

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1091

2001 HOUSE TRANSPORTATION

HB 1091

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1091

House Transportation Committee

Conference Committee

Hearing Date January 19, 2001

Tape Number	Side A	Side B	Meter #
1	X		5,380
		X	4,040
Committee Clerk Signature <i>Laura L. Fisher</i>			

Minutes: Rep. Welsz - Chairman opened the hearing on HB 1091; A BILL for an Act to amend and reenact section 64-02-10 of the North Dakota Century Code, relating to fees for testing or calibrating weighing and measuring devices.

Jon Mielke, Executive Secretary, Public Service Commission appeared to explain and testify for HB 1091, a Public Service Commission sponsored bill. A copy of his written testimony is attached.

Rep. Hawken: (5601) If you are currently recovering 64% of your costs, why are you increasing your fees only 10%?

Jon Mielke: It is a policy decision. If the legislature would want to make it a fully self supporting --- they could certainly increase the fees in the neighborhood of 30%.

Rep. Jensen: On page two, line 30 -- since there is no change in the fee of \$9.00 a quarter hour which has been in the statute for a while, wouldn't it be that you would need to change that?

Jon Mielke: It is a good point, I think that when we were going through and adjusting the fees we including everything that was listed and we did not make an adjustment in that fee on line 30. It maybe appropriate to increase that also.

Rep. Dosch: (5805) You said these fees cover about one third of the charges by the private sector. Could you tell us do they (the businesses) come to the state for these services versus the private providers?

Jon Mielke: Obviously with the differential in the fee structure they would come to us whenever possible. The private service providers are registered service companies. Typically these kinds of test are not their primary line of business. They are mostly in busines (end tape - go to side B) But they will do these tests when they are there to do other service work. It is quicker for the company to get their scale back in service while they are on site.

Rep. Pollert - Vice Chairman: (side B - meter 14) I can clarify that a bit more as I am under the PSC jurisdiction --- for example, our elevator scales have to be certified every year. If I have private provider come in, he is going to charge me probably \$650 . So I am going to welcome the PSC with open arms as they will charge me \$150 - 175 to certify my scale. If they would refuse to certify my scale, then I would have an outside service provider come in, service my scale and have them test and certify my scale while they are there. They then would notify the PSC that my scale has been taken care of.

Jon Mielke: People in small business will use us, but large companies will contract out and they will likely get a better deal.

Al Mack: I am representative of the ?? Division of the North Dakota Public Service Commission.

Rep. Pollert, on your last inspection --- the only way that would be \$150 for you scale is if there

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House Transportation Committee
Bill/Resolution Number HB 1091
Hearing Date January 19, 2001

was some other inspection or if, it was a special inspection. Then we would have to charge you mileage along with that. We would have to charge you mileage when we have to do a special inspection other than that required by the code. Last year your inspection should have been \$97.

Rep. Pollert - Vice Chairman: Mr. Mack, I should add that I also have a Seabouro(sp?) 88 and I've got a Toledo 500 .

Jon Mielke: If the committee would increase the rates, they could 'stair-step' them, part of it one year and a like amount the second year or whatever the committee might want to do. Certainly it is a policy decision within your power to do whatever you decide to do. I think that the last time the legislature increased the fees they stair-stepped them --- increasing them 10% the first year and 10% the second.

Rep. Welsz - Chairman: (242 - Side B) There being no one wishing to appear either for or against HB 1091, the hearing of further testimony was closed.

Discussion followed: (side B - 3848)

Rep. Jensen: I move that on page 2, line 30 change the charge of nine dollars to a charge of ten dollars.

Rep. Fiawken: I second that motion.

Motion carried on a voice vote.

Rep. Jensen: I move a 'Do Pass as amended' for HB 1091.

Rep. Thoreson: I second the motion for the bill as amended.

Roll Call Vote: Motion carried , 8 yeas 4 nays 2 absent.

Rep. Grumbo was assigned to carry the HB 1091 on the floor.

FISCAL NOTE
 Requested by Legislative Council
 01/24/2001

REVISION

Bill/Resolution No.:

Amendment to: HB 1001

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$45,750	\$0	\$45,750	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill, as amended, proposes to increase the fees charged by the Public Service Commission to test and certify commercial weighing and measuring devices in North Dakota. An across-the-board increase of approximately 10% is proposed.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The fees charged for testing and certifying weighing and measuring devices currently generate about \$450,000 per biennium for the general fund. The proposed increase will increase biennial revenues by approximately \$45,750.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No impact.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect*

on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

No impact.

Name:	Jon Mielke	Agency:	Public Service Commission
Phone Number:	328-4082	Date Prepared:	01/24/2001

FISCAL NOTE

Requested by Legislative Council

01/23/2001

Bill/Resolution No.:

Amendment to: HB 1091

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$756	\$0	\$756	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

When PSC inspection personnel are on site and the customer request that testing services be delayed, a waiting fee of \$9 per quarter hour is charged. The amendment to this bill proposes to increase this fee to \$10 per quarter hour.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Waiting time totaled 94.5 hours in the year 2000. Increasing the applicable fee by \$1 per quarter hour would generate an additional \$378 per year of \$756 per biennium for the general fund.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No impact.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

No impact.

Name:	Jon Mielke	Agency:	Public Service Commission
Phone Number:	328-4082	Date Prepared:	01/23/2001

FISCAL NOTE

Requested by Legislative Council
12/27/2000

REVISION

Bill/Resolution No.: HB 1091

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$45,000	\$0	\$45,000	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$165	\$350	\$0	\$165	\$350	\$0

Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1091 proposes a 10 percent increase in the fees charged for testing and certifying weighing and measuring devices. The last significant increase in these fees was in 1993. At their current level, these fees are about 300 percent below those charged by private service providers. The proposed increase would generate an additional \$45,000 in biennial income for the general fund.

Some tests are performed for cities and counties. If testing fees are increased by 10 percent as proposed by this bill, these entities will experience a cumulative fiscal impact totaling approximately \$515 per biennium.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The fees charged for testing and certifying weighing and measuring devices currently generate about \$450,000 per biennium for the general fund. Increasing these fees by 10 percent would

produce an additional \$45,000 in income per biennium for the general fund.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

There are not incremental expenditures associated with this fee increase.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Passing HB 1091 would have no impact on the appropriation requested by the Public Service Commission or any other agency.

Name:	Jon Mielke	Agency:	Public Service Commission
Phone Number:	328-4082	Date Prepared:	12/27/2000

FISCAL NOTE

Requested by Legislative Council
12/26/2000

Bill/Resolution No.: HB 1091

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$45,000	\$0	\$45,000	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1091 proposes a 10 percent increase in the fees charged for testing and certifying weighing and measuring devices. The last significant increase in these fees was in 1993. At their current level, these fees are about 300 percent below those charged by private service providers. The proposed increase would generate an additional \$45,000 in biennial income for the general fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The fees charged for testing and certifying weighing and measuring devices currently generate about \$450,000 per biennium for the general fund. Increasing these fees by 10 percent would produce an additional \$45,000 in income per biennium for the general fund.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

There are not incremental expenditures associated with this fee increase.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on*

the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Passing HB 1091 would have no impact on the appropriation requested by the Public Service Commission or any other agency.

Name:	Jon Mielke	Agency:	Public Service Commission
Phone Number:	328-4082	Date Prepared:	12/27/2000

18112.0101
Title.0200

Adopted by the Transportation Committee
January 19, 2001

V/R
1/19/01

House Amendments to HB 1091

Htrn 1-22-01

Page 2, line 30, overstrike "nine" and insert immediately thereafter "ten"

Renumber accordingly

Date: January 19, 2001
 Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1091

House Transportation Committee

Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended

Motion Made By Rep. Jensen Seconded By Rep. Thoreson

Representatives	Yes	No	Representatives	Yes	No
Robin Weisz - Chairman	✓		Howard Grumbo	✓	
Chet Pollert - Vice Chairman	✓		John Mahoney		✓
Al Carlson		✓	Arlo E. Schmidt		✓
Mark A. Dosch	✓		Elwood Thorpe		✓
Kathy Hawken	✓				
Roxanne Jensen	✓				
RaeAnn G. Kelsch	✓				
Clara Sue Price	A				
Dan Ruby	A				
Laurel Thoreson	✓				

Total (Yes) 8 No 4

Absent 2

Floor Assignment Rep. Grumbo

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 22, 2001 8:48 a.m.

Module No: HR-10-1353
Carrier: Grumbo
Insert LC: 18112.0101 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1091, as amended, Transportation Committee (Rep. Welsz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (8 YEAS, 4 NAYS, 2 ABSENT AND NOT VOTING). placed on the Sixth order on the calendar.

Page 2, line 30, overstrike "nine" and insert immediately thereafter "ten"

Renumber accordingly

2001 SENATE TRANSPORTATION

HB 1091

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1091

Senate Transportation Committee

Conference Committee

Hearing Date 3-2-01

Tape Number	Side A	Side B	Meter #
1	x		0.0-19.3

Committee Clerk Signature *Suzette Schaefer*

Minutes: **HB 1091** relates to fees for testing or calibrating weighing and measuring devices.

Jon Mielke: (Executive Secretary of the Public Service Commission; Supports) See attached testimony.

Senator O'Connell: Do the fees go into the General Fund?

Jon Mielke: Yes.

Senator Mutch: Are you running at a deficit now?

Jon Mielke: Yes, we are collecting about 64% of costs associated with testing services. The fees go directly into the General Fund though and does not come back to the commission. So whatever you decide, it won't affect our budget.

Senator Stenehjem: Does this include truck scales and highway patrol portable scales?

Alan Moch: (Director of Testing and Safety Division; Supports) Yes, truck scales, elevator scales, etc. Yes, this includes wheel load weighers in so far as we provide services for county sheriff's and local police departments. The Highway Patrol have their own registered service

people and we share their equipment. They come over and do their own so there is no charge for them. But for county and local law enforcement, it would increase.

Senator Espegard: If you don't test them, who does and what do you test?

Jon Mielke: The commission and private service providers both test. Private sectors primary functions are to service and repair scales and to sell new equipment. When they go out to make repairs, it makes sense to test right away while person is still there instead of call us to come out. They charge about three times as much as we do. The devices that we do are truck scales, gas pumps, and grocery store scales. Anything that is sold that is based on weight or volume has to be tested.

Senator Mutch: Mentions breaking seal when ticket gets jammed.

Alan Moch: In regard to the requirements for only registered service people or state inspectors to be able to break a seal. We understand that is a problem especially in regard to ticket printing. Ticket printers on bulk trucks are not required. If they are on the bulk truck, they are required to be used. If not on the truck, then not required to use. With regard to having the operator cut a seal, we have no way of knowing if they are clearing a ticket printer, changing gear wheels or making some adjustments to the device. So therefore the rule not to require bulk trucks to have ticket printers came about. There is also an administrative rule that states that the commission has a right to issue a variance on any rule for any special situation.

Senator Espegard: Is there a fine for someone tampering with seals and wheels?

Alan Moch: We make every effort to work with the operators with warning letters. There are provisions though that we can fine up to \$5000 per violation.

Jon Mielke: The legislature has an interim study of the commission about six years ago. A question was asked if the devices were often in favor of the consumer or business? The answer

was, half the time it's one way and half the time it's the other. So we don't find a lot of violations. There are not a lot of situations that result in a formal hearing and a fine.

Hearing closed.

Discussion follows.

Senator Espgaard: I can't understand how we can run the agency at a deficit of \$250,000. Then going for an increase every eight years. This isn't reality. It looks like we need a 25% increase to get something done.

Senator Trenbeath: Where did the idea for these fee increases come from?

Jon Mielke: There was an audit done and it was recommended that we see fee increases in a couple of other areas. That prompted us to look at these fees also. The last fee increase was done in two steps. 10% one year and 10% the following year.

Senator Mutch: In my recollection, just in the last 3-4 years you have allowed private sectors to test devices. They are probably digging into your clientele and you are losing some money because of this.

Jon Mielke: The reason we allow this is because the service people go out to fix the device and it's easier to allow them to test them right away so that the device can get back on line immediately. I think that it helps us save time because we don't have to make a special out-of-the-way trip.

Senator Trenbeath motions to Do Pass. Seconded by Senator Mutch. Roll call taken. 4-2-0. Floor carrier is Senator Trenbeath.

Committee closed.

REPORT OF STANDING COMMITTEE (410)
March 2, 2001 12:59 p.m.

Module No: SR-36-4705
Carrier: Trenbeath
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1091, as engrossed: Transportation Committee (Sen. Stenehjem, Chairman)
recommends **DO PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1091 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

HB 1091

H.B. 1091

Presented by: Jon Mielke, Executive Secretary
Public Service Commission

Before: House Committee on Transportation
Representative Robin Weisz, Chairman

Date: January 19, 2001

Testimony

Mr. Chairman and committee members, my name is Jon Mielke. I am the executive secretary of the Public Service Commission. The Commission has asked me to appear before you in support of this agency bill and to respond to any questions that you might have. Al Moch, the director of the Commission's Testing & Safety Division, is also with me this morning.

This bill proposes to increase the fees charged by the Commission for testing weighing and measuring devices. These fees have not been increased in eight years and are currently about one-third of the amount charged by private sector service providers in the state.

Passing this bill would result in a fee increase of about ten percent. Related general fund revenues would increase from about \$450,000 to \$495,000 per biennium. Fees currently cover about 64 percent of the direct costs associated with providing testing services.

This bill also proposes to repeal the fee for testing devices that are used to measure cloth. As a practical matter, the state does not possess standards that are used to conduct such tests and has not tested such devices for as long as anyone on staff can remember.

Mr. Chairman, that concludes our testimony. Mr. Moch and I would be happy to respond to any questions that you or members of your committee might have.

H.B. 1091

Presented by: Jon Mielke, Executive Secretary
Public Service Commission

Before: Senate Committee on Transportation
Senator Stenehjem, Chairman

Date: March 2, 2001

Testimony

Mr. Chairman and committee members, my name is Jon Mielke. I am the executive secretary of the Public Service Commission. The Commission has asked me to appear before you in support of this agency bill and to respond to any questions that you might have. Al Moch, the director of the Commission's Testing & Safety Division, is also with me this morning.

This bill proposes to increase the fees charged by the Commission for testing weighing and measuring devices. These fees have not been increased in eight years and are currently about one-third of the amount charged by private sector service providers in the state.

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This bill also proposes to repeal the fee for testing devices that are used to measure cloth. As a practical matter, the state does not possess standards that are used to conduct such tests and has not tested such devices for as long as anyone on staff can remember.

Mr. Chairman, that concludes our testimony. Mr. Moch and I would be happy to respond to any questions that you or members of your committee might have.