

FEDERAL AND STATE AFFAIRS COMMITTEE

February 25, 1969

The meeting was called to order by the Chairman and Rep. Ossmann was introduced to discuss H.B. 1311. He stated that the bill is another of the individual bills where an employee's retirement was inadvertently cut by the timing of the original bill. John Corkhill explained that this was a re-employment matter where the individual was re-employed on April 1, 1961 and missed the March 15, 1961 date; that the bill would give him an additional benefit of \$315.84 per year and the cost to the employer would be approximately \$2400.00.

Rep. Buck discussed H.B. 1321, explaining that it is strictly a local bill; that the County Assessor is asking to be re-named Property Evaluation Director which he feels more adequately describes his activities in Shawnee County.

exhibit in file → The Chairman stated that H.B. 1323 had been previously discussed by the sponsors and that opponents had requested to be heard. He introduced Amos Kramer who made a presentation (see attached). He introduced Mr. Ed Kiper ob Mobil in Augusta, Mr. Bill Oswald, Mr. Frank Rose, Mr. Shepherd and Mr. Jack Reynolds, who were on hand to answer questions.

Mr. Unruh inquired what the customary standard was for rating octane and Mr. Kiper stated that the standard accepted method was ASTM but that there were so many ramifications--the motor method, road method, etc. He stated that it is now the feeling that octane is not the big, important thing, but it is the additives. He stated that two automobiles coming off the same assembly line might not work the same on identical gasoline and that therefore you have to consider the motor method of rating and that one might have to experiment with an individual automobile.

Mr. Unruh stated that this bill was introduced at the request of a consumer; that these people are concerned about the ping in the motor and that octane is the thing they are concerned about; that he believes they have a right to know what they are buying. He asked about so-called blended gas. Mr. Kiper explained that the 30-70 blend would have about a 90 octane rating; that a person can experiment with a blend and when he finds the minimum on which his car will operate, he can probably save some money. Mr. Unruh stated that he knew the price between regular and ethyl was negligible to the dealer but that to the consumer the spread was really significant. Mr. Winters expressed concern about traveling in different parts of the country; that he recalled some places in the south where the pumps did state the octane.

Mr. Turner inquired about Boron and Keotane and Mr. Kiper stated he was not familiar with the particular company, but that he believes Keotane is a gimmick word associated with additives. He stated that Boron is a metal compound and is a scavenger and keeps undesirable carbons, etc. from forming in the motor. Mr. Turner then inquired about the TV advertisement where one car stops and the other keeps going for a certain distance. Mr. Kiper stated that here they are talking about platformate, which is a word meaning catalyst which gives the gas more desirable compounds but has nothing to do with octane, but rather saturated compounds which actually reforms the fuel. He stated it really does have a higher octane but has other more desirable properties. Mr. Keenan asked about Conoco, mentioning regular and ethyl and inquired what "super" is. Mr. Kiper stated he believed that does have a higher octane. Mr. Kiper stated he believed major companies are quite consistent.

Mr. Jack Reynolds displayed a General Motors pamphlet which he states carries fuel requirement recommendations by the company.

Mr. Taylor asked for action on HCR 1014. Mr. Winters moved that the Resolution be recommended for adoption and the motion was seconded by Mr. McGill. Motion carried unanimously.

Mr. Buchele moved that HB 1311 be recommended favorably. Mr. Turner seconded the motion which carried unanimously.

Mr. Buchele stated that he was not really opposed to HB 1321 but that he believed this is not in the best interests and then moved that it be reported adversely. Motion was seconded by Mr. Keenan but lost 5 to 10. Thereupon, Mr. Buck moved its favorable recommendation, seconded by Mr. Turner. Motion carried 12 yes to 2 no, with Mr. Keenan requesting to be recorded as voting no.

Discussion was had concerning H.B. 1206. Mr. Turner still expressed concern about school districts and wanted to spell out the population. Mr. Brown opposed this on the basis of population fluctuation. Thereupon, Mr. Brown moved that H.B. 1206 be recommended for passage. Motion was seconded by Mr. McGill and carried by a vote of 15 yes to 2 no.

The Chairman inquired the feeling concerning the proposed substitute bill for H.B. 1227, stating that the sponsors would be willing to kill 1227 if the committee is willing to introduce the substitute bill, and if this is done the motion should probably be for it go directly to the Committee of the Whole. Mr. Winters said if this was done he would want to bring the bill back, and Mr. McGill stated that he opposed introducing it as a committee bill. Mr. Buchele then moved that the bill be introduced and brought back. Motion was seconded and lost 7 yes to 10 no. Mr. Turner then moved that 1073 be recommended favorably. Motion was seconded by Mr. Buchele and lost 7 yes to 10 no. Mr. Keenan and Mr. Unruh asked to be recorded as voting yes. Mr. McGill then moved the bill be reported adversely. Motion was seconded by Mr. Ungerer and carried 11 yes to 7 no.

The meeting was adjourned.

Amos Kramer
Exhibit 1323
2-25-69

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

We of the petroleum industry congratulate the sponsors of House Bill #1323 and the members of this committee for their interest and concern in the field of "Consumer Protection" or, as stated here the other day, "Truth in Packaging". As an industry we too are concerned with these same subjects.

We are here today to shed light on the problems which could develop if "octane posting" were required and to point out some of the undesirable features of this requirement.

On face value, such a requirement would seem to have merit. Gasoline is the prime transportation fuel and a major consumer expenditure item. And yet, it is virtually an unseen product -- a somewhat mysterious blend of hydrocarbon compounds and chemical additives about which the average motorist knows very little. As a result, compulsory octane posting is proposed as the ultimate guide to high quality -- a supposed guarantee that the motorist will get the most for his gasoline dollar.

Octane rating alone, however, is not a reliable index of how well a particular grade or brand of gasoline will perform in an engine. Octane is merely one of many important ingredients and characteristics of gasoline that contribute to the overall performance of the fuel in an automotive engine. Singling a fuel's octane number out as a guarantee of its quality would actually be deceiving, rather than aiding the public.

To perform properly, a gasoline must meet the following basic requirements:

- Must vaporize at low temperatures to insure quick engine starting;
- Vaporization must increase as the temperature rises in the carburetor and manifold to insure fast warm-up, smooth acceleration, and even fuel distribution among the cylinders;
- Vaporization must be properly geared to the climate and altitude where the fuel will be used to prevent vapor lock and boiling of the fuel in the carburetor, fuel pump and fuel line;
- The amount of excessively high-boiling hydrocarbons in the fuel must be kept to a minimum to insure good fuel distribution and freedom from crankcase dilution and deposits;
- Must have a sufficiently high octane rating throughout the fuel's entire boiling range to insure against fuel knock at all engine speeds and loads;
- Must be low in gum content to prevent valve sticking, carburetor difficulties and deposits in the engine and intake manifolds;
- Must have a low sulfur content to avoid corrosion, unpleasant odor, and air pollution; and
- Must have good stability to prevent deterioration and gum formation in storage.

All of these characteristics are essential to a high-performance fuel, but not all are dependent on a gasoline's octane rating.

For example, such performance features as how quickly a car starts, how well its engine responds while still cold, whether dependable power is readily available when the engine is warmed up, how frequently the engine stalls, and good fuel mileage are all important to the motorist and depend primarily on features other than octane rating.

Other performance features in a gasoline affect the engine's maintenance such as protection against spark plug misfiring, carburetor detergency and clean burning quality. While these features are not

immediately noticable to the customer, they do provide longer spark plug life, and extended intervals between tune-up and carburetor adjustment or "boil out." Such special features are provided in many gasolines today to offer the customer better performance and reduced engine maintenance costs. None of these benefits are related to the gasoline's octane rating.

The only way a motorist can be assured of how well a particular fuel will operate in his automobile engine is to buy on the basis of performance, not on the basis of a posted octane number. For a high octane rating does not mean that the fuel will necessarily deliver the most economical and efficient anti-knock performance in a particular vehicle.

Using a higher-octane gasoline in a car which can run efficiently on lower-octane gas will not give more mileage in that car. In other words, if your car performs well on regular gas, you do not need the octane rating of premium. Using premium gasoline in such a car will not improve its mileage or increase its speed.

Proof of performance -- including satisfactory anti-knock quality and all of the other essential characteristics of a good gasoline -- can only be determined to the individual motorist's satisfaction by trying different brands and grades of gasoline and settling on those which perform best in his own vehicle. To assist the car owner in making this determination, the automobile manufacturers recommend the use of premium or regular grade gasoline, depending upon the individual car's requirements. But, in the final analysis, the greatest protection which the customer possesses resides in his own right to determine where and with whom he will trade.

The keen competition for business between individual oil refiners has always proved to be the best assurance of a constantly improved quality in motor fuel. That's because refiners know that the customer can readily protect himself against an inferior product by changing brands if he is not satisfied with the performance of the gasoline he is using. The refiner who produces an inferior fuel would shortly find himself losing out to his competitors.

In view of the progress which the petroleum industry has been making in providing an ever-improving quality of gasoline, under the natural economic forces of competition, it is clear that a regulation requiring octane posting would serve no useful purpose. On the contrary, it would mislead the public into believing that octane was the only quality criterion for gasoline, and it would readily retard the progress that has been made because it would tend to remove the competitive urge to produce a top-quality product.

With undue emphasis placed upon the octane feature, refiners would be compelled to give less attention to other necessary and important characteristics of a good gasoline. The customer, therefore, would risk getting a gasoline of lower quality.

Enforcement of an octane posting regulation would be so complicated that it would be virtually impossible to maintain. Consider, for example, the task which would face the administrative agency. Even a minimum degree of enforcement would be cumbersome and costly. The personnel and equipment required to make laboratory tests of the samples taken at service stations throughout the state would represent a substantial

and un-necessary charge against the taxpayers. Any regulation so costly and difficult to enforce would not appear to be in the consumers' best interests.

To reiterate - octane quality in a gasoline, while important, is only one of many equally important features that provide the over-all necessary quality to give consumers efficient, enjoyable, dependable performance in today's cars under the wide variety of actual "in-service" conditions. As a guide to over-all gasoline quality, the posting of octane numbers on retail pumps would be misleading to the customer, and thus could result in his not getting the full measure of value for his gasoline dollar.

Equally important, such a regulation would impose a tremendous enforcement burden on officials in charge of administering the regulation and undue costs on the public for support of the program.

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