

SESSION OF 2016

**SUPPLEMENTAL NOTE ON HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 227**

As Recommended by House Committee on  
Agriculture and Natural Resources

**Brief\***

House Sub. for SB 227 would establish rates that the Kansas Secretary of Agriculture (Secretary) may charge in conjunction with the testing and proving of weights, measures, and other devices. These rates would vary depending upon the service being provided and would be established in statute. The bill would provide an out-of-state rate and an in-state rate for those licensed service companies that have licensed technical representatives performing service work in the state. The bill would permit an additional fee for adjustment of any weight, measure, or other device.

The bill also would permit the Secretary to charge additional fees for preparing items for shipment. For services not listed in the bill, the Secretary would determine the fee to be charged. For any service provided, the bill would permit the Secretary to charge a minimum fee of \$50 per invoice.

In addition, the bill would establish maximum license application fees for each person desiring to operate and perform weights and measures testing and other services as a company in Kansas. Beginning with the 2017 license year, the Secretary may, by order, set those fees with the following maximum amounts:

- Commencing July 1, 2017, the maximum amount would be \$100;

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- Commencing July 1, 2019, the maximum amount would be \$110;
- Commencing July 1, 2021, the maximum amount would be \$120; and
- Commencing July 1, 2023, the maximum amount would be \$130.

The fees for license renewals would be equal to the license application fees provided for each place of business.

With respect to technical representatives, beginning July 1, 2017, each technical representative who has had ten years of continuous licensure with no administrative enforcement action adjudicated against them would be eligible to obtain a three-year license. The bill would establish the three-year license fee at an amount not to exceed \$300 and require those technical representatives to complete continuing education. The Secretary would be authorized to promulgate rules and regulations to require technical representatives who have been adjudicated in violation of this legislation or rules and regulations to seek renewal of a license on an annual basis, as well as establish criteria for reinstatement of eligibility for the three-year license. Authority would be given to the Department of Agriculture (KDA) to charge a fee to the attendees of continuing education seminars in an amount not more than is necessary to cover the expenses incurred by the agency.

Lastly, the bill would do the following:

- Eliminate language that had made it unlawful to dispose of any weight, measure, or weighing or measuring device that does not meet state standards;
- Eliminate language that had made it unlawful to possess a weight, measure, or weighing or measuring device that is used for or intended to be

used for commercial purposes that does not meet tolerances and specifications; and

- Clarify in the provisions relating to unlawful acts by service companies or technical representatives that the acts are done “knowingly.”

## **Background**

The original contents of SB 227 were deleted by the House Committee on Agriculture and Natural Resources and provisions of 2016 HB 2712 were inserted to create the substitute bill.

### **SB 227**

The original bill was introduced by the Senate Committee on Natural Resources during the 2015 Legislative Session.

At the hearing on the bill during the 2015 Session, representatives of the KDA and Kansas Farm Bureau provided testimony in favor of the bill. The KDA and Kansas Farm Bureau representatives stated these changes should help Kansas water users understand that the State does not want to punish good stewardship of water resources. A representative of Groundwater Management District No. 4 provided neutral testimony on the bill, citing concerns regarding a portion of the bill that would place in statute a ten-year period of water use data.

The Senate Committee amended the bill to remove the ten-year period of water use data language. The Committee also adopted a technical amendment.

The bill was referred to the House Committee on Agriculture and Natural Resources.

## **HB 2712**

At the hearing before the House Committee on Agriculture and Natural Resources, proponents of the bill included representatives of the KDA and the Coalition of Scale Companies. The conferees indicated the bill had been developed over time and the purpose was to stabilize the funding stream of the Weights and Measures Division of the KDA. In addition, the Committee was told the bill contained some measure of regulatory modification.

The fiscal note prepared by the Division of the Budget on the original bill states the KDA considers the bill to be technical in nature and passage of the bill, as introduced, would not have a fiscal effect on agency operations.

The fiscal note on 2016 HB 2712 states that according to the KDA, passage of the bill would increase revenue to the agency's Weights and Measures Fee Fund by approximately \$29,650 in FY 2017. The agency indicates the change to the Metrology Lab pricing structure will provide incentive to increase laboratory efficiency, which could result in increased revenues. The increases to the service company license applications and renewal fees would be expected to cover the majority of the costs associated with processing applications and renewals and allow the Metrology Lab to become nearly self-sustaining. Any fiscal effect associated with HB 2712 is not reflected in *The FY 2017 Governor's Budget Report*.