

HOUSE BILL No. 6160

May 22, 2008, Introduced by Reps. Nitz, Calley, Meltzer, Horn and Moore and referred to the Committee on Transportation.

A bill to require refiners and distributors of motor fuel to submit monthly reports to the director of the department of agriculture regarding motor fuel shipped into, used in, and exported from this state; to require retailers of gasoline to submit a written notice to the director if the retailer increases the price of gasoline sold at the pump by 7 cents or more during a calendar week; to create and establish the powers and duties of the gasoline practices oversight commission; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Calendar week" means the time period beginning at 12
3 midnight on Sunday and ending at 12 midnight on the Sunday

1 immediately following that initial Sunday.

2 (b) "Commission" means the gasoline practices oversight
3 commission created in section 7.

4 (c) "Department" means the department of agriculture.

5 (d) "Director" means the director of the department.

6 (e) "Motor fuel" means that term as defined in section 2 of
7 the motor fuel distribution act, 1990 PA 134, MCL 445.1802.

8 (f) "Refiner" means that term as defined in section 2 of the
9 motor fuel distribution act, 1990 PA 134, MCL 445.1802.

10 (g) "Retailer" means that term as defined in section 2 of the
11 motor fuel distribution act, 1990 PA 134, MCL 445.1802.

12 (h) "Wholesaler" means a distributor, as that term is defined
13 in section 2 of the motor fuel distribution act, 1990 PA 134, MCL
14 445.1802.

15 Sec. 3. (1) Each refiner of motor fuel and each distributor of
16 motor fuel doing business in this state shall prepare and submit to
17 the director on a monthly basis a report that specifies all of the
18 following amounts that are attributable to the activities of the
19 refiner or distributor:

20 (a) The amount of unrefined and refined motor fuel that the
21 refiner or distributor had brought into this state during the
22 previous calendar month.

23 (b) The amount of the motor fuel described in subdivision (a)
24 that was consumed in this state during the previous calendar month.

25 (c) The amount of the motor fuel described in subdivision (a)
26 that was exported from this state during the previous calendar
27 month.

1 (2) Each refiner and distributor shall submit the report
2 required under subsection (1) to the director by the tenth day of
3 the month immediately following the month covered in the report.

4 (3) The director shall post a copy of each refiner and
5 distributor's report on the department's website.

6 Sec. 5. If a retailer increases the price of a motor fuel sold
7 directly to consumers at a retail location in this state during a
8 calendar week, and the total amount of any increases occurring in
9 that week equals or will equal an increase of 7 cents or more in
10 the price of a motor fuel sold as compared to the price of that
11 motor fuel sold on the previous Sunday of that calendar week, the
12 retailer shall submit a written notice to the director informing
13 the director that the retailer has or will increase by 7 cents or
14 more the price of that motor fuel sold during that calendar week.
15 The retailer shall include in the notice the reason for that price
16 increase. The retailer shall submit the notice at any time during
17 the time period beginning 24 hours before the time the price
18 increase that results or will result in an increase of 7 cents or
19 more in the price of the motor fuel during that calendar week takes
20 effect and ending 24 hours after the time the price increase takes
21 effect.

22 Sec. 7. (1) The gasoline practices oversight commission is
23 established.

24 (2) The commission shall consist of 9 members appointed as
25 follows:

26 (a) Three members of the senate appointed by the majority
27 leader of the senate, at least 1 from the minority party.

1 (b) Three members of the house appointed by the speaker of the
2 house of representatives, at least 1 from the minority party.

3 (c) Two members appointed by the governor.

4 (d) One member appointed by the attorney general.

5 (3) Each member of the committee shall serve at the pleasure
6 of the person who appointed the member. A vacancy shall be filled
7 in the same manner as the original appointment for the balance of
8 the unexpired term.

9 (4) The term of office of each member of the commission
10 appointed by the governor or attorney general is 2 years, and the
11 governor or attorney general may reappoint an individual for
12 additional terms. The term of a member appointed from the
13 legislature expires at the end of the legislative session in which
14 he or she is appointed and that member may only be reappointed if
15 he or she is a current member of the legislature.

16 (5) The commission shall conduct its business at public
17 meetings held in compliance with the open meetings act, 1976 PA
18 267, MCL 15.261 to 15.275. Any writing prepared, owned, used, in
19 the possession of, or retained by the commission when performing
20 business of the commission is subject to the freedom of information
21 act, 1976 PA 442, MCL 15.231 to 15.246.

22 (6) The commission shall elect from among its members a
23 chairperson and a vice-chairperson. The commission shall appoint a
24 secretary.

25 (7) Five members of the commission constitute a quorum, and
26 the affirmative vote of 5 members is necessary for any action taken
27 by the commission. A vacancy in the membership of the commission

1 does not impair the rights of a quorum to exercise all the rights
2 and perform all the duties of the commission.

3 Sec. 9. (1) The commission shall do all of the following:

4 (a) Examine and review the existing infrastructure that
5 delivers and distributes motor fuel to and within this state.

6 (b) Examine the availability of motor fuel, current motor fuel
7 pricing practices, alternative fuels for motor vehicles, and
8 government laws, rules, and regulations that affect the supply,
9 delivery, and distribution of motor fuel generally and in
10 particular to and within this state.

11 (c) Conduct hearings on the issues described in subdivisions
12 (a) and (b) and after those hearings formulate and recommend a
13 state motor fuel policy, to ensure consumer confidence in this
14 state's motor fuel supply and delivery infrastructure and ensure a
15 continuing and affordable supply of motor fuel for residents of
16 this state.

17 (2) In the discharge of its duties under this act, the
18 commission may administer oaths and affirmations, certify to
19 official acts, issue subpoenas, and compel the attendance and
20 testimony of witnesses and the production of papers, books, and
21 documents. If a person fails to comply with a subpoena issued under
22 this section or refuses to testify on any matter concerning which
23 he or she may lawfully be questioned, the commission or its
24 authorized representative may invoke the aid of a court of general
25 jurisdiction. The court may order the witness to comply with the
26 requirements of the subpoena or give evidence concerning the matter
27 in question and may punish a failure to obey that order as

1 contempt.

2 (3) Beginning on the effective date of this act, within 30
3 days after the end of each calendar quarter through the third
4 calendar quarter of 2009, the commission shall issue an interim
5 report to the legislature concerning its activities and duties
6 under this act. The commission shall issue a final report
7 concerning its activities and duties under this act during the
8 final calendar quarter of 2009.

9 Enacting section 1. This act does not take effect unless
10 Senate Bill No. ____ or House Bill No. 6161(request no. 04689'07) of
11 the 94th Legislature is enacted into law.

12 Enacting section 2. This act is repealed effective December
13 31, 2009.