

# HOUSE BILL No. 6453

September 12, 2006, Introduced by Rep. Emmons and referred to the Committee on Agriculture.

A bill to amend 1984 PA 44, entitled "Motor fuels quality act," by amending section 6 (MCL 290.646), as amended by 2004 PA 278, and by adding section 6a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 6. (1) Before a **COMMON CARRIER**, distributor, or retail  
2 dealer engages in transferring, selling, dispensing, or offering  
3 for sale gasoline in this state, the **COMMON CARRIER**, distributor,  
4 or retail dealer shall obtain a license from the department for  
5 each retail outlet operated by that person. In administering the  
6 licensing under this section, the department may attempt to  
7 coordinate the licensing with the licensing applicable to gasoline  
8 administered by the department of treasury pursuant to the motor  
9 fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170, and the

1 general sales tax act, 1933 PA 167, MCL 205.51 to 205.78.

2 (2) A license expires annually on November 30 unless renewed  
3 before December 1 of each year or unless suspended, denied, or  
4 revoked by the department.

5 (3) The fee for a license is \$15.00 for each year or portion  
6 of a year through July 31, 2002, \$50.00 for each year or portion of  
7 a year through July 31, 2003, \$75.00 for each year or portion of a  
8 year through July 31, 2004, and \$100.00 beginning August 1, 2004  
9 and each year or portion of a year thereafter. A license shall not  
10 be issued or renewed until the fee and any administrative fines  
11 issued under section 10a have been paid. A hearing is not required  
12 before the refusal to issue or renew a license under this  
13 subsection. Fees collected shall be deposited in the gasoline  
14 inspection and testing fund.

15 (4) An application for a license shall be made to the  
16 department upon a form furnished by the department. The completed  
17 form shall contain the information requested by the department and  
18 shall be accompanied by the fee specified in subsection (3).

19 (5) The director may suspend, deny, or revoke a license issued  
20 pursuant to this act for failure to comply with the requirements  
21 provided for in section 3, for failure to provide notice as  
22 provided in section 4, for violating section 31 of the weights and  
23 measures act of 1964, 1964 PA 283, MCL 290.631, if that violation  
24 occurs at any of the licensee's retail outlets and involves the  
25 transferring, selling, dispensing, or the offering for sale of  
26 gasoline in this state, or for otherwise failing to comply with  
27 this act or a rule promulgated under this act or an order issued

1 under this act.

2 (6) This section does not apply until June 29, 1985.

3 (7) If a person licensed under this act is convicted of a  
4 willful violation under section 31 of the weights and measures act  
5 of 1964, 1964 PA 283, MCL 290.631, any license issued pursuant to  
6 this act shall be revoked for 2 years.

7 (8) A suspension, revocation, or denial of a license of a  
8 person who is an individual shall result in the suspension,  
9 revocation, or denial of any other license held or applied for by  
10 that individual under this act. The license of a corporation,  
11 partnership, or other association shall be suspended when a license  
12 or license application of a partner, trustee, director, or officer,  
13 member, or a person exercising control of the corporation,  
14 partnership, or other association is suspended, revoked, or denied.  
15 The suspension shall remain in force until the director determines  
16 that the disability created by the suspension, revocation, or  
17 denial has been removed.

18 (9) Except as otherwise provided in subsection (3), beginning  
19 ~~on the effective date of the amendatory act that added this~~  
20 ~~subsection~~ **JULY 23, 2004**, the department shall issue an initial or  
21 renewal license not later than 120 days after the applicant files a  
22 completed application. If the application is considered incomplete  
23 by the department, the department shall notify the applicant in  
24 writing or make notification electronically available within 40  
25 days after receipt of the incomplete application, describing the  
26 deficiency and requesting the additional information. The 120-day  
27 period is tolled upon notification by the department of a

1 deficiency until the date all of the information requested during  
2 the 40-day period is received by the department. Requests for new  
3 or additional information by the department that fall outside the  
4 40-day period do not toll the 120-day period. The determination of  
5 the completeness of an application does not operate as an approval  
6 of the application for the license and does not confer eligibility  
7 of an applicant determined otherwise ineligible for issuance of a  
8 license.

9 (10) If the department does not issue or deny a license within  
10 120 days after the receipt of a completed application, the  
11 department shall return the license fee and shall reduce the  
12 license fee for the applicant's next renewal application, if any,  
13 by 15%. The failure to issue a license within the time required  
14 under this subsection does not allow the department to otherwise  
15 delay the processing of the application, and that application, upon  
16 completion, shall be placed in sequence with other completed  
17 applications received at that same time. The department shall not  
18 discriminate against an applicant in the processing of an  
19 application based on the fact that the application fee was refunded  
20 or discounted under this subsection.

21 (11) Beginning October 1, 2005, the director of the department  
22 shall submit a report by December 1 of each year to the standing  
23 committees and appropriations subcommittees of the senate and house  
24 of representatives concerned with motor fuel quality issues. The  
25 director shall include all of the following information in the  
26 report concerning the preceding fiscal year:

27 (a) The number of initial and renewal applications the

1 department received and completed within the 120-day time period  
2 described in subsection (9).

3 (b) The number of applications denied.

4 (c) The number of applications not issued within the 120-day  
5 period and the amount of money returned to licensees and  
6 registrants under subsection (10).

7 (12) Before a blender engages in the transferring, selling,  
8 dispensing, or offering for sale blended gasoline in this state,  
9 the blender shall register the finished product with the department  
10 and provide to the department test results as the department  
11 considers necessary. If the product does not comply with the  
12 requirements of section 3, the blender shall provide the department  
13 with a written list of the business names and addresses to whom the  
14 blended product is sold.

15 **(13) A PERSON WHO VIOLATES THIS SECTION OR RULES PROMULGATED**  
16 **UNDER THIS SECTION IS LIABLE FOR A CIVIL FINE NOT TO EXCEED**  
17 **\$10,000.00 FOR EACH DAY OF THE CONTINUATION OF THE VIOLATION. A**  
18 **CIVIL FINE ASSESSED UNDER THIS SECTION SHALL BE PAID TO THE STATE**  
19 **TREASURER FOR DEPOSIT IN THE GASOLINE INSPECTION AND TESTING FUND**  
20 **CREATED BY SECTION 8.**

21 (14) ~~-(13)-~~ As used in this section, "completed application"  
22 means an application complete on its face and submitted with any  
23 applicable licensing fees as well as any other information,  
24 records, approval, security, or similar item required by law or  
25 rule from a local unit of government, a federal agency, or a  
26 private entity but not from another department or agency of the  
27 state of Michigan.

1           SEC. 6A. BEGINNING NO LATER THAN 60 DAYS AFTER THE EFFECTIVE  
2 DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION, THE DEPARTMENT  
3 SHALL POST A LIST ON ITS WEBSITE OF ALL DISTRIBUTORS AND RETAIL  
4 DEALERS LICENSED UNDER SECTION 6. THE DEPARTMENT SHALL UPDATE THE  
5 LIST ON A BIMONTHLY BASIS AND SHALL POST THE DATE OF THE LAST  
6 UPDATE ON ITS WEBSITE.

7           Enacting section 1. This amendatory act does not take effect  
8 unless Senate Bill No.\_\_\_\_ or House Bill No. 6454(request no.  
9 06619'06) of the 93rd Legislature is enacted into law.