

RANKING MEMBER: RULES BUDGET REVIEW MEMBER: MINORITY AFFAIRS

NASSAU COUNTY LEGISLATURE
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John Capece, Commissioner Department of Consumer Affairs 240 Old Country Road, Third Floor Mineola, N.Y. 11501

RE: Update of investigations into gasoline pricing

Dear Commissioner Capece:

I write today to inquire about the actions that are being taken by the Department of Consumer Affairs to investigate possible violations of tax law and deceptive and unconscionable trade practices related to the sale of gasoline in Nassau County.

As you are aware, a gasoline sales tax holiday began on June 1, 2022 in New York State and Nassau County. By waiving portions of the state and local taxes affixed to the sale of gasoline, it was anticipated that this would reduce the price of gasoline by more than 25 cents/gallon each time they fill their tanks. New York State law requires services stations to reduce the prices charged in an amount equal to any reduction in taxes prepaid by the distributor or imposed on retail customers resulting from the suspension of taxes on motor fuel and diesel motor fuel. While many service stations have indeed lowered prices in a sum commensurate with those projections, prices at other stations have remained at pre-holiday levels or even increased.

It is my belief that a strong, proactive strategy is necessary to best protect consumers from unscrupulous actors who seek to take advantage of this turbulent climate. Last week, the County stated in media reports that it was conducting a gas price survey in the interest of ensuring full adherence to the gas tax holiday. Please advise me of how many stations were surveyed as part of this endeavor, the results of these surveys, whether any of the stations were engaging in price gouging, and your office's plans for future gas price surveys.

While I understand that consumer complaints are often a major driver of enforcement actions, I believe that this climate calls for enhanced efforts to protect consumers. Please also advise my office of proactive steps the Department is taking to identify and prevent violations of the state tax law resulting in deceptive and unconscionable trade practices at gas stations and enforcement strategies that are being utilized.

Thank you for your attention to this matter - one that impacts the lives of every Nassau County resident. If there is any way in which my office can support your ongoing efforts to protect consumers, please do not hesitate to reach out.

Sincerely

Kevan M. Abrahams

Minority Leader

Nassau County Legislature