



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 506 (as reported without amendment)
Sponsor: Senator Mike Green
Committee: Agriculture

CONTENT

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

In particular, the bill would refer to the standards included in the 2014 edition of NIST handbook 130, "Uniform Regulation for the Method of Sale of Commodities". (This change would affect the information provided to vehicle engine oil customers upon purchasing motor oil.)

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

The bill would take effect 90 days after its enactment.

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 required to regulate these operations, according to the Department.

According to MDARD's estimate, a regulatory program that would consist solely of the Department's responding to complaints related to the quantity or quality of oil at these facilities would require \$120,000 in additional funding for personnel, \$40,000 for vehicle and travel costs, and \$30,000 for lab testing costs, for a total of \$190,000 annually. The source of the funding for MDARD to fulfill its regulatory responsibilities 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: 2-16-16

Fiscal Analyst: Bruce Baker