

Agency Proposal for Legislation for the 2017 Legislative Session

AGENCY NAME: Department of Labor and Industry

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1. What is the problem or issue?

The Department and the Montana Petroleum Marketers Association have been meeting for three years to develop a new test plan for meters. They did not feel it was necessary for the Department to continue to try test all retail fuel meters on an annual basis because of the low number that has been out of tolerance and because they felt they were paying too much in fees since Weights and Measures is totally funded by license fees. In addition, they reported they already hire private registered service companies to test and maintain their large capacity meters and they want these companies to be able to test in place of the Department. The proposed legislation would allow the Department to adopt rules to change meter testing in two phases.

2. What do you want the legislation to do?

Phase one would implement a random testing plan on an annual basis for retail meters and would provide meter owners with the option of having all their meters tested by the Department. All other meters would continue to be tested annually by the Department. The license fees would remain in rule and will remain the same. In phase two, retail meters would still be test tested under the random testing plan by the Department and all other meters (except liquefied petroleum gas) would be tested annually by either the Department or by registered service providers. Meter owners will have to decide who will do the testing at the time of renewal or when a new application is submitted. Phase one would be effective January 1, 2018 and phase two would be effective 18 to 24 months after phase one has been implemented. The effective date of phase two would be in rule and would be after the department has had adequate time to evaluate program expenditures and revenues. Following an evaluation of expenditures and revenues, license fees may be adjusted which could result in a decrease in revenue and FTE. The program for registered service providers would be changed to allow more oversight and they would be required to attend training classes and pass a test. An extensive audit/monitoring program of the registered service providers and the locations they are testing would be developed. The Department sent letters to all affected meter owners and conducted eight stakeholder meetings around the State to gather input and did not hear any opposition to the proposed plan.

3. If possible, please list the MCA (Montana Code Annotated) sections that would need to be amended.

§§ 82-15-105, MCA and others in that chapter if necessary

4. If the proposed change requires additional funding, what funding sources do you propose (e.g., an increase in or both)?

NA

5. Has similar legislation been requested in the past, been introduced in another state, or provided as a model act? If so, please provide a citation, reference, or point of contact.

NA