



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1171 (Substitute S-1 as reported)
Sponsor: Senator Sue Shink
Committee: Natural Resources and Agriculture

CONTENT

The bill would amend the Motor Fuels Quality Act to do the following:

- Apply certain ASTM International standards to gasoline, ethanol flex fuel, fuels containing ethanol, diesel fuel, biodiesel, and biodiesel blends sold in the State.
- Delete the State's subregular gasoline grade.
- Provide that special grades of motor fuel could be offered for sale if they were listed with and approved by the Department of Agriculture and Rural Development (MDARD).
- Require all motor fuels that did not meet the ASTM international standards to be registered with the Director.
- Require a gasoline retail dealer to post on each dispenser a notice that contained 1) a statement that the gasoline met Michigan standards, 2) identified which grade the gasoline fit into, 3) a statement of the gasoline's contents, and 4) a statement listing a consumer complaint hotline number.
- Require a non-gasoline fuel retail dealer to post on each dispenser a notice that contained 1) a statement that the gasoline met Michigan standards, 2) the commodity name and content standards, and 3) a statement listing a consumer complaint hotline number.
- Prescribe font type, size, and location requirements for notices.
- Prescribe identification standards for types of motor fuel upon delivery, at retail, in storage, and during loading and unloading.
- Require a retail dealer to obtain a motor fuel outlet license to sell ethanol flex fuel and compressed natural gas.
- Exempt from licensure requirements a retail outlet marketing gasoline for use only in aircraft.
- Prescribe late fees for licenses renewed after the annual December 1 deadline.
- Prescribe new requirements for license applications.
- Require the Director of MDARD to submit an annual report to the Legislature concerning motor fuel quality issues.
- Require certain information revealed during investigations of violations under the Act to be confidential and exempt from the Freedom of Information Act (FOIA).
- Exempt certain facilities and reformulated gasoline from the Act.
- Modify fuel storage tank requirements.
- Repeal Section 5a of the Act, which creates the Renewable Fuels Fund.

MCL 290.642 et al.

BRIEF RATIONALE

Generally, the Act requires MDARD to establish minimum quality standards for gasoline and diesel fuel sold in the State. According to testimony before the Senate Committee on Natural Resources and Agriculture, the Act's provisions were most recently updated in 2009 and its fuel standards are outdated. Accordingly, it has been suggested to update fuel standards and to ensure all relevant fuel regulations are in one Act.

FISCAL IMPACT

The bill would have no fiscal impact on the State, local governments, or MDARD.

Date Completed: 12-17-24

Fiscal Analyst: Bruce R. Baker

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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.