

Senate Committee On Business and Transportation

**Fiscal:** Has minimal fiscal impact

**Revenue:** No Revenue Impact

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**Action Date:** 02/11/15

**Action:** Do Pass And Refer To Finance And Revenue By Prior Reference.

**Meeting Dates:** 02/11

**Senate**

**Yeas:** 3 - Beyer, Girod, Riley

**Nays:** 1 - Thomsen

**Exc:** 1 - Monroe

**Prepared By:** James LaBar, Committee Administrator

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**WHAT THE MEASURE DOES:**

Increase annual five-dollar assessment on all licensed motor fuel metering devices by twenty percent per year over the next four years, not to exceed a ten dollar assessment per device. Becomes operative January 1, 2016. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Fee implementation schedule
- Sustainability of state programs
- Oregon's weights and measures program
- Motor fuel quality programs in other states

**EFFECT OF COMMITTEE AMENDMENT:**

No amendment.

**BACKGROUND:**

The Motor Fuel Quality (MFQ) Program was established in 1997 to ensure motor vehicle gasoline, diesel and biofuels met national standards for quality. The sole revenue source for the Oregon Department of Agriculture's MFQ Program is the current annual assessment on all licensed motor fuel metering devices. The five-dollar assessment has never been increased. There are approximately 31,000 such devices licensed with the Department, generating an average of \$154,248 worth of operating revenue per year over the last five years. This amount does not cover the full cost of administering the MFQ Program, which is currently around \$300,000 per year. The increase in revenue will assist the Department with covering the actual administrative costs of the MFQ Program.