

# SENATE BILL NO. 366

May 30, 2023, Introduced by Senators MCCANN, IRWIN, SHINK, SINGH, WOJNO and POLEHANKI and referred to the Committee on Energy and Environment.

A bill to amend 1969 PA 165, entitled

"An act to authorize the public service commission to establish and enforce gas safety standards; and to provide penalties for violations thereof,"

by amending section 11 (MCL 483.161), as amended by 1992 PA 11.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 11. (1) A person ~~who~~**that** violates this act or a rule  
2 promulgated under this act is subject to ~~a~~**an administrative** fine  
3 of not more than ~~\$10,000.00~~**\$200,000.00** for each violation for each  
4 day that the violation persists, except that the maximum ~~civil~~  
5 ~~penalty~~**administrative fine** shall not exceed ~~\$500,000.00~~

1 \$2,500,000.00 for any related series of violations.

2 (2) No sooner than September 1, 2024, and by October 1 of each  
3 year thereafter, the commission shall issue an order adjusting the  
4 administrative fines under subsection (1) for inflation using the  
5 Consumer Price Index.

6 (3) ~~(2)~~—In determining the amount of the **administrative** fine  
7 **under subsection (1)**, the commission shall consider all of the  
8 following:

9 (a) The effect on the ability of the person ~~charged~~ to  
10 continue in business.

11 (b) The nature, circumstances, and gravity of the violation.

12 (c) Any ~~good-faith~~ **good-faith** effort by the person ~~charged~~ to  
13 comply with the requirements of this act.

14 (d) The degree of culpability of the person. ~~charged.~~

15 (e) The history of prior violations of the person. ~~charged.~~

16 (f) The ability of the person ~~charged~~ to pay.

17 (g) Other matters as justice may require.

18 (4) ~~(3)~~—The amount of the penalty stipulated may be deducted  
19 from a sum the state owes the person ~~charged~~ or may be recovered in  
20 a civil action in the Ingham ~~county~~ **County** circuit court.

21 (5) ~~(4)~~—A person who willfully and knowingly defaces, damages,  
22 removes, or destroys a pipeline sign or right-of-way marker  
23 required by this act is guilty of a misdemeanor punishable by  
24 imprisonment for not more than 1 year ~~,~~ or by a fine of not more  
25 than \$5,000.00, or both, for each offense.

26 (6) **An administrative fine issued under this section must be**  
27 **deposited in the general fund. For each calendar year, any amount**  
28 **of the administrative fines deposited in the general fund that**  
29 **exceeds \$200,000.00 must be credited to the commission to be used**

1 for underground facilities safety education and training,  
2 consistent with section 12(7) of the MISS DIG underground facility  
3 damage prevention and safety act, 2013 PA 174, MCL 460.732.

4 (7) As used in this section, "Consumer Price Index" means the  
5 most comprehensive index of consumer prices available for the  
6 Detroit area from the United States Department of Labor, Bureau of  
7 Labor Statistics.