranding, willful adulteration, or other trademark violations by the franchisee.

## (2) Effect of provision

Nothing in this section shall be construed to preclude a franchisor from requiring the franchisee to obtain reasonable indemnification and insurance policies.

## (c) Exception to 3-grade requirement

No franchise-related document that requires that 3 grades of gasoline be sold by the applicable franchisee shall prevent the franchisee from selling a renewable fuel in lieu of 1, and only 1, grade of gasoline.

(Pub. L. 95-297, title I, §107, as added Pub. L. 110-140, title II, §241(a), Dec. 19, 2007, 121 Stat. 1538.)

### EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110-140, set out as a note under section 1824 of Title 2, The Congress.

## SUBCHAPTER II—OCTANE DISCLOSURE

### § 2821. Definitions

As used in this subchapter:

(1) The term “octane rating” means the rating of the antiknock characteristics of a grade or type of automotive fuel as determined by dividing by 2 the sum of the research octane number plus the motor octane number, unless another procedure is prescribed under section 2823(c)(3) of this title, in which case such term means the rating of such characteristics as determined under the procedure so prescribed.

(2) The terms “research octane number” and “motor octane number” have the meanings given such terms in the specifications of the American Society for Testing and Materials (ASTM) entitled “Standard Specification for Automotive Spark-Ignition Engine Fuel” designated D4814 (as in effect on June 19, 1978) and, with respect to any grade or type of automotive gasoline, are determined in accordance with test methods set forth in ASTM standard test methods designated D 2699 and D 2700 (as in effect on such date).

(3) The term “knock” means the combustion of a fuel spontaneously in localized areas of a cylinder of a spark-ignition engine, instead of the combustion of such fuel progressing from the spark.

(4) The term “automotive fuel retailer” means any person who markets automotive

fuel to the general public for ultimate consumption.

(5) The term “refiner” means any person engaged in the production or importation of automotive fuel.

(6) The term “automotive fuel” means liquid fuel of a type distributed for use as a fuel in any motor vehicle.

(7) The term “motor vehicle” means any self-propelled four-wheeled vehicle, of less than 6,000 pounds gross vehicle weight, which is designed primarily for use on public streets, roads, and highways.

(8) The term “new motor vehicle” means any motor vehicle the equitable or legal title to which has not previously been transferred to an ultimate purchaser.

(9) The term “ultimate purchaser” means, with respect to any item, the first person who purchases such item for purposes other than resale.

(10) The term “manufacturer” means any person who imports, manufactures, or assembles motor vehicles for sale.

(11) The term “automotive fuel requirement” means, with respect to automotive fuel for use in a motor vehicle or a class thereof, imported, manufactured, or assembled by a manufacturer, the minimum automotive fuel rating of such automotive fuel which such manufacturer recommends for the efficient operation of such motor vehicle, or a substantial portion of such class, without knocking.

(12) The term “model year” means a manufacturer’s annual production period (as determined by the Federal Trade Commission) for motor vehicles or a class of motor vehicles. If a manufacturer has no annual production period, the term “model year” means the calendar year.

(13) The term “commerce” means any trade, traffic, transportation, exchange, or other commerce—

(A) between any State and any place outside of such State; or

(B) which affects any trade, transportation, exchange, or other commerce described in subparagraph (A).

(14) The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and any other commonwealth, territory, or possession of the United States.

(15) the<sup>1</sup> term “person”, for purposes of applying any provision of the Federal Trade Commission Act [15 U.S.C. 41 et seq.] with respect to any provision of the subchapter, includes a partnership and a corporation.

(16) The term “distributor” means any person who receives automotive fuel and distributes such automotive fuel to another person other than the ultimate purchaser.

(17) The term “automotive fuel rating” means—

(A) the octane rating of an automotive spark-ignition engine fuel; and

(B) if provided for by the Federal Trade Commission by rule, the cetane rating of diesel fuel oils; or

<sup>1</sup> So in original. Probably should be capitalized.