## HOUSE BILL NO. 711

# INTRODUCED BY COBB, JACOBSON

## BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE

## IN THE HOUSE

FEBRUARY 15, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
	FIRST READING.
FEBRUARY 18, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
	PRINTING REPORT.
FEBRUARY 21, 1989	SECOND READING, DO PASS.
	ENGROSSING REPORT.
FEBRUARY 22, 1989	THIRD READING, PASSED. AYES, 97; NOES, 3.
	TRANSMITTED TO SENATE.
IN THE SENATE	
FEBRUARY 28, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 15, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 17, 1989	SECOND READING, CONCURRED IN.
MARCH 20, 1989	THIRD READING, CONCURRED IN. AYES, 48; NOES, 0.
	RETURNED TO HOUSE.

## IN THE HOUSE

MARCH 21, 1989

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 AUSE BILL NO. 7/1
2 INTRODUCED BY APPLIEST OF THE LEGISLATUR MUDIT COMMUNITIES

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A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE AUTHORITY OF THE DEPARTMENT OF COMMERCE RELATED TO PRODUCT TESTING, INSPECTING NONCOMMERCIAL WEIGHTS AND MEASURES, AND INSPECTING COMMERCIAL TIME MEASURING DEVICES; DELETING THE REQUIREMENT THAT THE STATE STANDARD WEIGHTS BE SUBMITTED TO THE NATIONAL BUREAU OF STANDARDS EVERY 10 YEARS FOR TESTING; CHANGING REFERENCES FROM THE NATIONAL BUREAU OF STANDARDS TO THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY; AND AMENDING SECTIONS 30-12-101 THROUGH 30-12-103, 30-12-201, 30-12-202, AND 30-12-207, MCA."

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### STATEMENT OF INTENT

A statement of intent is required for this bill because it grants rulemaking authority to the department of commerce to implement and carry out provisions of the Montana Code Annotated relating to inspection of packages. The legislature intends that the department adopt rules or amend existing rules in a manner that will provide that packages or amounts of commodities are tested to see that they contain the amounts represented to ensure that the public may rely on representations of the amounts of commodities



being sold. It is contemplated that the rules adopted provide, among other things, that the department establish procedures and schedules for random inspection of packages and amounts of commodities throughout the state and that the rules provide for the random selection of test sites throughout the state.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-12-101, MCA, is amended to read:

12 following definitions apply:

13 (1) "Barrel", when used in connection with fermented 14 liquor, means a unit of 31 gallons.

15 (2) "Commerce", "trade", or "commercial" means a

16 monetary or value exchange between parties for merchandise

17 or services.

put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale, exclusive, however, of any auxiliary shipping container enclosing packages that individually conform to the requirements of

(2)(3) "Commodity in package form" means a commodity

23 parts 1 through 5. An individual item or lot of any

24 commodity not in package form as defined in this section,

25 but on which there is marked a selling price based on an

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established price per unit of weight or of measure, is a commodity in package form.

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- t3†(4) "Consumer package" or "package of consumer commodity" means a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption by individuals or use by individuals for the purposes of personal care or in the performance of services ordinarily rendered in or about the household or in connection with personal possessions.
- 11 (4)(5) "Cord", when used in connection with wood 12 intended for fuel purposes, means the amount of wood that is 13 contained in a space of 128 cubic feet when the wood is 14 ranked and well stowed.
- 15 †5†(6) "Department" means the department of commerce
  16 provided for in Title 2, chapter 15, part 18.
  - t6)(7) "Intrastate commerce" means any commerce or trade that is begun, carried on, and completed wholly in this state, and the phrase "introduced into intrastate commerce" defines the time and place at which the first sale and delivery of a commodity is made in this state, the delivery being made either directly to the purchaser or to a common carrier for shipment to the purchaser.
- 24 (7)(8) "Nonconsumer package" or "package of nonconsumer
  25 commodity" means a commodity in package form other than a

- consumer package and particularly a package designed solely
- 2 for industrial or institutional use or for wholesale
- 3 distribution only.

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- 4 (0) "Person" includes individuals, partnerships,
- 5 corporations, companies, societies, and associations.
- 6 (9)(10) "Sell" and "sale" include but are not limited to
  7 barter and exchange.
- 8 (10)(11) "Ton" means a unit of 2,000 pounds avoirdupois9 weight.
- 10 <u>(†††)(12)</u> "Weight", when used in connection with any commodity, means net weight.
- 14 devices for weighing and measuring, and any appliances and
- 15 accessories associated with those instruments and devices.
- 17 electricity, gas (natural or manufactured), or water when

The terms do not include meters for the measurement of

- and the same and t
- 18 they are operated in a public utility system. None of the
- 19 provisions of parts 1 through 5 apply to electricity, gas,
- 20 or water meters operated in a public utility system or to
- 21 any appliances or accessories associated with them. The
- 22 terms do not include time measuring devices by which
- 23 products or services are sold."
- Section 2. Section 30-12-102, MCA, is amended to read:
- 25 "30-12-102. Systems of weights and measures. The system

of weights and measures in customary use in the United States and the metric system of weights and measures are jointly recognized, and either one or both of these systems shall may be used for all commercial purposes in the state of Montana. The definitions of basic units of weight and measure, the tables of weight and measure, and weights and measures equivalents as published by the national bureau—of standards institute of standards and technology are recognized and shall govern weighing and measuring equipment and transactions in the state."

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\*30-12-103. State standards of weight and measure. Those weights and measures in conformity with the standards of the United States as have been supplied to the state by the federal government or otherwise obtained by this state for use as state standards shall are, when they have been certified as being satisfactory for use as such by the national bureau--of--standards institute of standards and technology, be the state standards of weight and measure. The state standards shall must be kept in a safe and suitable place in the office or laboratory of the department. They shall may not be removed from there except for repairs or for certification; and they shall—be submitted-at-least-once-in-10-years to the--national--bureau of-standards-for-certification."

Section 4. Section 30-12-201, MCA, is amended to read:

2 "30-12-201. General powers and duties of department.

3 The department shall—have  $\underline{has}$  the custody of the state

4 standards of weight and measure and of the other standards

6 keep accurate records of them. The department shall enforce

and equipment provided for by parts 1 through 5 and shall

7 the provisions of parts 1 through 5. It shall supervise the

8 weights and measures used in commerce or trade that are

9 offered for sale, sold, or in use in this state."

10 Section 5. Section 30-12-202, MCA, is amended to read:

11 "30-12-202. Specific powers and duties of department --

12 rules. (1) The department shall adopt from time to time

reasonable rules for the enforcement of parts 1 through 5,

14 which rules have the effect of law. These rules may

15 include:

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- (a) schedules of fees for testing and certification;
- 17 (b) standards of net weight, measure, or count and
- 18 reasonable standards of fill for any commodity in package
- 19 form;
- 20 (c) rules governing the technical and reporting
- 21 procedures to be followed and the report and record forms
- 22 and marks of approval and rejection to be used by the
- 23 department in the discharge of its official duties;
- 24 (d) exemptions from the sealing or marking requirements
- 25 of 30-12-209 with respect to weights and measures of a

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- character or size that sealing or marking 1 inappropriate, impracticable, or damaging to the apparatus 2 involved: and 3
- (e) rules governing the voluntary registration of 4 servicemen and service agencies. 5
  - shall include specifications, (2) These rules tolerances, and other technical requirements for weights and measures subject to inspection and testing under 30-12-205, designed to eliminate from use, without prejudice to apparatus that conforms as closely as practicable to the official standards, those:
- 12 (a) that are not accurate;

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- (b) that are not reasonably permanent in their adjustment or will not repeat their indications correctly:
- (c) that facilitate the perpetration of fraud.
  - (3) The specifications, tolerances, and other technical requirements for commercial weighing and measuring devices, together with amendments thereto, as recommended by the national bureau--of--standards institute of standards and technology and published in national bureau--of--standards institute of standards and technology Handbook 44 and supplements thereto, or in any publication revising or superseding Handbook 44, are the specifications, tolerances, and other technical requirements for commercial weighing and

- measuring devices of this state, except insofar as 2 specifically modified, amended, or rejected by a rule issued 3 by the department,
  - (4) An apparatus shall-be is considered to be "correct" when it conforms to all applicable requirements adopted as specified in this section. Other apparatus shall-be are considered to be "incorrect"."
- я Section 6. Section 30-12-207, MCA, is amended to read: 9 "30-12-207. Inspection of packages. (1) The department 10 shall from-time-to--time adopt by rule and implement a 11 schedule to weigh or measure and inspect packages or amounts 12 of commodities kept, offered, or exposed for sale, sold, or 13 in the process of delivery to determine whether they contain 14 the amounts represented and whether they be are kept, 15 offered, or exposed for sale, or sold in accordance with The schedule adopted must provide for random 16 17 inspection of packages and commodities at randomly selected 18 inspection sites. When those packages or amounts of 19 commodities are found not to contain the amounts represented or are found to be kept, offered, or exposed for sale in 20 violation of law, the department may order them off sale and 21 may so mark or tag them as to show them to be illegal. In 22 23 carrying out the provisions of this section, the department 24 may employ recognized sampling procedures under which the compliance of a given lot of packages will be determined on 25

- the basis of the result obtained on a sample selected from
  and representative of that lot.
  - (2) A person may not:

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- 4 (a) sell or keep, offer, or expose for sale, in
  5 intrastate commerce, any package or amount of commodity that
  6 has been ordered off sale or marked or tagged as provided in
  7 this section unless the package or amount of commodity has
  8 been brought into full compliance with all legal
  9 requirements; or
  - (b) dispose of any package or amount of commodity that has been ordered off sale or marked or tagged as provided in this section and that has not been brought into compliance with legal requirements, in any manner, except with the specific approval of the department."
    - NEW SECTION. Section 7. Noncommercial inspections fees. Subject to the availability of resources and upon payment of a fee commensurate with the costs of inspection, the department may inspect noncommercial weighing and measuring devices. Fees collected under this section must be deposited in the state general fund.
  - NEW SECTION. Section 8. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].
- 25 NEW SECTION. Section 9. Codification instruction.

- [Section 7] is intended to be codified as an integral part
- of Title 30, chapter 12, part 2, and the provisions of Title
- 3 30, chapter 12, part 2, apply to [section 7].

-End-

APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT

HUSE BILL NO. 711 INTRODUCED BY BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE

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A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE AUTHORITY OF THE DEPARTMENT OF COMMERCE RELATED TO PRODUCT TESTING, INSPECTING NONCOMMERCIAL WEIGHTS AND MEASURES. AND INSPECTING COMMERCIAL TIME MEASURING DEVICES: DELETING THE REQUIREMENT THAT THE STATE STANDARD WEIGHTS BE SUBMITTED TO THE NATIONAL BUREAU OF STANDARDS EVERY 10 YEARS FOR TESTING: CHANGING REFERENCES FROM THE NATIONAL BUREAU OF STANDARDS TO THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY; AND AMENDING SECTIONS 30-12-101 THROUGH 30-12-103, 30-12-201, 30-12-202, AND 30-12-207, MCA."

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being sold. It is contemplated that the rules adopted provide, among other things, that the department establish procedures and schedules for random inspection of packages and amounts of commodities throughout the state and that the rules provide for the random selection of test sites throughout the state.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Section 30-12-101, MCA, is amended to read:

\*30-12-101. Definitions. Unless the context requires 10

11 otherwise, in parts 1 through 5 of this chapter the

12 following definitions apply:

13 (1) "Barrel", when used in connection with fermented

14 liquor, means a unit of 31 gallons.

(2) "Commerce", "trade", or "commercial" 15

16 monetary or value exchange between parties for merchandise

17 or services.

18 (2)(3) "Commodity in package form" means a commodity

put up or packaged in any manner in advance of sale in units 19

20 suitable for either wholesale or retail sale, exclusive.

however, of any auxiliary shipping container enclosing packages that individually conform to the requirements of 22

23 parts 1 through 5. An individual item or lot of any

24 commodity not in package form as defined in this section,

but on which there is marked a selling price based on an 25

established price per unit of weight or of measure, is a commodity in package form.

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- t37(4) "Consumer package" or "package of consumer commodity" means a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption by individuals or use by individuals for the purposes of personal care or in the performance of services ordinarily rendered in or about the household or in connection with personal possessions.
- (4)(5) "Cord", when used in connection with wood intended for fuel purposes, means the amount of wood that is contained in a space of 128 cubic feet when the wood is ranked and well stowed.
- (5)(6) "Department" means the department of commerce provided for in Title 2, chapter 15, part 18.
- trade that is begun, carried on, and completed wholly in this state, and the phrase "introduced into intrastate commerce" defines the time and place at which the first sale and delivery of a commodity is made in this state, the delivery being made either directly to the purchaser or to a common carrier for shipment to the purchaser.
- 24 (7)(8) "Nonconsumer package" or "package of nonconsumer commodity" means a commodity in package form other than a

- 1 consumer package and particularly a package designed solely
- 2 for industrial or institutional use or for wholesale
- 3 distribution only.
- 4 t87(9) "Person" includes individuals, partnerships,
- 5 corporations, companies, societies, and associations.
- 6 (9)(10) "Sell" and "sale" include but are not limited to
  7 barter and exchange.
  - district the second sec
- 8 (11) "Ton" means a unit of 2,000 pounds avoirdupois
  9 weight.
- 10 (\frac{11}{2}) "Weight", when used in connection with any
  11 commodity, means net weight.
- 12 (13) "Weight", "measure", and "weights and measures"
- 13 mean all weights and measures of every kind, instruments and
- 14 devices for weighing and measuring, and any appliances and
- 15 accessories associated with those instruments and devices.
- 16 The terms do not include meters for the measurement of
- 17 electricity, gas (natural or manufactured), or water when
- 18 they are operated in a public utility system. None of the
- 19 provisions of parts 1 through 5 apply to electricity, gas,
- 20 or water meters operated in a public utility system or to
- 21 any appliances or accessories associated with them. The
- 22 terms do not include time measuring devices by which
- 23 products or services are sold."
- Section 2. Section 30-12-102, MCA, is amended to read:
- 25 "30-12-102. Systems of weights and measures. The system

of weights and measures in customary use in the United States and the metric system of weights and measures are 2 jointly recognized, and either one or both of these systems 3 shall may be used for all commercial purposes in the state of Montana. The definitions of basic units of weight and measure, the tables of weight and measure, and weights and б measures equivalents as published by the national bureau-of 7 standards institute of standards and technology are 8 9 recognized and shall govern weighing and measuring equipment and transactions in the state." 10

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Section 3. Section 30-12-103, MCA, is amended to read:

"30-12-103. State standards of weight and measure.

Those weights and measures in conformity with the standards of the United States as have been supplied to the state by the federal government or otherwise obtained by this state for use as state standards shall are, when they have been certified as being satisfactory for use as such by the national bureau--of--standards institute of standards and technology, be the state standards of weight and measure. The state standards shall must be kept in a safe and suitable place in the office or laboratory of the department. They shall may not be removed from there except for repairs or for certification, and they-shall--be submitted-at-least-once-in-10-years-to-the--national--bureau of-standards-for-certification."

Section 4. Section 30-12-201, MCA, is amended to read:

"30-12-201. General powers and duties of department.

The department shall-have has the custody of the state standards of weight and measure and of the other standards and equipment provided for by parts 1 through 5 and shall keep accurate records of them. The department shall enforce the provisions of parts 1 through 5. It shall supervise the weights and measures used in commerce or trade that are offered for sale, sold, or in use in this state."

- Section 5. Section 30-12-202, MCA, is amended to read:

  "30-12-202. Specific powers and duties of department -
  rules. (1) The department shall adopt from time to time

  reasonable rules for the enforcement of parts 1 through 5,

  which rules have the effect of law. These rules may

  include:
  - (a) schedules of fees for testing and certification;
- 17 (b) standards of net weight, measure, or count and 18 reasonable standards of fill for any commodity in package 19 form;

- 20 (c) rules governing the technical and reporting
  21 procedures to be followed and the report and record forms
  22 and marks of approval and rejection to be used by the
  23 department in the discharge of its official duties;
- 24 (d) exemptions from the sealing or marking requirements 25 of 30-12-209 with respect to weights and measures of a

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- character or size that sealing or marking would be
  inappropriate, impracticable, or damaging to the apparatus
  involved: and
- 4 (e) rules governing the voluntary registration of 5 servicemen and service agencies.
- 6 (2) These rules shall include specifications,
  7 tolerances, and other technical requirements for weights and
  8 measures subject to inspection and testing under 30-12-205,
  9 designed to eliminate from use, without prejudice to
  10 apparatus that conforms as closely as practicable to the
  11 official standards, those:
- 12 (a) that are not accurate;
- 13 (b) that are not reasonably permanent in their 14 adjustment or will not repeat their indications correctly; 15 or
- (c) that facilitate the perpetration of fraud.
- 17 (3) The specifications, tolerances, and other technical requirements for commercial weighing and measuring devices, 18 19 together with amendments thereto, as recommended by the national bureau--of--standards institute of standards and 20 technology and published in national bureau--of--standards 21 institute of standards and technology Handbook 44 and 22 supplements thereto, or in any publication revising or 23 24 superseding Handbook 44, are the specifications, tolerances, 25 and other technical requirements for commercial weighing and

- 1 measuring devices of this state, except insofar as
  2 specifically modified, amended, or rejected by a rule issued
  3 by the department.
  - (4) An apparatus shall-be is considered to be "correct" when it conforms to all applicable requirements adopted as specified in this section. Other apparatus shall-be are considered to be "incorrect"."
  - Section 6. Section 30-12-207, MCA, is amended to read: "30-12-207. Inspection of packages. (1) The department shall from-time-to--time adopt by rule and implement a schedule to weigh or measure and inspect packages or amounts of commodities kept, offered, or exposed for sale, sold, or in the process of delivery to determine whether they contain the amounts represented and whether they be are kept, offered, or exposed for sale, or sold in accordance with law. The schedule adopted must provide for random inspection of packages and commodities at randomly selected inspection sites. When those packages or amounts of commodities are found not to contain the amounts represented or are found to be kept, offered, or exposed for sale in violation of law, the department may order them off sale and may so mark or tag them as to show them to be illegal. In carrying out the provisions of this section, the department may employ recognized sampling procedures under which the compliance of a given lot of packages will be determined on

- the basis of the result obtained on a sample selected from
  and representative of that lot.
  - (2) A person may not:

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- 4 (a) sell or keep, offer, or expose for sale, in
  5 intrastate commerce, any package or amount of commodity that
  6 has been ordered off sale or marked or tagged as provided in
  7 this section unless the package or amount of commodity has
  8 been brought into full compliance with all legal
  9 requirements; or
  - (b) dispose of any package or amount of commodity that has been ordered off sale or marked or tagged as provided in this section and that has not been brought into compliance with legal requirements, in any manner, except with the specific approval of the department."
    - NEW SECTION. Section 7. Noncommercial inspections fees. Subject to the availability of resources and upon payment of a fee commensurate with the costs of inspection, the department may inspect noncommercial weighing and measuring devices. Fees collected under this section must be deposited in the state general fund.
- NEW SECTION. Section 8. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].
- 25 NEW SECTION. Section 9. Codification instruction.

- 1 [Section 7] is intended to be codified as an integral part
- of Title 30, chapter 12, part 2, and the provisions of Title
- 3 30, chapter 12, part 2, apply to [section 7].

-End-

HUSE BILL NO. 711 1 2 INTRODUCED BY BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE 3

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(1) "Barrel", when used in connection with fermented 13 14 liquor, means a unit of 31 gallons.

(2) "Commerce", "trade", or "commercial" 15 means a monetary or value exchange between parties for merchandise 16 or services. 17

+2+(3) "Commodity in package form" means a commodity put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale, exclusive, however, of any auxiliary shipping container enclosing packages that individually conform to the requirements of parts 1 through 5. An individual item or lot of any commodity not in package form as defined in this section, 24 25 but on which there is marked a selling price based on an established price per unit of weight or of measure, is a commodity in package form.

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- (3)(4) "Consumer package" or "package of consumer commodity" means a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption by individuals or use by individuals for the purposes of personal care or in the performance of services ordinarily rendered in or about the household or in connection with personal possessions.
- (4)(5) "Cord", when used in connection with wood intended for fuel purposes, means the amount of wood that is contained in a space of 128 cubic feet when the wood is ranked and well stowed.
- (5)(6) "Department" means the department of commerce provided for in Title 2, chapter 15, part 18.
- trade that is begun, carried on, and completed wholly in this state, and the phrase "introduced into intrastate commerce" defines the time and place at which the first sale and delivery of a commodity is made in this state, the delivery being made either directly to the purchaser or to a common carrier for shipment to the purchaser.
- 24 (7)(8) "Nonconsumer package" or "package of nonconsumer 25 commodity" means a commodity in package form other than a

- 1 consumer package and particularly a package designed solely
- 2 for industrial or institutional use or for wholesale
- 3 distribution only.
- 4 +07(9) "Person" includes individuals, partnerships,
- 5 corporations, companies, societies, and associations.
- 6 (9)(10) "Sell" and "sale" include but are not limited to
  7 barter and exchange.
- 8 (10)(11) "Ton" means a unit of 2,000 pounds avoirdupois
  9 weight.
- 10 (11)(12) "Weight", when used in connection with any
  11 commodity, means net weight.
- 14 devices for weighing and measuring, and any appliances and
- 15 accessories associated with those instruments and devices.
- 16 The terms do not include meters for the measurement of
- 17 electricity, gas (natural or manufactured), or water when
- 18 they are operated in a public utility system. None of the
- 19 provisions of parts 1 through 5 apply to electricity, gas,
- 20 or water meters operated in a public utility system or to
- 21 any appliances or accessories associated with them.  $\underline{\text{The}}$
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Section 3. Section 30-12-103, MCA, is amended to read: "30-12-103. State standards of weight and measure. Those weights and measures in conformity with the standards of the United States as have been supplied to the state by the federal government or otherwise obtained by this state for use as state standards shall are, when they have been certified as being satisfactory for use as such by the national bureau--of--standards institute of standards and technology, be the state standards of weight and measure. The state standards shall must be kept in a safe and suitable place in the office or laboratory of the department. They shall may not be removed from there except repairs or for certification, -- and -- they -- shall -- be submitted-at-least-once-in-10-years-to-the--national--bureau of-standards-for-certification."

- 1 Section 4. Section 30-12-201, MCA, is amended to read: \*30-12-201. General powers and duties of department. 2 The department shall--have has the custody of the state 3 standards of weight and measure and of the other standards and equipment provided for by parts 1 through 5 and shall keep accurate records of them. The department shall enforce the provisions of parts 1 through 5. It shall supervise the weights and measures used in commerce or trade that are offered for sale, sold, or in use in this state."
- Section 5. Section 30-12-202, MCA, is amended to read: 10 11 \*30-12-202. Specific powers and duties of department --12 rules. (1) The department shall adopt from time to time reasonable rules for the enforcement of parts 1 through 5, 13 14 which rules have the effect of law. These rules may include: 15
  - (a) schedules of fees for testing and certification;

- 17 (b) standards of net weight, measure, or count and 18 reasonable standards of fill for any commodity in package 19 form:
- 20 (c) rules governing the technical and reporting procedures to be followed and the report and record forms 21 22 and marks of approval and rejection to be used by the department in the discharge of its official duties; 23
- (d) exemptions from the sealing or marking requirements 24 25 of 30-12-209 with respect to weights and measures of a

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- character or size that sealing or marking would be inappropriate, impracticable, or damaging to the apparatus involved; and
- 4 (e) rules governing the voluntary registration of
   5 servicemen and service agencies.
  - (2) These rules shall include specifications, tolerances, and other technical requirements for weights and measures subject to inspection and testing under 30-12-205, designed to eliminate from use, without prejudice to apparatus that conforms as closely as practicable to the official standards, those:
- 12 (a) that are not accurate;

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- (b) that are not reasonably permanent in their
  adjustment or will not repeat their indications correctly;
  or
  - (c) that facilitate the perpetration of fraud.
  - requirements for commercial weighing and measuring devices, together with amendments thereto, as recommended by the national bureau--of--standards institute of standards and technology and published in national bureau--of--standards institute of standards and supplements thereto, or in any publication revising or superseding Handbook 44, are the specifications, tolerances, and other technical requirements for commercial weighing and

- 1 measuring devices of this state, except insofar as
  2 specifically modified, amended, or rejected by a rule issued
  3 by the department.
  - (4) An apparatus shall-be <u>is</u> considered to be "correct" when it conforms to all applicable requirements adopted as specified in this section. Other apparatus shall-be <u>are</u> considered to be "incorrect"."
  - Section 6. Section 30-12-207, MCA, is amended to read: "30-12-207. Inspection of packages. (1) The department shall from-time-to--time adopt by rule and implement a schedule to weigh or measure and inspect packages or amounts of commodities kept, offered, or exposed for sale, sold, or in the process of delivery to determine whether they contain the amounts represented and whether they be are kept, offered, or exposed for sale, or sold in accordance with The schedule adopted must provide for random inspection of packages and commodities at randomly selected inspection sites. When those packages or amounts of commodities are found not to contain the amounts represented or are found to be kept, offered, or exposed for sale in violation of law, the department may order them off sale and may so mark or tag them as to show them to be illegal. In carrying out the provisions of this section, the department may employ recognized sampling procedures under which the compliance of a given lot of packages will be determined on

- the basis of the result obtained on a sample selected from and representative of that lot.
- (2) A person may not:

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- 4 (a) sell or keep, offer, or expose for sale, in
  5 intrastate commerce, any package or amount of commodity that
  6 has been ordered off sale or marked or tagged as provided in
  7 this section unless the package or amount of commodity has
  8 been brought into full compliance with all legal
  9 requirements; or
- 10 (b) dispose of any package or amount of commodity that
  11 has been ordered off sale or marked or tagged as provided in
  12 this section and that has not been brought into compliance
  13 with legal requirements, in any manner, except with the
  14 specific approval of the department."
  - NEW SECTION. Section 7. Noncommercial inspections fees. Subject to the availability of resources and upon payment of a fee commensurate with the costs of inspection, the department may inspect noncommercial weighing and measuring devices. Fees collected under this section must be deposited in the state general fund.
  - NEW SECTION. Section 8. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].
- 25 NEW SECTION. Section 9. Codification instruction.

- l [Section 7] is intended to be codified as an integral part
- of Title 30, chapter 12, part 2, and the provisions of Title
- 3 30, chapter 12, part 2, apply to [section 7].

-End-

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ī	HOUSE BILL NO. /II
2	INTRODUCED BY COBB, JACOBSON
3	BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING THE
6	AUTHORITY OF THE DEPARTMENT OF COMMERCE RELATED TO PRODUCT
7	TESTING, INSPECTING NONCOMMERCIAL WEIGHTS AND MEASURES, AND
8	INSPECTING COMMERCIAL TIME MEASURING DEVICES; DELETING THE
9	REQUIREMENT THAT THE STATE STANDARD WEIGHTS BE SUBMITTED TO
.0	THE NATIONAL BUREAU OF STANDARDS EVERY 10 YEARS FOR TESTING;
1	CHANGING REFERENCES FROM THE NATIONAL BUREAU OF STANDARDS TO
. 2	THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY; AND
13	AMENDING SECTIONS 30-12-101 THROUGH 30-12-103, 30-12-201,
L 4	30-12-202, AND 30-12-207, MCA."

A statement of intent is required for this bill because it grants rulemaking authority to the department of commerce to implement and carry out provisions of the Montana Code Annotated relating to inspection of packages. The legislature intends that the department adopt rules or amend existing rules in a manner that will provide that packages or amounts of commodities are tested to see that they contain the amounts represented to ensure that the public

may rely on representations of the amounts of commodities

STATEMENT OF INTENT

Montana Legislative Council

- being sold. It is contemplated that the rules adopted provide, among other things, that the department establish procedures and schedules for random inspection of packages and amounts of commodities throughout the state and that the rules provide for the random selection of test sites throughout the state.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
- 9 Section 1. Section 30-12-101, MCA, is amended to read:
  10 "30-12-101. Definitions. Unless the context requires
  11 otherwise, in parts 1 through 5 of this chapter the
  12 following definitions apply:
- 13 (1) "Barrel", when used in connection with fermented 14 liquor, means a unit of 31 gallons.
- 15 (2) "Commerce", "trade", or "commercial" means a

  16 monetary or value exchange between parties for merchandise

  17 or services.

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t2)(3) "Commodity in package form" means a commodity put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale, exclusive, however, of any auxiliary shipping container enclosing packages that individually conform to the requirements of parts 1 through 5. An individual item or lot of any commodity not in package form as defined in this section, but on which there is marked a selling price based on an

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established price per unit of weight or of measure, is a commodity in package form.

(3)(4) "Consumer package" or "package of consumer commodity" means a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption by individuals or use by individuals for the purposes of personal care or in the performance of services ordinarily rendered in or about the household or in connection with personal possessions.

(4)(5) "Cord", when used in connection with wood intended for fuel purposes, means the amount of wood that is contained in a space of 128 cubic feet when the wood is ranked and well stowed.

#5)(6) "Department" means the department of commerce
provided for in Title 2, chapter 15, part 18.

trade that is begun, carried on, and completed wholly in this state, and the phrase "introduced into intrastate commerce" defines the time and place at which the first sale and delivery of a commodity is made in this state, the delivery being made either directly to the purchaser or to a common carrier for shipment to the purchaser.

f7)(8) "Nonconsumer package" or "package of
nonconsumer commodity" means a commodity in package form

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other than a consumer package and particularly a package designed solely for industrial or institutional use or for wholesale distribution only.

4 (8)(9) "Person" includes individuals, partnerships, corporations, companies, societies, and associations.

(9)(10) "Sell" and "sale" include but are not limited
to barter and exchange.

8 (10)(11) "Ton" means a unit of 2,000 pounds avoirdupois
 9 weight.

(+1+)(12) "Weight", when used in connection with any
commodity, means net weight.

tirty(13) "Weight", "measure", and "weights and measures" mean all weights and measures of every kind, instruments and devices for weighing and measuring, and any appliances and accessories associated with those instruments and devices. The terms do not include meters for the measurement of electricity, gas (natural or manufactured), or water when they are operated in a public utility system. None of the provisions of parts 1 through 5 apply to electricity, gas, or water meters operated in a public utility system or to any appliances or accessories associated with them. The terms do not include time measuring devices by which products or services are sold."

Section 2. Section 30-12-102, MCA, is amended to read:

"30-12-102. Systems of weights and measures. The

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System of weights and measures in customary use in the United States and the metric system of weights and measures are jointly recognized, and either one or both of these systems shall may be used for all commercial purposes in the state of Montana. The definitions of basic units of weight and measure, the tables of weight and measure, and weights and measures equivalents as published by the national bureau of-standards institute of standards and technology are recognized and shall govern weighing and measuring equipment and transactions in the state."

Section 3. Section 30-12-103, MCA, is amended to read:

"30-12-103. State standards of weight and measure.

Those weights and measures in conformity with the standards of the United States as have been supplied to the state by the federal government or otherwise obtained by this state for use as state standards shall are, when they have been certified as being satisfactory for use as such by the national bureau--of--standards institute of standards and technology, be the state standards of weight and measure. The state standards shall must be kept in a safe and suitable place in the office or laboratory of the department. They shall may not be removed from there except for repairs or for certification, and they--shall--be submitted-at-least-once-in-10-years-to-the--national--bureau of-standards-for-certification."

Section 4. Section 30-12-201, MCA, is amended to read:

"30-12-201. General powers and duties of department.

The department shall-have has the custody of the state standards of weight and measure and of the other standards and equipment provided for by parts 1 through 5 and shall keep accurate records of them. The department shall enforce the provisions of parts 1 through 5. It shall supervise the weights and measures used in commerce or trade that are offered for sale, sold, or in use in this state."

Section 5. Section 30-12-202, MCA, is amended to read:

"30-12-202. Specific powers and duties of department

-- rules. (1) The department shall adopt from time to time reasonable rules for the enforcement of parts 1 through 5, which rules have the effect of law. These rules may include:

- (a) schedules of fees for testing and certification;
  - (b) standards of net weight, measure, or count and reasonable standards of fill for any commodity in package form;
- 20 (c) rules governing the technical and reporting
  21 procedures to be followed and the report and record forms
  22 and marks of approval and rejection to be used by the
  23 department in the discharge of its official duties;
- 24 (d) exemptions from the sealing or marking
  25 requirements of 30-12-209 with respect to weights and

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- measures of a character or size that sealing or marking would be inappropriate, impracticable, or damaging to the apparatus involved; and
- (e) rules governing the voluntary registration of servicemen and service agencies.
- (2) These rules shall include specifications, tolerances, and other technical requirements for weights and measures subject to inspection and testing under 30-12-205, designed to eliminate from use, without prejudice to apparatus that conforms as closely as practicable to the official standards, those:
  - (a) that are not accurate;

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- (b) that are not reasonably permanent in their adjustment or will not repeat their indications correctly; or
  - (c) that facilitate the perpetration of fraud.
- (3) The specifications, tolerances, and other technical requirements for commercial weighing and measuring devices, together with amendments thereto, as recommended by the national bureau-of-standards institute of standards and technology and published in national bureau-of-standards institute of standards and technology Handbook 44 and supplements thereto, or in any publication revising or superseding Handbook 44, are the specifications, tolerances, and other technical requirements for commercial weighing and

- measuring devices of this state, except insofar as specifically modified, amended, or rejected by a rule issued by the department.
  - (4) An apparatus shall—be is considered to be "correct" when it conforms to all applicable requirements adopted as specified in this section. Other apparatus shall be are considered to be "incorrect"."
  - Section 6. Section 30-12-207, MCA, is amended to read: \*30-12-207. Inspection of packages. (1) The department shall from-time-to--time adopt by rule and implement a schedule to weigh or measure and inspect packages or amounts of commodities kept, offered, or exposed for sale, sold, or in the process of delivery to determine whether they contain the amounts represented and whether they be are kept, offered, or exposed for sale, or sold in accordance with The schedule adopted must provide for random inspection of packages and commodities at randomly selected inspection sites. When those packages or amounts of commodities are found not to contain the amounts represented or are found to be kept, offered, or exposed for sale in violation of law, the department may order them off sale and may so mark or tag them as to show them to be illegal. In carrying out the provisions of this section, the department may employ recognized sampling procedures under which the compliance of a given lot of packages will be determined on

- the basis of the result obtained on a sample selected from and representative of that lot.
- (2) A person may not:

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- (a) sell or keep, offer, or expose for sale, in intrastate commerce, any package or amount of commodity that has been ordered off sale or marked or tagged as provided in this section unless the package or amount of commodity has been brought into full compliance with all legal requirements; or
- (b) dispose of any package or amount of commodity that has been ordered off sale or marked or tagged as provided in this section and that has not been brought into compliance with legal requirements, in any manner, except with the specific approval of the department."
- NEW SECTION. Section 7. Noncommercial inspections fees. Subject to the availability of resources and upon payment of a fee commensurate with the costs of inspection, the department may inspect noncommercial weighing and measuring devices. Fees collected under this section must be deposited in the state general fund.
- NEW SECTION. **Section 8.** Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].
- 25 NEW\_SECTION. Section 9. Codification instruction.

- 1 [Section 7] is intended to be codified as an integral part
- 2 of Title 30, chapter 12, part 2, and the provisions of Title
- 3 30, chapter 12, part 2, apply to [section 7].

-End-