BILL

**ANALYSIS** 

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

Senate Bill 685 (Substitute S-1 as reported)

Sponsor: Senator Darwin L. Booher

Committee: Agriculture

## **CONTENT**

The bill would amend the Weights and Measures Act to incorporate standards published in the 2014 editions of National Institute of Standards and Technology (NIST) handbooks, replacing references to the 2012 editions.

The bill would refer to the standards included in the 2014 edition of NIST Handbook 130 for "Uniform Regulation for the Method of Sale of Commodities". (These changes would affect the information provided to vehicle engine oil customers upon purchasing motor oil. A wholesaler or supplier would be required to furnish an invoice, bill of lading, or other documentation with the order specifying the quantity of oil, its viscosity, brand name, date and time of sale, and other information. A service provider, or oil change station, would be required to supply a receipt or invoice, and label any bulk containers used in the installation of the oil, with the brand name, viscosity, and other information.)

The bill also would incorporate by reference other standards published in the 2014 edition of Handbook 130 as well as Handbook 44, "Specifications, Tolerances, and Other Technical Requirements for Weighing and Measuring Devices".

MCL 290.628c Legislative Analyst: Jeff Mann

## **FISCAL IMPACT**

The shift of standards of regulation by the Michigan Department of Agriculture and Rural Development (MDARD) from what is required under the 2012 edition of the NIST handbooks to the 2014 edition, as provided under the bill, would result in increased responsibilities for the Department along with accompanying increased costs. Currently, under the 2012 standards, MDARD is not required to regulate or otherwise respond to complaints concerning the quantity or quality of oil used at businesses engaged in vehicle oil change services. Under the published 2014 standards, MDARD would be given the authority to regulate these operations.

According to MDARD's estimate, should it adopt a regulatory program that would consist solely of the Department's responding to complaints related to the quality or quality of oil at these facilities, the Department would require \$120,000 in additional funding for personnel and \$30,000 for lab testing costs, for a total of \$150,000 annually. The source of the funding for whatever regulatory efforts MDARD undertook to fulfill its regulatory requirements under the 2014 standards is not known at this time but, potentially, the needed funds could come from General Fund dollars or possibly from the potential establishment of license/inspection fees to be levied on oil change businesses.

Date Completed: 2-3-14 Fiscal Analyst: Bruce Baker

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Bill Analysis @ www.senate.michigan.gov/sfa

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