

## Will N.J. gas pumps go do-it-yourself?

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Jim Anness / Special To The Record

*Lukoil employee Dan Duffy has pumped gas in Haworth for nine years. After decades of opposition from gas station owners, New Jersey drivers could be legally allowed to pump their own gas.*

Gas station owners who have wielded enough clout in Trenton to keep self-serve gasoline out of New Jersey for 66 years recently reversed their position on the issue, and that could mean the days of full-service-only gas stations, one of the singular features of the Garden State, are numbered.

“Our position is different than it was 30 years ago,” Sal Risalvato, executive director of the New Jersey Gasoline C-Store Automotive Association, an independent gas owners group, said last week. The competitive landscape is different now, he explained, because the small owners’ Big Oil rivals don’t own the gas stations anymore.

The seismic shift by the gas station owners is one of several significant developments that may bring self-serve pumps to New Jersey and end a ban that originated in Bergen County. Gas-station owners in New Jersey have come under increased scrutiny from regulators over underpaid workers. And how transactions are made at the pump is likely to be altered as credit or debit cards are embedded with computer chips. While Governor Christie has been silent on the issue of self-serve recently, two area legislators have introduced a bill to end the prohibition.

The change in the position of the independent gas station owners is the prime mover behind the shift. Their Springfield-based group had long feared that if self-serve pumps were allowed in New Jersey, large oil companies would have the resources to invest in high-volume self-serve stations on the busiest highways and drive the small players out of business. Within the last decade, however, large companies shed most of their stations, saying the profit margin was too low.

State Sens. Gerald Cardinale, R-Cresskill, and Paul Sarlo, D-Wood-Ridge, introduced legislation on Thursday to lift the ban. A number of similar bills in the past went nowhere. This time the outcome may be different because of the gas station owners' new stance, Cardinale said. "The principal opponent has always been the gasoline retailers," he said.

Cardinale said he and Sarlo have been in talks with the gas station owners' lobby for the past year.

Their measure would require a three-year delay before any gas station could be completely self-service. Any station that decided to go completely self-service would have to provide a communications device to allow elderly and handicapped motorists to call for an attendant to pump their gas.

The bill "would be beneficial to motorists as a matter of convenience, and as a matter of saving a buck or two," Risalvato said.

Christie had talked about lifting the self-serve prohibition while campaigning for governor in 2009 but later seemed to change his view, citing public opposition. Advocating for self-serve pumps might not be a popular political position, since it would mean the loss of hundreds of part-time jobs in a state still struggling to replace jobs it lost during the recession.

A spokesman for Christie said Thursday that the governor would not comment on proposed legislation he has not read.

Retailer requirements for credit-card security that take effect for gas stations in October 2017 will mean motorists no longer will be allowed to hand over their credit card to a gas-station attendant, Risalvato said. They will have to get out of their car, swipe the card themselves and punch in their personal identification number. That may, in a subtle way, lower consumers' resistance to pumping their own gas, Risalvato said, because they will have to get out of the car anyway.

The proposal to lift the self-serve ban comes as gas station owners in the Garden State face greater scrutiny from government watchdogs over wage violations.

Since 2010, the U.S. Department of Labor has recovered back wages and awarded damages totaling \$5.5 million for more than 1,100 gas station employees in New Jersey. Most of the owners' violations were for paying regular wages instead of time-and-a-half overtime pay after an employee surpassed 40 hours in a week.

Risalvato said gas stations around the state employ about 5,000 attendants who pump gas, most of them part time, and he expects many will be retrained in other positions, like convenience store clerks.

### **'What a fight'**

The legislation introduced by Cardinale and Sarlo would overturn a prohibition that dates to 1949, when gas station owners banded together against maverick Bergen County entrepreneur Irving Reingold, the last station owner to offer self-serve gasoline in New Jersey.

In the 1940s, Reingold's "Gaseteria" on Route 17 in Paramus offered two-dozen pumps, charged about 18 cents a gallon, and "was wildly successful," said James Benton, executive director of the New Jersey Petroleum Council.

Reingold's prices undercut the competition, and rival station owners reacted by persuading state lawmakers to outlaw self-serve, citing public safety as the reason. The state statute reads in part, "Because of the fire hazards directly associated with dispensing fuel, it is in the public interest that gasoline station operators have the control needed over that activity to ensure compliance with appropriate safety procedures."

Reingold eventually got out of the gasoline business. (He opened a club in the mid-1970s on Route 4 in Hackensack called The New Bell that featured male go-go dancers for female audiences, and which he later transformed into a bar that catered to gay men, according to his obituary in The Record. In 1975 he fatally

shot a man in his Teaneck driveway in self-defense, using a .357 Magnum handgun, and was not charged in the incident. He died in 1998.)

Through the decades, the self-serve prohibition in New Jersey has stuck, even as improvements in credit-card payment systems and pump safety technology helped make self-serve gas available across the country.

Risalvato, who grew up in Hasbrouck Heights, opened a gas station in 1978 on Route 17 in Paramus, where the Stew Leonard's wine store now stands, and in the '80s was one of the independent gas station owners who successfully fought the New Jersey Petroleum Council, which represents oil producers, over a bill that would have lifted the ban.

"I still remember what a fight it was," said Risalvato, who posted signs at his gas station urging lawmakers to vote against self-serve — even though some of his customers were eager to pump their own.

And how do motorists feel today? Opinions were mixed Friday at a busy Maywood service station.

"I'm from the West Coast, where they pump their own gas," said Amanda Blume of Maywood, who sat in her Toyota Matrix as an attendant filled her tank. "It won't bother me at all. My husband may not like it; he's lived here all his life."

Angelo Rodriguez of Weston, Fla., formerly of Ringwood, said that when he had to pump his own gas in Florida, "it was extremely annoying at first, but people get used to it."

New Yorker Cathy Crocco said New Jersey would be foolish to change.

"I hate self-serve," Crocco said. "I see people talking, people smoking while they're pumping gas. I appreciate having a person pumping the gas and letting someone have a job."

The prospect of New Jersey raising its gas tax to help replenish the fund to repair roads and bridges may soften whatever consumer resistance remains to self-serve, industry professionals say.

As it is, New Jersey motorists enjoy some of the cheapest gasoline in the country because of the low gas tax, so residents do not notice the premium they pay for having an attendant fill their tanks.

According to the American Petroleum Institute, New Jersey pays the second-lowest amount in federal, state and local gas taxes at 32.90 cents a gallon, behind Alaska.

If the state raises its gas levy, as many predict, the full-service premium paid at the pump, estimated by the gas station owners group at 8 cents to 18 cents a gallon, may draw more attention.

Risalvato said most independent station owners see no reason not to allow self-serve, even if higher liability insurance costs will offset some of their labor-cost savings. "It's not going to affect insurance much at all," said Risalvato, citing mandated safety improvements in pumps. "You don't even smell the gas when you're pumping gas."

Lydia Bashwiner, general counsel and claims manager at the Englewood Cliffs-based Otterstedt Insurance Agency, said, "In general, anytime there is more exposure to risk, your premium is going to increase."

However, workers' compensation insurance premiums will decrease for station owners who reduce their head count, she said.

"The key is making self-serve voluntary," Cardinale said. "Every gas station owner will have a choice."

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