

ENGROSSED HOUSE
BILL NO. 2667

By: Fields of the House

and

Wilkerson of the Senate

An Act relating to oil and gas; amending Section 2, Chapter 146, O.S.L. 1994, as amended by Section 1, Chapter 303, O.S.L. 1995, Section 8, Chapter 146, O.S.L. 1994, as amended by Section 2, Chapter 303, O.S.L. 1995, Section 9, Chapter 146, O.S.L. 1994, as amended by Section 3, Chapter 303, O.S.L. 1995, Sections 6 and 7, Chapter 303, O.S.L. 1995 (52 O.S. Supp. 1997, Sections 420.21, 420.27, 420.28, 420.29-2 and 420.29-3), which relate to the Oklahoma Petroleum Gas Research, Marketing and Safety Act; adding certain definition; requiring an assessment of imported LP gas; requiring the owner at the time of import to pay the assessment of certain LP gas; requiring owner at the time of import to report and remit assessment; allowing a person to apply for refunds from owners at the time of import; allowing owners at the time of import to petition for a refund; and providing an effective date.

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

SECTION 1. AMENDATORY Section 2, Chapter 146, O.S.L. 1994, as amended by Section 1, Chapter 303, O.S.L. 1995 (52 O.S. Supp. 1997, Section 420.21), is amended to read as follows:

Section 420.21 As used in the Oklahoma Liquefied Petroleum Gas Research, Marketing and Safety Act:

1. "Commission" means the Oklahoma Liquefied Petroleum Gas Research, Marketing and Safety Commission;

2. "Cargo container" means any receptacle mounted on a transport vehicle, including a bobtail or semitrailer designed and used for the transportation or storage of liquefied petroleum gas, but shall not include the motor fuel tank of the vehicle;

3. "First sale" means the first transaction within the State of Oklahoma in which ownership of odorized liquefied petroleum gas transfers from seller to purchaser;

4. "Liquefied petroleum gas (LP gas)" means any material that is composed predominantly of any of the following hydrocarbons or mixtures of hydrocarbons: propane, propylene, normal butane, isobutane or butylenes;

5. "Loading rack" means any material handling facility where LP gas is loaded into cargo containers, including, but not limited to, gas processing plants, refineries, underground and aboveground bulk storage facilities, pipeline terminals and unattended LP gas dispensing facilities;

6. "Loading rack operator" means the owner or any person or entity controlling the day-to-day operations of the facility. When this person or entity is not the person or entity invoicing the first sale of odorized LP gas dispensed into a cargo container at a loading rack, the person or entity invoicing the first sale of odorized LP gas dispensed into a cargo container at a loading rack shall be considered the loading rack operator; ~~and~~

7. "Person" means any individual, group of individuals, or any partnership, corporation, association, cooperative, or employee thereof, or any other entity; and

8. "Time of import" means the time of entry into the State of Oklahoma from another state or from outside the United States.

SECTION 2. AMENDATORY Section 8, Chapter 146, O.S.L. 1994, as amended by Section 2, Chapter 303, O.S.L. 1995 (52 O.S. Supp. 1997, Section 420.27), is amended to read as follows:

Section 420.27 A. To fund the activities of the Commission an assessment shall be imposed on the first sale of odorized LP gas or at the time of import of odorized LP gas into the State of Oklahoma. Each operator of a loading rack on delivery into any cargo container shall collect from the person who purchases the odorized LP gas an assessment in an amount of one-half cent (\$0.005) per gallon. Each owner of odorized LP gas, at the time of import into this state, shall be responsible for the payment of the one-half cent (\$0.005) per gallon assessment on the volume of LP gas at the time of import.

B. The assessment shall be computed on the net amount of odorized LP gas delivered into a cargo container.

SECTION 3. AMENDATORY Section 9, Chapter 146, O.S.L. 1994, as amended by Section 3, Chapter 303, O.S.L. 1995 (52 O.S. Supp. 1997, Section 420.28), is amended to read as follows:

Section 420.28 A. Each operator of a loading rack or owner of LP gas at the time of import shall, on or before the 25th day of the month following the end of each calendar month, file a report with the Oklahoma Liquefied Petroleum Gas Research, Marketing and Safety Commission and remit the amount of assessments required to be collected or paid during the preceding month to the Commission, which shall be deposited in the LP Gas Research, Marketing and Safety Revolving Fund.

B. Loading rack operators or owners of LP gas at the time of import filing a report or remitting fees later than the 25th day of

the month in which fees are due, but within thirty (30) days of the deadline, shall remit a penalty in the amount of five percent (5%) of the amount of fees originally due and payable.

C. Loading rack operators or owners of LP gas at the time of import filing a report or remitting fees more than thirty (30) days after the deadline shall remit a penalty in the amount of ten percent (10%) of the fees originally due and payable.

D. An additional penalty of seventy-five percent (75%) of the amount of the fees and penalties due and payable will be added to penalties set forth in subsections B and C of this section if the failure to file a report or to remit the fees collected is determined by the Commission to be a result of fraud or an intent to evade the provisions of this act or the rules of the Commission.

E. The Commission shall be responsible for taking appropriate legal actions to collect any assessment which is not paid or is not properly paid.

SECTION 4. AMENDATORY Section 6, Chapter 303, O.S.L. 1995 (52 O.S. Supp. 1997, Section 420.29-2), is amended to read as follows:

Section 420.29-2 Any purchaser who pays a fee to a loading rack operator or owner of LP gas at the time of import on a load of LP gas that is exempt under the provisions of this act may apply to the loading rack operator or owner of the LP gas at the time of import for a refund of the amount paid. To apply for a refund, the purchaser must complete a refund request form provided by the Commission, and return it to the loading rack operator or owner of the LP gas at the time of import who collected the fee. Any loading rack operator or owner of LP gas at the time of import required to refund a fee to a purchaser shall report the amount of the refund to the Commission. All amounts refunded and reported according to the provisions of this act may be deducted from the total amount of fees collected to arrive at the total amount of fees to be remitted to

the Commission. All refund amounts reported must be supported by refund request forms kept on file by the loading rack operator and be available for inspection by the Commission for a period of four (4) years.

SECTION 5. AMENDATORY Section 7, Chapter 303, O.S.L. 1995 (52 O.S. Supp. 1997, Section 420.29-3), is amended to read as follows:

Section 420.29-3 Any operator of a loading rack or owner of LP gas at the time of import may petition the Commission for a refund of fees remitted to the Commission in error by filing the proper form and returning to the Commission. The reason for the refund and supporting documentation must accompany the request.

SECTION 6. This act shall become effective November 1, 1998.

Passed the House of Representatives the 11th day of February, 1998.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1998.

President of the Senate