



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5214 (as reported without amendment)
Sponsor: Representative Eric Bush
House Committee: Transportation
Senate Committee: Transportation and Tourism

CONTENT

The bill would amend the Fire Prevention Code to repeal provisions requiring the State Fire Marshal to certify vehicles designed or used for transporting hazardous materials; and to make the following changes, which would sunset on October 1, 1996:

- Require vehicles that transported flammable or combustible liquids or liquefied petroleum gas to be certified annually by the motor carrier division of the State Police.
- Exempt from certification certain trucks carrying cargo for agricultural or horticultural operations.
- Establish an annual certification fee of \$95 for each vehicle, and require the fees to be deposited in the Hazardous Materials Transportation Regulatory Enforcement Fund.
- Provide for a suspension of this fee if the Fund exceeded \$1 million at the close of any fiscal year; and, permit the fee's reinstatement if the amount of money in the Fund, at the close of any succeeding fiscal year, were less than \$250,000.

The bill also would do the following:

- Require a Michigan State Police certification decal to be removed from a vehicle by January 1, 1997, and make failure to remove the decal a misdemeanor.
- Prohibit a local government from enforcing an ordinance or resolution that was inconsistent with the Code or any rule promulgated under it.
- Require the fire safety board to promulgate rules for the storage, transportation, and handling of liquefied petroleum gas and for the storage, noncommercial transportation, and handling of other hazardous materials.

MCL 29.1 et al.

Legislative Analyst: S. Margules

FISCAL IMPACT

The bill would result in a funding shift for a State inspection program that enforces the regulation of vehicles that transport hazardous materials. It would eliminate approximately \$390,000 in fees covered from a \$95 tanker fee beginning October 1, 1996. However, under changes in regulatory policy in this bill and in House Bills 5215 and 5216 that would bring State rules in line with those of the Federal government, an equal or greater amount of Federal funds would become available to the State to replace the lost restricted funds.

Date Completed: 3-4-96

Fiscal Analyst: B. Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.