

Legislative Analysis



AMEND WEIGHTS AND MEASURES ACT

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Senate Bill 506 as enacted
Public Act 464 of 2016

Analysis available at
<http://www.legislature.mi.gov>

Sponsor: Sen. Mike Green
House Committee: Agriculture
Senate Committee: Agriculture

Complete to 11-21-17

BRIEF SUMMARY:

Senate Bill 506, enacted as Public Act 464 of 2016, amends Section 28c of the Weights and Measures Act to reference the 2014 edition of National Institute of Standards and Technology (NIST), Handbook 130. The act had previously referenced the 2012 edition of the Handbook.

BACKGROUND AND DISCUSSION:

NIST is a federal agency within the U.S. Department of Commerce. NIST publishes Handbook 130, "Uniform Laws and Regulations in the Areas of Legal Metrology and Engine Fuel Quality." The Handbook is updated annually based on recommendations of the National Conference on Weights and Measures, a nonprofit organization composed of state and local regulators and representatives of regulated industries. The Handbook is intended to establish uniform national standards governing the sale of commodities including weights, measures, and product labeling.

<https://www.nist.gov/pml/weights-and-measures/handbook-130-2014-edition>

Michigan's Weights and Measures Act incorporates the Handbook by reference. Specifically, Section 28c of the act directs that, with certain specific exceptions, the method of sale of a commodity sold in Michigan must conform to the "uniform regulation for the method of sale of commodities" in NIST Handbook 130. Prior to enactment of Senate Bill 506, Section 28c had referenced the 2012 edition of Handbook 130.

The 2014 edition of Handbook 130 reflected an amendment to Section 2.33, a section governing vehicle motor oil. Specifically, the section provides standards related to labeling of viscosity, brand, and related documentation. Supporters of the bill testified that unscrupulous oil change operations sometimes use oil that is not as advertised or not up to industry specifications. In other cases, unscrupulous dealers may sell mislabeled or substandard oil to oil change operations.

The Michigan Department of Agriculture and Rural Development (MDARD) administers Michigan's Weights and Measures Act and enforces the act through its Laboratory Division/Consumer Protection Program. As part of this program, MDARD had been

responsible for the establishment and enforcement of product quality, labeling, and environmental standards for motor fuels and additives, but not vehicle motor oil.

In referencing the 2014 edition of Handbook 130 in the Weight and Measures Act, Senate Bill 506 gives MDARD authority for inspection and enforcement of vehicle motor oil quality and labeling standards established in Section 2.33.

The bill limited MDARD's enforcement authority with respect to vehicle repair facilities licensed by the Michigan Secretary of State under Michigan's Motor Vehicle Service and Repair Act (Public Act 300 of 1974). The bill allows the Secretary of State to refer to MDARD a complaint regarding a possible violation of the standards governing vehicle motor oil (Handbook 130, Section 2.33) by a registered motor vehicle repair facility. The bill also indicates that a motor vehicle repair facility is not subject to MDARD oversight for a violation of the standards unless the complaint had been referred by the Secretary of State.

As a result, MDARD has primarily regulatory authority with respect to vehicle motor oil standards for facilities not licensed under the Motor Vehicle Service and Repair Act, i.e., facilities that are limited to engine oil changes, transmission fluid and filter replacement, and other incidental services.

http://www.michigan.gov/mdard/0,4610,7-125-1569_19192-405682--,00.html

MCL 290.628c

FISCAL IMPACT:

Senate Bill 506 expands the scope of authority of the Michigan Department of Agriculture and Rural Development (MDARD) under the Weights and Measures Act to include enforcement of provisions governing vehicle motor oil under the 2014 NIST Handbook, specifically Section 2.33.

The enacted bill's effective date was April 5, 2017.

MDARD indicated that the annual costs of this inspection and enforcement program would be approximately \$190,000. Identified program costs include 1.0 full-time equated inspector position, \$120,000; associated laboratory costs, \$30,000; and travel expenses, \$40,000. Additional Refined Petroleum Fund support for MDARD's Consumer Protection Program was provided in the FY 2017-18 budget.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.