

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1263

BY: HAMILTON (James) and
STEIDLEY of the HOUSE

and

TAYLOR and HANEY of the
SENATE

COMMITTEE SUBSTITUTE AN ACT RELATING TO THE OKLAHOMA LIQUEFIED
PETROLEUM GAS BOARD; MAKING AN APPROPRIATION THERETO; STATING
PURPOSES; PROVIDING FOR THE DUTIES AND COMPENSATION OF EMPLOYEES;
LIMITING THE SALARY OF THE ADMINISTRATOR; PROVIDING BUDGETARY
LIMITATIONS; LIMITING THE NUMBER OF FULL-TIME-EQUIVALENT EMPLOYEES;
AMENDING 52 O.S. 1981, SECTION 420.4, AS LAST AMENDED BY SECTION
114, CHAPTER 369, O.S.L. 1989 (52 O.S. SUPP. 1990, SECTION 420.4),
WHICH RELATES TO REGISTRATION PERMITS; RAISING CERTAIN FEES;
PROVIDING LAPSE DATE; PROVIDING AN OPERATIVE DATE; AND DECLARING AN
EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. There is hereby appropriated to the Oklahoma
Liquefied Petroleum Gas Board from any monies not otherwise
appropriated from the General Revenue Fund of the State Treasury for
the fiscal year ending June 30, 1992, the following amount or so
much thereof as may be necessary to perform the duties imposed upon
the Oklahoma Liquefied Petroleum Gas Board by law:

Personal Services	\$286,942.00
Other Operating Expenses	<u>78,355.00</u>
TOTAL	\$365,297.00

SECTION 2. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Liquefied Petroleum Gas Board by law shall be set by the Administrator. The salary of the Administrator shall not exceed Thirty-six Thousand Six Hundred Forty-six Dollars (\$36,646.00) per annum, payable monthly for the fiscal year ending June 30, 1992. The Oklahoma Liquefied Petroleum Gas Board, for the fiscal year ending June 30, 1992, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	11.0
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments	
Authorized by State Statutes	\$228,832.00
Professional and Personal Services Contracts	\$0.00
Purchase of Equipment	\$4,500.00
Lease-Purchase Agreements	\$0.00
Expenditure of Federal Funds	\$0.00
Total Expenditures for Operations	\$365,297.00

SECTION 3. AMENDATORY 52 O.S. 1981, Section 420.4, as last amended by Section 114, Chapter 369, O.S.L. 1989 (52 O.S. Supp. 1990, Section 420.4), is amended to read as follows:

Section 420.4 A. No person, firm, or corporation shall manufacture, fabricate, assemble, or install in this state any system, container, apparatus, or appliance used or to be used in this state in or for the transportation, storage, dispensing, or

utilization of LPG, nor shall any transporter, distributor, or retailer of LPG store, dispense or transport over the highways of this state any LPG intended for use in this state in any such system, container, apparatus, or appliance, without having first applied for and obtained a registration permit to do so. A permit shall not be required by any person, firm, or corporation engaged in the production or manufacture of LPG, or selling or reselling LPG to transporters, industrial consumers, processors, distributors, or retailers, nor by any person, firm, or corporation selling or delivering motor vehicles or tractors which are factory equipped with an LPG system, container, apparatus, or appliance for the utilization of LPG as motor fuel. The provisions of this section shall not prevent an individual from installing in his own single-unit residence any system, container, apparatus, or appliance which uses or will utilize LPG, provided, that such individual has secured an inspection of such installation by the Administrator or someone designated by the Administrator or by a person duly licensed to make such an installation prior to the use of said system, container, apparatus or appliance. Applications for registration permits shall be in writing, on a form provided by the Board, and shall contain such pertinent information as is required by the Board. Upon approval of each said application and receipt of the certificates of insurance or securities required by the provisions of this section, the Administrator shall issue to the applicant a permit to engage in the phase of the liquefied petroleum gas industry in this state to which such permit applies. The permit shall be nontransferable. Nothing in Sections 420.1 through 420.15 of this title shall be construed to regulate the manufacturing, fabrication, assembling, selling, or installing of any system, container, apparatus, or appliance having a fuel container with a maximum individual water capacity of less than two and one-half (2 1/2) pounds.

B. All such registration permits shall expire on September 1 of each year. The Administrator may issue a semiannual permit to applicants engaging in any such business after March 1 of any year. A semiannual permit shall run until September 1 of the year issued, and the Administrator shall prorate the fee for such permit. All registration permits required pursuant to the provisions of this section shall be renewed upon payment of the annual fees on or before the expiration of the registration permit, and upon fulfilling all insurance requirements. The Board is authorized to establish necessary penalty provisions required to ensure prompt payment of said renewal fees. Holders of permits issued on or before June 24, 1971, shall not be required to take examinations to secure the reissuance of the same class permit held by such persons.

C. Persons, firms, and corporations required to be registered pursuant to the provisions of Sections 420.1 through 420.15 of this title, at the time of issuance of each such permit, shall pay to the Administrator whichever of the following fees are applicable to the permit issued:

1. Class I - Dealer Permit. Authorizes the holder to engage in any phase of the LPG business. The Board may require that the person actually in charge of an LPG operation, other than the holder of the permit, secure a Class X Manager's Permit. Fee One Hundred Fifty Dollars (\$150.00).

2. Class II - Transporter Permit. Authorizes the holder to transport LPG from a person, firm, or corporation engaged in the production or manufacture of LPG or selling or reselling LPG to transporters, industrial consumers, processors, distributors, retailers, or to holders of Class I, III, VI or VII permits. Fee One Hundred Twenty-five Dollars (\$125.00).

3. Class III - ICC Cylinder Transporter Permit. Authorizes the holder to operate ICC cylinder filling stations and cylinder delivery services. Fee One Hundred Dollars (\$100.00).

4. Class IV - Installer Permit. Authorizes the holder to install and service LPG systems, appliances, and other LPG equipment. Fee Thirty-five Dollars (\$35.00).

4-A. Class IV-A - Manufactured Home Installer Permit. Authorizes the holder to install and service manufactured home LPG systems, appliances, and other manufactured home LPG equipment. Fee Thirty-five Dollars (\$35.00).

5. Class V - LPG Carburetion Installer Permit. Authorizes the holder to install and service LPG carburetion systems. Fee Thirty-five Dollars (\$35.00).

6. Class VI - ICC Cylinder Station Operator Permit. Authorizes the holder to operate ICC cylinder charging stations. Fee Thirty-five Dollars (\$35.00).

7. Class VII - LPG Motor Fuel Station Operator Permit. Authorizes the holder to operate an LPG motor fuel tank charging station. Fee Thirty-five Dollars (\$35.00).

8. Class VIII - Appliance Dealer Permit. Authorizes the holder to sell LPG appliances. Fee Thirty-five Dollars (\$35.00) per wholesale or retail outlet.

9. Class IX - LPG Container Sales Permit. Authorizes the holder to manufacture or sell LPG containers. This permit is required by both wholesalers and retailers. Fee Thirty-five Dollars (\$35.00).

9-A. Class IX-A - Manufactured Homes and Recreation Sales Permit. Authorizes the holder to manufacture, fabricate, or sell LPG facilities or systems used in manufactured homes, trailers, campers, recreational vehicles, and portable buildings whether such LPG systems are manufactured, fabricated, or sold separately or as an integral part of a manufactured home, trailer, camper, recreational vehicle, or portable building. Fee Thirty-five Dollars (\$35.00). An owner of a manufactured home or recreational vehicle intending to sell such manufactured home or recreational vehicle who

is not engaged in such business on a commercial basis and does not make over two such sales in one (1) year shall not be required to obtain a permit as required by this section.

10. Class X - Manager's Permit. Said permit is required for a person actively in charge of an LPG operation other than the holder of a Class I permit. Fee ~~Eighty-five Dollars (\$85.00)~~ One Hundred Dollars (\$100.00).

D. Each person, firm, or corporation holding a permit authorizing the use of an LPG bulk delivery truck or trailer shall pay at the time of inspection an annual inspection fee of ~~One Hundred Dollars (\$100.00)~~ One Hundred Twenty Dollars (\$120.00) for each said delivery truck or trailer belonging to said person, firm, or corporation. Each person, firm, or corporation who does not hold a permit authorizing the use of an LPG bulk delivery truck or trailer shall pay an annual inspection fee of One Hundred Dollars (\$100.00) for each such truck or trailer belonging to said person, firm, or corporation.

E. Any LPG bulk delivery truck or trailer failing to be approved at its annual inspection shall be assessed a fee of Twenty-five Dollars (\$25.00) at the time that it is reinspected.

F. The fees provided for in this section shall be applicable to residents and nonresidents of Oklahoma. Nonresidents whose state of residence charges Oklahoma residents a higher fee for a comparable license than those fees provided for in this section shall be required to pay the amount charged by their state of residence to Oklahoma residents.

G. The Board is authorized to approve or disapprove applications for registration permits to distributors and retailers of LPG and managers of LPG establishments. The Administrator is authorized to approve or disapprove all other applications for registration permits that may be issued pursuant to the provisions of subsection A of this section.

1. No application shall be approved by the Administrator unless the Administrator is satisfied that the applicant by written examination has shown a working knowledge of the safety requirements provided by the rules and regulations of the Board.

2. No application shall be approved by the Board unless the Board is satisfied by adequate written examination of the applicant, or the individual who is or shall be directly responsible for actively supervising the operations of such applicant which is a partnership, firm, or corporation, that the applicant or such individual has a working knowledge of the safety requirements provided by the rules and regulations of the Board. The Board shall cause to be held public hearings on the second Monday in the months of January, April, July, and October of each year on all applications for new registration permits required by the provisions of this section, or upon such other occasions as the Board may deem necessary. Notice of each hearing shall be mailed to each such applicant and shall be posted in a conspicuous place in the Office of the Administrator in Oklahoma City, Oklahoma, at least thirty (30) days prior to the date of such hearing. Said notice shall include the name, address, permit class, and business location of each applicant whose application is to be considered at the hearing. Such applicant, or the individual who is or shall be directly responsible for and actively supervising the operations of such applicant, shall be present at such hearing before the application will be considered by the Board. If, after the public hearing, an applicant is found by the Board to have a working knowledge of the safety requirements provided by the rules and regulations of the Board, the Board shall cause an order to that effect to be entered upon its records and the application shall be approved. In the event an applicant fails to qualify, said fact shall be entered upon the Board's records.

3. The Board shall charge a fee of ~~Ten Dollars (\$10.00)~~ Fifty-five Dollars (\$55.00) for testing materials and the expense of holding the examinations provided for in this section. Said fee shall be paid upon filing an application for any permit.

4. Any person failing an examination twice in succession shall not be permitted to make application or take examination for the same class permit until six (6) months have elapsed since taking the last test.

H. A registration permit shall not be issued to any applicant unless the Administrator has received certificates of insurance or security as required by this section

I. Except as otherwise provided for in this section, all persons, firms, or corporations engaged in the business of manufacturing, fabricating, assembling, or installing any LPG system, container, apparatus, or appliance in this state, and required to be registered pursuant to the provisions of Sections 420.1 through 420.15 of this title, shall file with the Administrator a certificate indicating liability insurance coverage for the manufacturer and contractor. Such coverage shall be for an amount of not less than Ten Thousand Dollars (\$10,000.00) to Twenty Thousand Dollars (\$20,000.00) for bodily injury and limits of not less than Ten Thousand Dollars (\$10,000.00) for property damage, and shall be in full force and effect, covering the plant, equipment, and motor vehicles used in such business, and the operations of the business.

J. Except as otherwise provided for in this section, all transporters, distributors, or retailers of LPG in this state, required to be registered pursuant to Sections 420.1 through 420.15 of this title, shall file with the Administrator a certificate indicating that public liability and property damage insurance coverage with limits of not less than Ten Thousand Dollars (\$10,000.00) to Twenty Thousand Dollars (\$20,000.00) for bodily

injury and limits of not less than Ten Thousand Dollars (\$10,000.00) for property damage has been issued, and is in full force and effect, covering the plant, equipment, and motor vehicles used in such business, and the operations of said business.

K. Insurance pursuant to the provisions of this section shall be kept and remain in force during the lifetime of the operation of the business for which the coverage was issued. Except as otherwise provided for in this section, no registration permit shall be issued until said certificate is filed with the Administrator. Such insurance coverage shall not be canceled or terminated unless written notice of such cancellation or termination is given to the Administrator, thirty (30) days prior to cancellation date of said coverage. Products liability insurance coverage is not required.

L. The Board is authorized, upon proof of or a satisfactory showing that any person, firm, or corporation is financially able to pay or satisfy any judgment, claim, or demand against such person, firm, or corporation, to waive the insurance coverage required by this section. The Board, in lieu of said certificate, may require the deposit, with the Administrator, of securities, or satisfactory indemnity bond, in an amount and of a kind designated by the Board, to secure the liability of such person, firm, or corporation to pay any judgment, claim, or demand. Such security shall not be in excess of the limits set forth in this section. If the Board deems the financial status of such person, firm, or corporation to be impaired so as to reduce the ability of such person, firm, or corporation to make payment or to satisfy any judgment, claim, or demand, the Board may revoke such waiver and require such person, firm, or corporation to file certificates required by this section within thirty (30) days' after written notice is sent by the Board to such person, firm, or corporation.

SECTION 4. The appropriation made by this act shall be subject to fiscal year limitations and may be encumbered through June 30,

1992. Any unexpended funds remaining after November 15, 1992, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 5. This act shall become operative July 1, 1991.

SECTION 6. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-1-969

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