

Legislative Analysis



LIMIT LIABILITY FOR PROPANE RETAILERS

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House Bill 4123

Sponsor: Rep. Roger Victory

Committee: Judiciary

Complete to 2-5-13

A SUMMARY OF HOUSE BILL 4123 AS INTRODUCED 1-29-13

The bill would add a new section to the Revised Judicature Act (MCL 600.2977) to limit the liability of a liquefied petroleum gas (LPG) business. Under the bill, a LPG business would not be liable for damages for personal injury, death, or property damage arising from the sale, supplying, handling, transportation, or delivery of LPG if both of the following applied:

- The sale, supplying, handling, transportation, or delivery of the LPG was either in compliance with rules promulgated under Section 3c of the Fire Prevention Code (MCL 29.3c); Section 2 of PA 241 of 1959, which pertains to the regulation of liquid petroleum or carbonic gas containers (MCL 429.112); and rules promulgated under the Stille-DeRossett-Hale Single State Construction Code Act (MCL 125.1501-125.1531); or, was not in compliance with these regulations but the failure to comply was not a proximate cause of the personal injury, death, or property damage.
- The personal injury, death, or property damage had been caused by either:
 - (1) the alteration, modification, or repair of LPG equipment or appliance unless the alteration, modification, or repair had been made with the knowledge or consent of the LPG business; or,
 - (2) the use of LPG equipment or appliance in a manner or for a purpose other than that for which it was intended unless the use could reasonably have been expected by the LPG business.

"Liquefied petroleum gas business" would mean a person who is engaged primarily in the business of selling at retail, supplying, handling, or transporting liquefied petroleum gas. "Person" would mean an individual, partnership, corporation, association, governmental entity, or other legal entity.

The bill is a reintroduction of House Bill 4859 of the 2011-2012 legislative session and nearly identical to House Bill 5994 of the 2007-2008 legislative session.

The bill would take effect July 1, 2013.

FISCAL IMPACT:

This bill would not have a significant fiscal impact on state and local governments. The number of actions for damages that could be pursued in court is decreased, potentially leading to savings for local courts due to a reduced caseload. The number of cases currently pursued for the reasons outlined in House Bill 4123 are not known, but are likely minimal.

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