

Legislative Analysis



UNATTENDED SELF-SERVICE MOTOR FUEL DISPENSING FACILITIES

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<http://www.house.mi.gov/hfa>

House Bill 4792 (H-1) as reported from committee
Sponsor: Rep. Beau Matthew LaFave
1st Committee: Commerce and Tourism
2nd Committee: Ways and Means
Complete to 5-27-20

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4792 would amend the Natural Resources and Environmental Protection Act to provide standards for unattended self-service motor fuel dispensing facilities (i.e., gas station fuel pumps).

The bill would prohibit a person from operating an unattended self-service motor fuel dispensing facility unless the person notified the local fire department at least 30 days before starting operations and the Department of Licensing and Regulatory Affairs (LARA) approved the facility.

LARA would have to inspect and approve or disapprove a facility within 60 days after the operator's request. LARA would have to approve a facility meeting all of the following conditions:

- The fuel pump operating instructions are conspicuously posted in the dispensing area. (The instructions would have to include the location of emergency controls and a requirement that the user remain outside his or her vehicle and keep the fuel nozzle in view during dispensing.)
- The fuel nozzles are automatic-closing nozzles without a latch-open device.
- For each group of fuel pumps on an island, at least one emergency shut-off valve is provided that meets all of the following:
 - It is at least 20 feet and not more than 100 feet from each fuel pump it controls.
 - It is clearly identified and readily accessible.
 - It can be reset only manually.
- An approved fire extinguisher for flammable liquids of 4-B:C rating or higher is located within 100 feet from each pump, is clearly identified or visible, and is readily accessible.
- Warning signs as required by LARA are posted in the dispensing area.
- An approved emergency procedures sign, reading as follows and of a size required by LARA, is posted in a conspicuous location:

IN CASE OF FIRE, SPILL, OR RELEASE
1. USE EMERGENCY PUMP SHUTOFF
2. REPORT THE ACCIDENT!
FIRE DEPARTMENT TELEPHONE NO. _____
FACILITY ADDRESS _____
- The dispensing area and area around the emergency controls are well lit.
- Fuel purchases are not payable by coin or currency.
- The fuel pumps do not allow more than \$125 of fuel to be pumped per transaction and require manual action to resume delivery for the next transaction.

As a condition of approval by LARA, the owner or operator would have to visit the site each day and regularly inspect and maintain the equipment.

LARA could not require an unattended self-service motor fuel dispensing facility to limit public access to fuel pumps, or limit dispensing from fuel pumps, by using locked dispensers, security fencing, or other means, except for those means that require payment to be made when fuel is dispensed.

MCL 324.21106

BRIEF DISCUSSION:

According to committee testimony, while most states, including several neighboring states, allow for unattended gas stations, Michigan generally requires an attendant to be on the premises if gas is being pumped.¹ This can be an issue if one has driving to do when most—or all—gas stations have shut down for the night. While attendants have the expertise and tools to provide for the safety and security of their businesses, both generally and in response to a spill or other emergency, some feel that current technology can also allow a self-serve station to safely function without an attendant.

FISCAL IMPACT:

House Bill 4792 would not have a significant fiscal impact on the Department of Licensing and Regulatory Affairs or on any other unit of state or local government.

POSITIONS:

A representative of the Michigan Petroleum Association/Michigan Association of Convenience Stores testified with a neutral position on the bill. (9-12-19)

The following entities indicated opposition to the bill:

- Department of Licensing and Regulatory Affairs (5-27-20)
- Midwest Independent Retailers Association (10-3-19)
- Michigan League of Conservation Voters (10-3-19)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

¹ See https://www.michigan.gov/lara/0,4601,7-154-89334_42271_4115_4238-9319--,00.html