



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

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 689 (as enrolled)
Sponsor: Senator Tony Stamas
Senate Committee: Local, Urban and State Affairs
House Committee: Tort Reform

PUBLIC ACT 244 of 2006

Date Completed: 2-1-07

CONTENT

The bill amended the governmental immunity law to establish immunity for a municipal corporation or organized fire department that donates fire control or rescue equipment. The bill also extends immunity to a municipal corporation or organized fire department that receives donated equipment if the municipal corporation or fire department has the equipment tested, repaired, or maintained as required by law, and does not use the equipment unless the use is consistent with State and Federal law.

Specifically, a municipal corporation, organized fire department, or agent of a municipal corporation or organized fire department that donates fire control or rescue equipment to another municipal corporation or organized fire department is not liable for damages for personal injury, death, or property damage proximately caused after the donation by a defect in the equipment.

Before using donated equipment, a municipal corporation or organized fire department that receives the equipment must have it tested, repaired, or maintained if required by State or Federal law, rule, or regulation. The municipal corporation or fire department may not use the equipment unless the use is consistent with State and Federal laws, rules, and regulations. A municipal corporation or organized fire department that complies with these provisions is not liable for damages for personal injury, death, or property damage proximately caused by a defect in the

donated equipment. This immunity from liability does not affect the rights of an employee or volunteer of the municipal corporation or organized fire department to benefits under the Worker's Disability Compensation Act or any similar law.

The bill defines "organized fire department" as that term is defined in Section 1 of the Fire Prevention Code. (The Code defines "organized fire department" as an organization or department that provides fire suppression and other fire-related services within a city, village, or township and is a fire department of a city, village, or township, or a fire service designated by a city, village, or township, pursuant to a contract. The term includes a department of county employees who are responsible for fire suppression and other fire-related services for an airport operated by the county or an agency of the county.)

(The governmental immunity law defines "municipal corporation" as a city, village, or township or a combination of two or more of these when acting jointly.)

The bill took effect on June 30, 2006

MCL 691.1407c

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill will have no effect on State revenue or expenditures. The bill will have an indeterminate, and likely minimal, impact on local revenue and expenses. The bill will

reduce expenses associated with liability for donated equipment and thus presumably will increase the number of instances in which donations are made. However, the bill also requires donated equipment to meet certain standards and does not absolve local units of liability under worker's compensation laws. It is unknown if these changes also might make recipients less likely to accept donated equipment. The net effect likely will lower expenses for both donors and recipients, although the impact is expected to be minimal.

Fiscal Analyst: David Zin

S0506\sb689sa

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.