



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 542 (Substitute S-3 as reported)
Sponsor: Senator Judy K. Emmons
Committee: Judiciary

(as passed by the Senate)

CONTENT

The bill would amend the Revised Judicature Act to specify that a liquefied petroleum gas (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 that activity were in compliance with all of the following:

- Rules promulgated under the Fire Prevention Code.
- Section 2 of Public Act 241 of 1959, which regulates the transfer of liquefied petroleum or carbonic gas, and other gas compounds, out of or into a stationary container.
- Rules promulgated under the Single State Construction Code Act.

If an LPG business were not in compliance with those standards, it would not be liable if the failure to comply were not a proximate cause of the personal injury, death, or property damage.

Immunity from liability under the bill would apply if the injury, death, or property damage were caused by either of the following:

- The alteration, modification, or repair of LPG equipment or an LPG gas appliance, unless the LPG business knew of or consented to that action.
- The use of LPG equipment or an LPG gas appliance in a manner or for a purpose other than the manner in which or purpose for which the equipment or appliance was intended to be used, unless the LPG business could reasonably have expected that use.

The bill would define "liquefied petroleum gas business" as 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 would take effect on July 1, 2012.

Proposed MCL 600.2977

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 2-15-12

Fiscal Analyst: Dan O'Connor