

MINUTES OF THE Senate COMMITTEE ON Agriculture

The meeting was called to order by Senator Allen at  
Chairperson

10:00 a.m. on March 27, 1985 in room 423-S of the Capitol.

All members were present ~~except~~

Committee staff present: Raney Gilliland, Research Department  
Arden Ensley, Revisor of Statutes Department

Conferees appearing before the committee: Charles Nicolay, Kansas Oil Marketers  
Association  
Harland Priddle, Secretary, State Board of  
Agriculture

Senator Allen called the Senate Agriculture Committee to order at 10:10 a.m.

Senator Allen called on Charles Nicolay, a proponent, to testify on HB 2003.

Charles Nicolay encouraged support for HB 2003 which would ensure accurate testing of tankwagon meters by qualified, certified representatives of the private sector, thus eliminating a duplicity of effort by the state sealer's personnel and those engaged in private enterprise. (see attachment A).

The chairman acknowledged Harland Priddle, Secretary of the State Board of Agriculture.

Harland Priddle explained an amendment he proposed for HB 2003. (see attachment B).

Senator Montgomery made a motion the committee accept the amendment to HB 2003. Senator Karr seconded the motion. Motion carried.

Raney Gilliland discussed changes that needed to be made in HB 2003. Mr. Gilliland explained in line 270 that section "1" needed to be changed to section "2".

Senator Montgomery made a motion the "1" be changed to "2" in line 270. Senator Warren seconded the motion. Motion carried.

Raney Gilliland explained several changes needed to be made to make HB 2003 comply with HB 2005. Senator Warren made a conceptional motion that necessary changes be made to make HB 2003 compatible with HB 2005. Senator Montgomery seconded the motion. Motion carried.

Vice-Chairman, Senator Montgomery declared the hearing completed on HB 2003 and ask Mr. Gilliland to explain HB 2240.

Raney Gilliland stated HB 2240, as amended, would require that any agreement or modification of an existing agreement, as to the division of responsibility for partition fences between adjoining owners of land, be recorded in the office of the register of deeds of the proper county. Any agreements entered into prior to the effective date of this bill would be permitted, but not required, to be recorded in the office of the register of deeds.

After committee discussion regarding the present law, Senator Montgomery announced the hearing complete on HB 2240.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Agriculture,  
room 423-S, Statehouse, at 10:00 a.m./~~p.m.~~ on March 27, 19 85

The Vice-Chairman called for committee discussion on SB 347 and SB 349.

Committee discussion centered around the meaning of the phrase cash flow and the need for limitations at the top be set so the reduced rate low interest loans would be made to farmers in need who would be able to repay the loan because without limitations loans are apt to be made to the more secure farmers and the ones this bill is addressing will not receive help.

In order to make loans available to a greater number of farmers, Senator Doyen made a motion that in line 35 the number 15% be changed to 30%. Senator Norvell seconded the motion. Motion carried.

The chairman ask Ardan Ensley to comment on the amendment to SB 347 that Jim Maag submitted during the hearings. Mr. Ensley stated the amendment was mostly language change that is very acceptable and he suggested removing section one and replacing it with this amendment which would be new section one.

Senator Allen declared the committee adjourned at 11:00 a.m.



## KANSAS OIL MARKETERS ASSOCIATION

Suite 804 Merchants National Bank • Topeka, Kansas 66612 • Phone (913) 233-9655

March 26, 1985

TO: Members of the House Committee on Agriculture and  
Livestock

FROM: Charles H. Nicolay, Executive Director

SUBJECT: House Bill No. 2003

Last summer, I presented testimony before the Special Committee on Agriculture and Livestock (Interim Study #5) on behalf of the Kansas Oil Marketers Association.

I outlined in those remarks, several reasons why the private sector should be allowed to both test and correct measuring devices on tankwagons used to transport petroleum products.

House Bill 2003, in its present form, does ensure accurate testing of tankwagon meters by qualified, certified representatives of the private sector, thus eliminating a duplicity of effort by the state sealer's personnel and those engaged in private enterprise. We are pleased to support the bill in its entirety.

Enclosed for your review is a copy of the testimony presented last July. If our association can be of further assistance to the Committee, we would be pleased to help.

3/27/85  
attachment A



STATEMENT

by the  
KANSAS OIL MARKETERS ASSOCIATION

July 23, 1984

Submitted to the Special Committee on Agriculture and Livestock regarding 1984 Interim Study Proposal #5, Division of Weights and Measures

Mr. Chairman and Members of the Committee:

My name is Charles Nicolay, Executive Director of the Kansas Oil Marketers Association, and I appreciate the opportunity to appear on behalf of our membership, nearly 400 licensed fuel distributors across the state.

We applaud your efforts directed toward the establishment of a program to test the accuracy of metering devices on tankwagons used to transport petroleum products.

Our membership would support a program that would require periodic testing of these measuring devices. Periodic, in our opinion, could be on an annual basis or on a biannual basis. But it would not be necessary for the frequency to be greater than on an annual basis for meters under heavy use and could be even less frequent for those meters measuring smaller amounts of product.

It is our understanding that, if given regulatory authority and the state's inspectors and equipment are used, an inspection or testing fee would be charged to the owner of the metering device. If it is the plan that a fee schedule be established, then we would suggest an alternate procedure.

If a state inspector conducts a test and finds a meter to be inaccurate, he would have the authority to "red tag" the meter, requiring discontinuation of use. However, it is our understanding that because of liability reasons, the state inspector cannot adjust or correct the meter. The owner would not be allowed to use the meter until it is properly adjusted by a firm qualified to do so.

Now, keeping that scenario in mind, the state inspector makes the inspection, charges a fee and requires the owner of the

the equipment to have a private firm correct the meter; consequently, another fee is charged to the owner. A program that would be operated in this manner, in our opinion, is an unnecessary expense to the state and also to the owner of the equipment.

We would recommend that the inspection and necessary adjustments or repairs be made by members of the private sector. There are several firms in the state that are qualified and I'm sure would be interested in carrying out a program of this type. These particular firms could be certified by the Division of Weights and Measures and given the authority to place seals on meters as they are tested. The certified tester could also provide the Division of Weights and Measures with necessary information on this testing program.

The Division of Weights and Measures of the Department of Agriculture could be the governing authority and provide enforcement for such a program without the purchase of expensive equipment and without employing a personnel crew to operate such equipment.

Now let me address the qualification of those in the private sector to whom I referred earlier. They are business firms that are experts in the field of installing and checking equipment used in dispensing motor fuel. For example, these firms install gasoline pumps at service stations, as well as repair and check the ones that are already there. They currently have equipment to check and test tankwagon meters, and they do so at the present time. They have the expertise and are currently adjusting and making repairs to gasoline pumps and placing seals on those pumps to meet state requirements.

Based on the reasons that I have reviewed with you, Mr. Chairman and Members of the Committee, it is our belief that the Division of Weights and Measures of the Department of Agriculture should be the enforcing authority, and the mechanics of the program such as testing, adjusting and repairing should be left to qualified firms in the private sector.

Thank you for allowing me to address this issue of concern to the membership of the Kansas Oil Marketers Association. At the request of this committee, we recently conducted a survey among our membership to try to arrive at a reasonable estimate of the number of tankwagon meters in the state. The results of our survey follow on the next page. As always, we appreciate the opportunity to assist the legislature whenever we can.

TANKWAGON METER SURVEY

Conducted by

KANSAS OIL MARKETERS ASSOCIATION

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<u>Number of Responses to Survey</u>	<u>Members of KOMA</u>	<u>Percent of Response</u>
130	380	34.2%

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<u>Number of Responses to Survey</u>	<u>Number of meters Reported</u>	<u>Average per Member</u>
130	427	3.28%

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$3.28 \times 380 \text{ members} = 1246 \text{ tankwagons}$

$3.28 \times 200 \text{ non-members} = 656 \text{ tankwagons}$

$1148 + 820 = 1902 \text{ total meters in Kansas}$

0232 New Sec. 9. (a) It is unlawful for any person to: (1) Operate  
0233 or perform services as a testing service without having a valid  
0234 license under sections 1 to 10, inclusive; or

0235 (2) adjust, calibrate or repair a motor-vehicle fuel and liquid  
0236 fuel dispensing pump, meter or other similar measuring device,  
0237 and vehicle tanks used in the transportation thereof, other than ~~at~~  
0238 the person's <sup>OWN EQUIPMENT</sup> ~~residence or at the person's established place of~~  
0239 ~~business~~ without having a valid license under sections 1 to 10,  
0240 inclusive.

0241 (b) Nothing in sections 1 to 10, inclusive, shall be construed  
0242 to limit or affect the authority of the director of taxation under  
0243 K.S.A. 83-125 and amendments thereto.

0244 (c) Nothing in sections 1 to 10, inclusive, shall be construed  
0245 to apply to motor-vehicle fuel or liquid fuel dispensing pumps,  
0246 meters or similar measuring devices affixed to real property.

0247 New Sec. 10. Any person violating or failing to comply with  
0248 any of the provisions of sections 1 to 10, inclusive, or violating or  
0249 failing to comply with any authorized rule and regulation of the  
0250 state sealer adopted thereunder, shall be deemed guilty of a class  
0251 A misdemeanor. Each separate violation shall be a separate  
0252 misdemeanor.

0253 Sec. 11. K.S.A. 83-123 is hereby amended to read as follows:  
0254 83-123. (a) The state sealer may try and prove weights, measures,  
0255 balances and other measuring devices on request for any person,  
0256 corporation or institution, and when the same are found or made  
0257 to conform to the state standards, and otherwise fulfill such  
0258 reasonable requirements as the state sealer may make, the state  
0259 sealer may seal the same with a seal which the state sealer keeps  
0260 for that purpose.

0261 (b) *Except as otherwise provided by statute*, the state sealer  
0262 or the authorized representative of the state sealer may charge  
0263 for services provided by the agency in conjunction with the  
0264 testing and proving of weights, measures and other devices as  
0265 provided in subsection (a) at a rate per hour or fraction thereof  
0266 which is fixed by rules and regulations adopted by the state  
0267 board of agriculture, except that such charge for services shall  
0268 not exceed \$25 per hour or fraction thereof.

3/27/85  
attachment B