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BILL ANALYSIS

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Senate Bill 7 (Substitute S-2 as reported)
Sponsor: Senator Liz Brater
Committee: Energy Policy and Public Utilities

CONTENT

The bill would create a new statute to do all of the following:

- Require the Public Service Commission (PSC) to adopt regulations establishing minimum efficiency standards for certain new products.
- Beginning January 1, 2010, prohibit the sale in Michigan of new products that did not meet the efficiency standards.
- Prohibit the installation for compensation of a product that did not meet the efficiency standards, beginning one year after the sale of certain products became subject to the bill's requirements.
- Require the PSC to issue to the Legislature and the Governor an annual report recommending efficiency standards for certain products not regulated by the Federal government.
- Require the manufacturers of products subject to the bill to test samples of their products, certify that their products were in compliance with the standards, and identify each product offered for sale or installation as being in compliance.
- Authorize the PSC to test products for compliance with the standards and inspect retailers and distributors of the products.
- Require the PSC to investigate alleged violations and report the results to the Attorney General, who could institute enforcement proceedings.
- Require the PSC to issue a warning for a first violation; and prescribe a maximum civil fine of \$250 for subsequent violations.
- Authorize the PSC to promulgate rules to implement and enforce the bill.

The bill would apply to the following types of new products sold, offered for sale, or installed in the State after the bill's effective date: bottle-type water dispensers, commercial hot food holding cabinets, compact audio products, digital versatile disc (DVD) players and DVD recorders, portable electric spas, and any other products designated by the PSC.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would increase the costs of the Public Service Commission by an unknown amount. No fund source has been identified to pay for these expenses.

Any revenue received from civil penalties would go to the General Fund.

Date Completed: 6-17-08

Fiscal Analyst: Elizabeth Pratt/Maria Tyszkiewicz

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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.

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