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BILL ANALYSIS



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Senate Bill 877 (Substitute S-2 as reported)
Sponsor: Senator Valde Garcia
Committee: Agriculture, Forestry and Tourism

CONTENT

The bill would create the "Anhydrous Ammonia Security Act" to do the following:

- Require the Agriculture Commission, within six months after the bill's effective date, to issue anhydrous ammonia safety and security practices (AASSPs) regarding the security of anhydrous ammonia in the possession of sellers and end users in this State.
- Establish tort immunity for a seller or end user who complied with AASSPs.

In addition to any other practices included, the AASSPs would have to provide that both of the following, either separately or in combination as the Commission determined advisable, would constitute safe and secure storage practices for anhydrous ammonia:

- Storage in a tank that was properly equipped with a functioning tank or valve lock that was used at all times except when the seller or end user was taking anhydrous ammonia from the tank or filling it.
- Storage with a substance added to the anhydrous ammonia that was or that contained a dye that, on release from the container holding the anhydrous ammonia, would stain objects that it came in contact with, in a highly visible manner.

A seller or end user who stored, secured, used, transported, or protected anhydrous ammonia in compliance with AASSPs would be immune from tort liability for personal injury, property damage, or death that resulted from the larceny or attempted larceny of anhydrous ammonia, or from a person obtaining or using, or attempting to obtain or use, anhydrous ammonia illegally.

The failure of a seller or end user to store, secure, use, transport, or protect anhydrous ammonia in compliance with AASSPs would not, by itself, create tort liability.

The bill also would require the Commission to work with the Department of Treasury to facilitate the filing for an income tax credit for expenditures made by sellers and end users in implementing the AASSP security measures.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

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

Date Completed: 12-9-05

Fiscal Analyst: Craig Thiel

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Analysis available @ <http://www.michiganlegislature.org>

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