

House Legislative Analysis Section

Washington Square Building, Suite 1025 Lansing, Michigan 48909 Phone 517/373-6466

THE APPARENT PROBLEM:

The Fire Prevention Code forbids operation of a vehicle used to transport hazardous material unless it is certified by the state fire marshal, who must also conduct annual random inspections of such vehicles to see that they comply with the code's safety regulations. Legislators and members of the trucking industry reached a compromise in 1985 extending the legal use of double-bottom fuel tankers on Michigan highways until November 1, 1990, on condition that they undergo safety inspections twice a year. Achieving that end would require amending the fire prevention code. However, legislation introduced to accomplish this failed to be enacted in the 1985-86 legislative session. The fire marshal has urged that the code's annual fees for inspecting vehicles and storage tanks return to \$70 per vehicle and \$30 per tank instead of \$35 and \$15, as they reverted to October 1, 1985, and that several definitions be changed to reflect federal fire safety regulations. At present, the truck inspection program is at a standstill because the current fees do not generate enough revenue to support the program.

THE CONTENT OF THE BILL:

The bill would require the owner of a truck tractor pulling a semitrailer and trailer transporting hazardous material to arrange for a semiannual inspection of "that vehicle" by the state fire marshal. (The fire prevention code defines a "vehicle" as a tank vehicle or bulk transportation vehicle, excluding the tractor.) It would maintain annual fees for inspecting each vehicle at \$70 and \$30 for each storage tank until October 1, 1990. Owners of double-bottoms would have to pay \$70 semiannually for inspection of each tank vehicle. The bill would also change definitions of "flammable liquid," "combustible liquid," and "owner of a vehicle," and specify that owners of farms need not apply for approval of installation of aboveground storage tanks of 1,000 gallons or smaller used for storing motor fuel or heating oil for use on the farms.

MCL 29.1 et al.

FISCAL IMPLICATIONS:

According to the state fire marshal, the fees established in the bill would "nearly" cover the costs of inspecting vehicles and storage tanks. (5-11-87)

ARGUMENTS:

For:

The state fire marshal, legislators, and fuel haulers agree that mandatory twice-a-year inspections should help assuage doubts about the safety of double-bottom tankers, and make extending their use more palatable. The bill would ensure that the inspections do not occur randomly by requiring owners to arrange for them with the fire marshal. Members of the fuel industry say that the fees proposed in the bill (which would total \$280 a year for each double-bottom rig) will not present them with an onerous burden.

REG. TRANSPORT OF HAZARDOUS MATERIALS

House Bill 4489 as introduced Revised First Analysis (6-5-87)

RECEIVED

Sponsor: Rep. Francis R. Spaniola

JUN 1 2 1987

Committee: Transportation

Mich. State Law Library

œ

For:

Fees for inspecting vehicles and storage tanks reverted to \$30 and \$15, from \$70 and \$30, on October 1, 1985. Since then the program has operated at a minimal level, and recently all inspections were eliminated due to lack of funding. The bill would establish fees where they were prior to October 1, 1985, thereby making the program nearly self-sufficient.

For:

The bill would amend definitions in the fire prevention code to comply with federal regulations.

POSITIONS:

The Michigan Trucking Association supports the bill. (5-6-87)

The Department of State Police supports the bill. (5-6-87)

The Michigan Petroleum Association supports the bill. (5-6-87)

The State Fire Marshal supports the bill. (5-7-87)