

Mr. Chairman and fellow committee members, thank you for the opportunity to speak on Senate Bill 506 this morning.

This issue has been before this committee previously. It is the reintroduction of Senate Bill 685 (S-1) from last session.

That bill was reported favorably from the Senate Agriculture in February of 2014 and later was passed by the full Senate. Unfortunately, it was not able to be completed before the end of session.

After speaking with Senator Booher (the previous sponsor), I introduced this legislation again this session.

It is a simple bill that changes all instances of “2012” to “2014” to reflect use of the newly adopted 2014 edition of the National Institute of Standards and Technology Handbook 130.

The major change in the 2014 handbook is a new chapter specifically regarding motor oil and oil change. According to the Michigan Oil Change Association, there is a growing problem with customers not getting what they paid for with regards to oil. Nationally, this problem is happening approximately 20 percent of the time.

Quite simply, the handbook would require that if you go into an establishment to have your oil changed, they must give you a receipt that shows what you have bought. Oil suppliers that sell oil to service providers or installers will be under the same basic requirement.

This bill will insure that there is a level playing field for the honest folks who make up the vast majority of our oil change industry by finding those bad apples and holding them accountable.

You might wonder if this would increase the burden on a small business but adding this information to a receipt is very easily done. In addition, API (American Petroleum Institute) offers a national program called M.O.M. – Motor Oil Matters - that can assist business owners in complying with the updated standards.

The MDARD Weights and Measures division previously testified that under current law the department can inspect gasoline facilities but they lack the authority to inspect quality of motor oil.

The Department has supported the concept of this bill but did not support it during the last session due to funding concerns. MDARD has estimated that it will cost an additional \$190,000 per year for labor and testing equipment under this bill.

As Chairman of the MDARD subcommittee on Appropriations, this minor increase in funding for the Weights and Measures division to conduct these inspections is something I am committed to providing.

I would like to briefly mention that Mark Griffin from the MI Oil Change Assoc regrets not being able to attend this morning but he kindly provided this one-page summary of the Handbook changes.

Finally, I have also passed out a copy of testimony given by Patrick Campbell of Lyden Oil Company before House Committee on this issue last session. He provided some examples of why this update is needed.