

Idaho State Department of Agriculture
IDAPA 02.02.14 Rules for Weights and Measures
July 27, 2020
Kyle Wilmot, Facilitator

Present: Suzanne Budge, Idaho Petroleum Marketers; Melinda Merrill, NW Grocery Association; Bob Naerebout, Idaho Dairymen’s Association; Colby Cameron, Division of Financial Management; David Hahn, Division of Financial Management; Sam Eaton, Governor’s Office; Brian Oakey, ISDA; Cindy Stark, ISDA; Kevin Merritt, ISDA; Kelly Nielsen, ISDA; Pamm Juker, ISDA; Katy DeVries, Office of Attorney General – ISDA; Dallas Burkhalter, Office of Attorney General – ISDA; Janis Perry, ISDA; Kyle Wilmot, ISDA.

AGENDA ITEMS

WELCOME

Kyle Wilmot convened the WebEx meeting at 10:07 am. After introductions, Kyle explained the procedures for this virtual negotiated rulemaking. He asked that participants use the chat box or *3 for questions, comments, and concerns after the presentation.

Kyle displayed two spreadsheets showing the updated tiered forecast with new parameters based on comments received since the last meeting and the graduated fee table. He noted that the forecast has been updated with final numbers from fiscal year 2020. He explained that the third bullet in the narrative is incorrect, because the scale truck bid process has been completed. The cash balance for 2020 is \$364,049. This proposal leaves two positions vacant. The first year of the tiered increase would be in 2022 showing a revenue estimate of \$494,086 which is a 2.17% increase compared to 2019. The fee table delineates fees for the various devices. In 2022 the proposal suggests forgoing the replacement of two prover trailers.

Kyle stated that in 2023, the second year of the tiered increase, the revenue estimate is \$560, 372, a 7.98% increase compared to 2019. Each device category goes up incrementally to generate the new revenue amount. In 2024, the final year of the tiered approach, the revenue estimate is \$601,677, a 11.61% increase compared to 2019. This is close to a 50/50 split general fund vs. dedicated fund revenue.

Kyle commented that in 2025 the proposal foregoes replacement of a gas and prover trailer. He indicated that capital purchases and the replacement schedule will be affected putting more pressure on older equipment. Leaving two positions vacant will more than likely push the inspection schedule from every twelve months as it is currently to every eighteen to twenty-four months.

Brian Oakey explained that after discussing what the proposed rule would look like with Dallas Burkhalter and Colby Cameron, the language in the fee table would be changed to read “fee not to exceed” the amount in the third column of the tiered table. He stated that if stakeholders would like, the tiered table could be included as an Incorporated by Reference (IBR) document. In response to a

question from Suzanne Budge, Brian stated that the fee table would set a ceiling for each device and that year four would look just like year three.

Melinda Merrill asked how much is saved by postponing the prover trailers. Kyle responded that it would be about \$100,000. She asked why the cash balance needs to be so high. In response, Kelly Nielsen stated that if the program had an emergency to replace a scale truck, \$287,000 would be needed. He also indicated that the timing of the collections and the need for consistent revenue and expenses necessitates the cash balance shown.

Melinda Merrill asked for additional information on the \$100 charge for electric stations. Kyle explained that equipment will be needed to test the charging stations, plus there will be training costs for this new inspection. He indicated that he could send more information regarding the fee basis. Melinda stated she and her members would appreciate more information and wondered if other surrounding states are doing this. Kevin Merritt mentioned that four other western states are proposing rules for this, including Colorado and Arizona.

Bob Naerebout asked about the general fund increase in the 2020 revenue. Kyle responded that it was the one-time general fund money for an additional inspector.

Suzanne Budge commented that she felt that an explanation for a higher cash balance, followed by a fee increase, and then a cash balance in the \$300K range with reduced services would need a careful explanation for legislative committees. This was her observation for a successful presentation of the rule. Kyle explained that the spending authority for large repairs was needed. Suzanne thanked the department for incorporating what the stakeholders had suggested at the last meeting. She mentioned that others may not be here today, because they believed that they could support this. However, she stated that stakeholders feel that consumer protection demands a general fund increase to match any industry increase.

Bob Naerebout commented that an adequate cash balance gives security to those who use the program.

Kyle Wilmot thanked the participants for listening and for sharing their thoughts. He indicated that an email update would be coming with the information requested.

Suzanne Budge asked when the proposed rule would be in the Bulletin. Janis Perry stated that the proposed rule would be submitted to DFM by August 21 and be published in the October Bulletin.

Kyle Wilmot adjourned the meeting at 10:48 a.m.

Respectfully submitted by Janis Perry