

THE HOUSE OF REPRESENTATIVES  
Monday, March 1, 2010

Committee Substitute for  
House Bill No. 3035

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 3035 - By: BENGE of the House  
and COFFEE of the Senate.

[ state government - transferring all powers and duties of the Oklahoma  
Liquefied Petroleum Gas Board to the Corporation Commission - transferring  
certain powers and duties of the Liquefied Petroleum Gas Research,  
Marketing and Safety Commission to the Corporation Commission -  
clarifying statutory language - deleting obsolete language - changing the  
name of the Oklahoma Liquefied Petroleum Gas Research, Marketing and  
Safety Act – codification - effective date –  
emergency ]

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

- 1       SECTION 1.   NEW LAW   A new section of law to be codified in the Oklahoma  
2 Statutes as Section 420.18 of Title 52, unless there is created a duplication in numbering,  
3 reads as follows:
- 4       A. Effective July 1, 2010, all powers, duties, functions and responsibilities of the  
5 Oklahoma Liquefied Petroleum Gas Board shall be transferred to the Corporation  
6 Commission. Except as otherwise provided for in this section, the transfer shall include  
7 all real property, buildings, furniture, equipment, supplies, records, personnel, assets,  
8 current and future liabilities, fund balances, encumbrances, obligations and indebtedness  
9 associated with the Oklahoma Liquefied Petroleum Gas Board.

1           B. The position of the Oklahoma Liquefied Petroleum Gas Board Administrator  
2 and not more than five employees of the Oklahoma Liquefied Petroleum Gas Board who  
3 are employed as safety code enforcement officers, including related liabilities for sick  
4 leave, annual leave, holidays, unemployment benefits, and workers' compensation  
5 benefits accruing prior to July 1, 2010, to such employees, shall be transferred to the  
6 Corporation Commission as of July 1, 2010. It is the intent of the Legislature that, to the  
7 extent possible, the Corporation Commission ensure that the employees retain pay and  
8 benefits, as much as possible, including longevity, dependent insurance benefits,  
9 seniority, rights and other privileges or benefits.

10           C. Appropriate conveyances and other documents shall be executed by January 1,  
11 2011, to effectuate the transfer of any property owned by the Oklahoma Liquefied  
12 Petroleum Gas Board to the Corporation Commission.

13           D. Any monies from appropriations, fees, licenses, fines, penalties, or other similar  
14 types of monies that accrue in any funds or accounts after July 1, 2010, in the name of  
15 the Oklahoma Liquefied Petroleum Gas Board are transferred to the Corporation  
16 Commission.

17           E. The Corporation Commission shall succeed to any contractual rights and  
18 responsibilities incurred by the Oklahoma Liquefied Petroleum Gas Board.

19           F. The rules of the Oklahoma Liquefied Petroleum Gas Board relating to the  
20 regulations, operating standards, fees, licenses, and other like matters, that are in effect  
21 on July 1, 2010, shall be enforceable by the Corporation Commission until the  
22 Commission establishes rules.

1       SECTION 2.   NEW LAW   A new section of law to be codified in the Oklahoma  
2 Statutes as Section 420.19 of Title 52, unless there is created a duplication in numbering,  
3 reads as follows:

4       A. Effective July 1, 2010, all powers, duties, functions and responsibilities of the  
5 Liquefied Petroleum Gas Research, Marketing and Safety Commission relating to the  
6 promotion of safety of the liquefied petroleum gas industry shall be transferred to the  
7 Corporation Commission. Except as otherwise provided for in this section, the transfer  
8 shall include all real property, buildings, furniture, equipment, supplies, records, assets,  
9 current and future liabilities, fund balances, encumbrances, obligations and indebtedness  
10 associated with the Liquefied Petroleum Gas Research, Marketing and Safety  
11 Commission.

12       B. Appropriate conveyances and other documents shall be executed by January 1,  
13 2011, to effectuate the transfer of any property owned by the Liquefied Petroleum Gas  
14 Research, Marketing and Safety Commission to the Corporation Commission.

15       C. Any monies from fees, fines, penalties, donations, grants, contributions, or other  
16 similar types of monies that accrue in any funds or accounts after July 1, 2010, in the  
17 name of the Liquefied Petroleum Gas Research, Marketing and Safety Commission are  
18 transferred to the Corporation Commission.

19       D. The Corporation Commission shall succeed to any contractual rights and  
20 responsibilities relating to safety programs and education incurred by the Liquefied  
21 Petroleum Gas Research, Marketing and Safety Commission.

1 E. The rules of the Liquefied Petroleum Gas Research, Marketing and Safety  
2 Commission relating to the promotion of safety in the liquefied petroleum gas industry,  
3 that are in effect on July 1, 2010, shall be enforceable by the Corporation Commission  
4 until the Commission establishes rules.

5 SECTION 3. AMENDATORY 52 O.S. 2001, Section 420.1, is amended to read  
6 as follows:

7 Section 420.1 A. The provisions of ~~Chapter 8 of Title 52 of the Oklahoma Statutes~~  
8 Sections 420.2 through 420.17 of this title and Section 1 of this act shall be known and  
9 may be cited as the "Oklahoma Liquefied Petroleum Gas Regulation Act".

10 B. For purposes of the Oklahoma Liquefied Petroleum Gas Regulation Act:

11 1. "Administrator" means an employee of the Corporation Commission appointed  
12 by the Commission to act as the State Liquefied Petroleum Gas Administrator;

13 2. ~~"Board" means the Oklahoma Liquefied Petroleum Gas Board~~ "Commission"  
14 means the Corporation Commission; and

15 3. "Liquefied petroleum gases", "LPG", or "LP-Gas" means and includes any  
16 material which is composed predominantly of any of the following hydrocarbons, or  
17 mixtures of the same: propane, propylene, normal butane and isobutane, and butylenes.

18 SECTION 4. AMENDATORY 52 O.S. 2001, Section 420.2, as last amended by  
19 Section 1, Chapter 143, O.S.L. 2006 (52 O.S. Supp. 2009, Section 420.2), is amended to  
20 read as follows:

21 Section 420.2 A. ~~There is hereby created~~ The Corporation Commission shall  
22 employ a State Liquefied Petroleum Gas Administrator, ~~to be appointed by the Governor~~

1 from a list of nominees submitted by the Oklahoma Liquefied Petroleum Gas Board,  
2 hereinafter created. The appointment shall be subject to confirmation by the Senate.

3 The Administrator shall:

4 1. Receive a salary to be established by the Oklahoma Liquefied Petroleum Gas  
5 Board;

6 2. Act in no other official or quasi-official capacity except as herein provided; and

7 3. Serve at the pleasure of the Governor.

8 B. The Administrator, subject to approval of the Board, shall appoint and fix the  
9 duties and compensation of employees necessary to perform the duties imposed upon the  
10 Oklahoma Liquefied Petroleum Gas Board by law. The position shall be in the  
11 unclassified service and shall have a maximum annual salary, payable monthly, which  
12 shall be specified in the annual appropriations bill for the Commission.

13 C. B. 1. Persons ~~appointed to~~ employed in the positions of Administrator, ~~chief~~  
14 ~~deputy administrator, deputy administrator or~~ and liquefied petroleum gas safety code  
15 enforcement officer shall:

- 16 a. be citizens of the United States,  
17 b. be legal residents of this state,  
18 c. be physically, mentally and morally capable of performing the duties  
19 imposed upon them pursuant to the Oklahoma Liquefied Petroleum  
20 Gas Regulation Act,

- 1 d. not have been convicted of a felony in this state or any other state as  
2 established by a national criminal history record check as defined in  
3 Section 150.9 of Title 74 of the Oklahoma Statutes, and  
4 e. after the date of their ~~appointment~~ employment, not be engaged in any  
5 business in this state related to the production, manufacture,  
6 distribution, sale, installation or transportation of any of the products  
7 or equipment covered by the Oklahoma Liquefied Petroleum Gas  
8 Regulation Act.

9 2. Each ~~appointee~~ employee shall, by education, training and experience, be  
10 qualified and competent to perform the duties imposed upon them pursuant to the  
11 Oklahoma Liquefied Petroleum Gas Regulation Act, which for:

- 12 a. the Administrator shall include at least two (2) years' experience in  
13 positions of responsibility in or connected with the liquefied petroleum  
14 gas industry, and  
15 b. ~~the chief deputy administrator and deputy administrators shall~~  
16 ~~include at least one and one-half (1 1/2) years of such experience, and~~  
17 e. the safety code enforcement officers shall include at least two (2) years'  
18 experience in actual physical installation or inspection of liquefied  
19 petroleum gas systems, containers, apparatus or appliances, or  
20 installations thereof.

21 ~~3. Before entering upon their duties, appointees shall take the constitutional oath~~  
22 ~~of office.~~

1       ~~D. In the event of a vacancy in the office of Administrator, or in the event of the~~  
2 ~~absence or disability of the Administrator, the chief deputy administrator is hereby~~  
3 ~~empowered and authorized to perform the duties of the Administrator during the time of~~  
4 ~~such vacancy, absence or disability.~~

5       C. The Commission shall cross-train all liquefied petroleum gas safety code  
6 enforcement officers as motor carrier enforcement officers. All motor carrier enforcement  
7 officers shall also receive training in liquefied petroleum gas inspections and in enforcing  
8 the provisions of the Oklahoma Liquefied Petroleum Gas Regulation Act.

9       SECTION 5.    AMENDATORY    52 O.S. 2001, Section 420.3, is amended to read  
10 as follows:

11       Section 420.3 A. ~~There is hereby re-created the Oklahoma Liquefied Petroleum~~  
12 ~~Gas Board, hereinafter sometimes referred to as "LP-Gas Board" or "Board". The Board~~  
13 ~~shall be composed of seven (7) members, one each from the southeastern, northeastern,~~  
14 ~~northwestern and southwestern quarters of the state, one from central Oklahoma, and~~  
15 ~~two from the state at large. Each such appointment shall be made by the Governor, from~~  
16 ~~a list of three or more nominees who have certified in writing their willingness to serve,~~  
17 ~~to be submitted to him by the persons, firms or corporations required to be registered~~  
18 ~~pursuant to the provisions of Sections 420.1 through 420.15 of this title, or by their~~  
19 ~~representatives, and shall be subject to confirmation by the Senate.~~

20       ~~B. No person shall be appointed as a member of the Board unless at the time of his~~  
21 ~~appointment he or she has been a legal resident of the State of Oklahoma for at least five~~  
22 ~~(5) years next preceeding the date of his or her appointment and, except for the two~~

1 ~~members at large, shall have actively engaged in the retail distribution of liquefied~~  
2 ~~petroleum gas in Oklahoma for a period of one (1) year, or more. One of the members at~~  
3 ~~large shall be engaged in and representative of the container and appliance phases of the~~  
4 ~~LPG business in Oklahoma, and the other shall have a general familiarity with the~~  
5 ~~regulatory problems of the industry and the consuming public. Provided, however, that~~  
6 ~~the appointment of such public member shall not be subject to the aforementioned list~~  
7 ~~which is required to be submitted to the Governor. Members shall be eligible for~~  
8 ~~reappointment for successive terms, and shall be removable for cause by the Governor. A~~  
9 ~~member shall automatically be disqualified to hold such office in event he or she ceases~~  
10 ~~to be a legal resident of the State of Oklahoma or ceases to be actively engaged in the~~  
11 ~~liquefied petroleum gas business in Oklahoma.~~

12 ~~C. Re-creation shall not alter existing membership or terms of office. Members~~  
13 ~~shall serve until their successors in office are duly appointed and qualified. Initial~~  
14 ~~appointments of those members of the Board from the designated geographical areas of~~  
15 ~~the state shall be for terms ranging from one (1) to five (5) years, the Governor to~~  
16 ~~designate same, and the initial terms of office of the members at large on said Board~~  
17 ~~shall be for one (1) and two (2) years, respectively, as designated by the Governor.~~  
18 ~~Thereafter, the terms of all members shall be for four (4) years. In the event of the~~  
19 ~~death, resignation, disqualification or incapacity of one or more members of said Board, a~~  
20 ~~recess appointment for the unexpired term of each such member may be made by the~~  
21 ~~Governor as hereinabove provided. Members of the Board shall be entitled to be~~



1 reimbursed for necessary travel expenses as provided in the State Travel Reimbursement  
2 Act.

3 ~~D. The Board shall organize by electing one of its members as chairman and one~~  
4 ~~member as vice-chairman. The Board shall hold regular meetings. The date, time and~~  
5 ~~place of any regular meeting shall be as designated by vote of the majority of the~~  
6 ~~membership. Four members of said Board shall constitute a quorum for all purposes.~~  
7 ~~The chairman or vice-chairman may, upon approval of a majority of the members present~~  
8 ~~and voting at any meeting, designate the time, place and date of any scheduled special~~  
9 ~~meeting, and the chairman or vice-chairman shall have the power to call an unscheduled~~  
10 ~~special meeting of the Board upon not less than five (5) days' notice in writing to each~~  
11 ~~member thereof.~~

12 ~~E. The standards for the storage and handling of liquefied petroleum gases adopted~~  
13 ~~by the National Fire Protection Association and published in Pamphlet No. 58 including~~  
14 ~~current and subsequent editions and any subsequent changes and/or or additions to the~~  
15 ~~pamphlet, and the standards for the installation of gas appliances and gas piping~~  
16 ~~adopted by the National Fire Protection Association and published in Pamphlet No. 54~~  
17 ~~including the current and any subsequent editions and any subsequent changes and/or or~~  
18 ~~additions to the pamphlet shall be the accepted standards for this state. The said Board~~  
19 ~~is hereby empowered and authorized, and it shall be its duty to prescribe, adopt and~~  
20 ~~Corporation Commission shall promulgate, in the manner set forth in Section 420.1 et~~  
21 ~~seq. of this title, rules relating to safety in the storage, distribution, dispensing,~~  
22 ~~transporting and utilization of LPG in this state and in, the manufacture, fabrication,~~

1 assembly, sale, installation, operation or use ~~in this state~~ of LPG systems, containers,  
2 apparatus or appliances, ~~and reasonable rules governing in this state~~, the issuance of  
3 such permits ~~and operations thereunder, and not inconsistent with this act, as it shall~~  
4 ~~deem just and reasonable, and to revoke, amend or supersede such supplementary rules,~~  
5 and any other rules deemed necessary to implement the Oklahoma Liquefied Petroleum  
6 Gas Regulation Act.

7 ~~F. B.~~ F. B. The Administrator shall administer and enforce all administrative rules  
8 ~~formulated and adopted by the Board and administer and enforce the safety rules~~  
9 ~~prescribed, adopted or promulgated by said Board under and by virtue of the provisions~~  
10 ~~of this act, and incur all necessary expenditures in effectuating the purposes of this~~  
11 ~~subsection. The Administrator shall serve as secretary to said Board, and shall be~~  
12 ~~subject to confirmation by the Senate~~ the Commission.

13 ~~G. C.~~ G. C. Before any rules are revised, amended, adopted or promulgated ~~hereunder,~~  
14 ~~the Administrator, acting on behalf of said Board, to implement the provisions of the~~  
15 Oklahoma Liquefied Petroleum Gas Regulation Act, the Commission shall give ten (10)  
16 days' notice to all Class I and Class II permit holders under the act, by mailing to the  
17 permit holders a written notice, signed by the Administrator, on behalf of the ~~Board~~  
18 Commission, containing either a statement of the terms or substance of the intended  
19 action, a description of the subjects and issues involved, or an accurate copy of the new,  
20 revised or amended rules which the ~~Board~~ Commission proposes to adopt ~~and~~  
21 ~~promulgate~~, stating the date, time and place of a public hearing at which oral or written  
22 objections to ~~such proposals~~ the rules shall be heard and considered. Notice shall also be

1 given as required by the Administrative Procedures Act. Nothing in this subsection shall  
2 prevent the furnishing of ~~such~~ any other or additional notice as the ~~Board~~ Commission  
3 shall direct.

4 ~~H. At any hearing held under this section, not less than a quorum of said Board~~  
5 ~~shall be present and shall preside; provided, however, that by unanimous vote and~~  
6 ~~resolution the Board may authorize the Administrator to preside at any or all such~~  
7 ~~hearings, and in such event no Board member need be present. After any such hearing~~  
8 ~~the Board may, by majority vote, adopt any proposed new, revised or amended rules with~~  
9 ~~such amendments and modifications thereof as the said Board shall deem just and~~  
10 ~~reasonable, and a certificate reciting such adoption and the effective date thereof shall be~~  
11 ~~signed by the members comprising said majority of said Board. The Administrator shall~~  
12 ~~thereafter, within ten (10) days, cause such rules so adopted to be mailed to each Class I~~  
13 ~~and Class II permit holder under this act.~~

14 SECTION 6. AMENDATORY 52 O.S. 2001, Section 420.3A, as amended by  
15 Section 2, Chapter 143, O.S.L. 2006 (52 O.S. Supp. 2009, Section 420.3A), is amended to  
16 read as follows:

17 Section 420.3A A. A person is not liable for damages and no legal action shall be  
18 commenced or maintained against ~~such~~ any person engaged in this state in the business  
19 of selling at retail, supplying, handling, or transporting liquefied petroleum gas if the  
20 alleged injury, damage, or loss was caused by:

21 1. The alteration, modification, or repair of liquefied petroleum gas equipment,  
22 containers, or a liquefied petroleum gas appliance if the alteration, modification, or

1 repair was done without the knowledge and consent of the liquefied petroleum gas seller,  
2 supplier, handler, or transporter; and

3 2. The liquefied petroleum gas equipment, containers, or a liquefied petroleum gas  
4 appliance being used in a manner or for a purpose other than that for which the  
5 equipment or appliance was intended.

6 B. This section shall apply only to a person who complies with the approved  
7 standards and rules as outlined in ~~subsection E~~ of Section 420.3 of this title and who has  
8 not acted in a grossly negligent or willful and wanton manner.

9 SECTION 7. AMENDATORY 52 O.S. 2001, Section 420.4, as last amended by  
10 Section 3, Chapter 143, O.S.L. 2006 (52 O.S. Supp. 2009, Section 420.4), is amended to  
11 read as follows:

12 Section 420.4 A. No person, firm, or corporation shall manufacture, fabricate,  
13 assemble, or install in this state any system, container, apparatus, or appliance used or  
14 to be used in this state in or for the transportation, storage, dispensing, or utilization of  
15 LPG, nor shall any transporter, distributor, or retailer of LPG store, dispense or  
16 transport over the highways of this state any LPG intended for use in this state in any  
17 ~~such~~ system, container, apparatus, or appliance, without having first applied for and  
18 obtained a registration permit to do so. A permit shall not be required by any person,  
19 firm, or corporation engaged in the production or manufacture of LPG, or selling or  
20 reselling LPG to transporters, processors, distributors, or retailers, nor by any person,  
21 firm, or corporation selling or delivering motor vehicles or tractors which are factory  
22 equipped with an LPG system, container, apparatus, or appliance for the utilization of

1 LPG as motor fuel. The provisions of this section shall not prevent an individual from  
2 installing in ~~his own~~ a single-unit residence owned by the person any system, container,  
3 apparatus, or appliance which uses or will utilize LPG, provided, that ~~such~~ the individual  
4 has secured an inspection of ~~such~~ the installation by the Administrator or someone  
5 designated by the Administrator or by a person duly licensed to make ~~such~~ an  
6 installation prior to the use of ~~said~~ the system, container, apparatus or appliance.  
7 Applications for registration permits shall be in writing, on a form provided by the ~~Board~~  
8 Corporation Commission, and shall contain ~~such~~ all pertinent information as is required  
9 by the ~~Board~~ Commission. Upon approval of each ~~said~~ application and receipt of the  
10 certificates of insurance or securities required by the provisions of this section, the  
11 ~~Administrator~~ Commission shall issue to the applicant a permit to engage in the phase of  
12 the liquefied petroleum gas industry in this state to which ~~such~~ the permit applies. No  
13 permit other than the Class I Dealer Permit shall be transferable. The ~~Board~~  
14 Commission is authorized to establish a fee for the transfer of a Class I Permit. Nothing  
15 in ~~Sections 420.1 through 420.15 of this title~~ the Oklahoma Liquefied Petroleum Gas  
16 Regulation Act shall be construed to regulate the manufacturing, fabrication,  
17 assembling, selling, or installing of any system, container, apparatus, or appliance  
18 having a fuel container with a maximum individual water capacity of less than two and  
19 one-half (2 1/2) pounds.

20 B. 1. The ~~Board~~ Commission is authorized to establish an annual permit fee for the  
21 issuance of each class of permit listed in subsection C of this section.

1           2. All ~~such~~ registration permits shall expire annually with no permit extending  
2 longer than one (1) calendar year. The expiration dates shall be set by the ~~Board~~  
3 Commission in the rules. The ~~Administrator~~ Commission may issue a semiannual  
4 permit to applicants engaging in the business within six (6) months or less of the annual  
5 renewal date. A semiannual permit shall expire on the following annual expiration date.  
6 The fee for a semiannual permit shall be one-half (1/2) that of the fee of the annual  
7 permit. All registration permits required pursuant to the provisions of this section shall  
8 be renewed upon payment of the annual fees on or before the expiration of the  
9 registration permit, and upon fulfilling all insurance requirements. The ~~Board~~  
10 Commission is authorized to establish necessary penalty provisions required to ensure  
11 prompt payment of ~~said~~ the annual fees.

12           3. The ~~Board~~ Commission is authorized to establish specifications which set forth  
13 the scope of authority for each class of permits.

14           4. The ~~Board~~ Commission is authorized to establish an initial permit fee for the  
15 issuance of Class I and Class II permits to any person, firm or corporation for the first  
16 time.

17           C. Persons, firms, and corporations required to be registered pursuant to the  
18 provisions of ~~Sections 420.1 through 420.15 of this title~~ this act, at the time of issuance of  
19 each permit, shall pay to the ~~Administrator~~ Commission the initial permit fee if  
20 applicable and any annual fee that is applicable to the following permit classes:

- 21           1. Class I - Dealer Permit;
- 22           2. Class II - Truck Transporter Permit;

3. Class III - DOT Cylinder Transporter Permit;
4. Class IV - Installer Permit;
5. Class IV-D - Driver/Installer Permit;
6. Class VI - DOT Cylinder and/or LPG Motor Fuel Station Operator;
7. Class VI-A - LPG Dispensing Permit;
8. Class VII - Cylinder Exchange Program Permit;
9. Class VIII - Appliance Dealer Permit;
10. Class IX - LPG Container Sales Permit;
11. Class IX-A - Manufactured Homes and Recreation Sales Permit; and
12. Class X - Manager's Permit.

D. 1. 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 in an amount as established by the ~~Board~~ Commission for each ~~said~~ delivery truck or trailer belonging to ~~said~~ the person, firm, or corporation. Each person, firm, or corporation who does not hold a permit issued by the ~~Board~~ Commission authorizing the use of an LPG bulk delivery truck or trailer in the state shall pay an annual inspection fee in an amount as established by the ~~Board~~ Commission for each such truck or trailer belonging to ~~said~~ the person, firm, or corporation being used to dispense or transport LPG in the state.

2. The inspection fee shall increase to an amount established by the ~~Board~~ Commission per vehicle if ~~said~~ the inspection is not completed within sixty (60) days of the expiration date, or at a later date at the discretion of the ~~Administrator~~ Commission.

1 E. Any LPG bulk delivery truck or trailer failing to be approved at its annual  
2 inspection shall be assessed a fee in an amount as established by the ~~Board~~ Commission  
3 at the time that it is reinspected.

4 F. The fees provided for in this section shall be applicable to residents and  
5 nonresidents of Oklahoma.

6 G. 1. The ~~Board~~ Commission is authorized to approve or disapprove applications  
7 for registration permits to distributors and retailers of LPG and managers of LPG  
8 establishments. The ~~Administrator~~ Commission is authorized to approve or disapprove  
9 all other applications for registration permits that may be issued pursuant to the  
10 provisions of this section.

11 ~~1. 2.~~ No application shall be approved by the ~~Administrator~~ unless the  
12 ~~Administrator~~ Commission is satisfied that the applicant by written examination has  
13 shown a working knowledge of the safety requirements provided by the rules of the  
14 ~~Board~~ Commission.

15 ~~2. 3.~~ No application shall be approved by the ~~Board~~ unless the ~~Board~~ Commission is  
16 satisfied by adequate written examination of the applicant, or the individual who is or  
17 shall be directly responsible for actively supervising the operations of ~~such~~ the applicant  
18 which is a partnership, firm, or corporation, that the applicant or ~~such~~ the individual has  
19 a working knowledge of the safety requirements provided by the rules of the ~~Board~~  
20 Commission. The ~~Board~~ Commission shall cause to be held public hearings on the  
21 second Monday in the months of January, April, July, and October of each year on all  
22 applications for new registration permits required by the provisions of this section, or



1 upon such other occasions as the ~~Board~~ Commission may deem necessary. Notice of each  
2 hearing shall be mailed to each such applicant and shall be posted in a conspicuous place  
3 in the Office of the Administrator in Oklahoma City, Oklahoma, at least thirty (30) days  
4 prior to the date of ~~such~~ the hearing. ~~Said~~ The notice shall include the name, address,  
5 permit class, and business location of each applicant whose application is to be  
6 considered at the hearing. ~~Such~~ The applicant, or the individual who is or shall be  
7 directly responsible for and actively supervising the operations of ~~such~~ the applicant,  
8 may be present at ~~such~~ the hearing. If, after the public hearing, an applicant is found by  
9 the ~~Board~~ Commission to have a working knowledge of the safety requirements provided  
10 by the rules ~~and regulations~~ of the ~~Board~~ Commission, the ~~Board~~ Commission shall cause  
11 an order to that effect to be entered upon its records and the application shall be  
12 approved. In the event an applicant fails to qualify, ~~said~~ the fact shall be entered upon  
13 the ~~Board's~~ records of the Commission.

14 3. The ~~Board~~ Commission shall charge a fee, in an amount established by the  
15 ~~Board~~ Commission, for testing materials and the expense of holding the examinations  
16 provided for in this section. ~~Said~~ The fee shall be paid upon filing an application for any  
17 permit.

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

21 I. Except as otherwise provided for in this section, all persons, firms, or  
22 corporations engaged in the business of manufacturing, fabricating, assembling, or

1 installing any LPG system, container, apparatus, or appliance in this state, and required  
2 to be registered pursuant to the provisions of ~~Sections 420.1 through 420.15 of this title~~  
3 this act, shall file with the ~~Administrator~~ Commission a certificate indicating liability  
4 insurance coverage for the manufacturer and contractor. The ~~Board~~ Commission is  
5 authorized to establish coverage amounts for each class of permit, provided coverage  
6 shall be for an amount of not less than Twenty-five Thousand Dollars (\$25,000.00) to  
7 Fifty Thousand Dollars (\$50,000.00) for bodily injury and limits of not less than Twenty-  
8 five Thousand Dollars (\$25,000.00) for property damage, and shall be in full force and  
9 effect, covering the plant, equipment, and motor vehicles used in ~~such~~ the business, and  
10 the operations of the business.

11 J. Except as otherwise provided for in this section, all transporters, distributors, or  
12 retailers of LPG in this state, required to be registered pursuant to ~~Sections 420.1~~  
13 ~~through 420.15 of this title~~ this act, shall file with the ~~Administrator~~ Commission a  
14 certificate indicating that public liability and property damage insurance coverage has  
15 been issued. The ~~Board~~ Commission is authorized to establish coverage amounts for  
16 each class of permit, provided coverage shall be for an amount of not less than Twenty-  
17 five Thousand Dollars (\$25,000.00) to Fifty Thousand Dollars (\$50,000.00) for bodily  
18 injury and limits of not less than Twenty-five Thousand Dollars (\$25,000.00) for property  
19 damage has been issued, and is in full force and effect, covering the plant, equipment,  
20 and motor vehicles used in ~~such~~ the business, and the operations of said business.

21 K. Insurance required pursuant to the provisions of this section shall be  
22 maintained in full force and effect during the operation of the business for which the

1 coverage was issued. Except as otherwise provided for in this section, no registration  
2 permit shall be issued until ~~said~~ the certificate of insurance is filed with the  
3 Administrator. No insurance coverage shall be canceled or terminated without thirty  
4 (30) days prior written notice of cancellation or termination to the ~~Administrator~~  
5 Commission.

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

20 SECTION 8. AMENDATORY 52 O.S. 2001, Section 420.5, as last amended by  
21 Section 4, Chapter 143, O.S.L. 2006 (52 O.S. Supp. 2009, Section 420.5), is amended to  
22 read as follows:

1 Section 420.5 A. The ~~Board~~ Corporation Commission is authorized to establish a  
2 fee, to be paid to the ~~Administrator~~, upon the sale, purchase, rental and/or use in this  
3 state of liquefied petroleum gas refillable cylinders and all other liquefied petroleum gas  
4 containers.

5 B. Each manufacturer of LP-Gas containers in Oklahoma, each vendor of  
6 containers manufactured without the state, and each person, firm or corporation placing  
7 any LPG container or cylinder in use in this state shall pay the applicable fee. For  
8 vendors of containers manufactured without this state, the fee or fees shall apply and  
9 become due upon delivery to the vendors, or for their account, within the state, of  
10 containers or cylinders purchased without the state. In no event shall the fees ~~herein~~  
11 ~~levied~~ required by this section be paid or become payable on any container or cylinder  
12 sold, rented, purchased or placed in use in this state prior to the effective date of this act,  
13 or more than once on any container or cylinder, or upon any container or cylinder resold,  
14 rered, repurchased or reused in this state. The ~~Administrator~~ Commission is  
15 authorized to refund or credit fees upon containers sold without the state upon which the  
16 fees have previously been paid, or any fees which have erroneously been paid, upon  
17 written application supported by affidavit setting forth the basis for ~~such~~ the refund.  
18 The ~~Administrator~~ Commission is authorized to adopt a system of identification of  
19 containers on which the fees ~~herein levied~~ required by this section have been paid.

20 C. No person, firm or corporation shall use or install in this state any container or  
21 cylinder upon which the applicable fee levied above applies and has not been paid. In

1 case of failure to pay within the specified time, there shall be assessed a penalty of  
2 twenty-five percent (25%), which shall be added to the applicable fee.

3 SECTION 9. AMENDATORY 52 O.S. 2001, Section 420.6, as last amended by  
4 Section 5, Chapter 143, O.S.L. 2006 (52 O.S. Supp. 2009, Section 420.6), is amended to  
5 read as follows:

6 Section 420.6 A. ~~The State Liquefied Petroleum Gas Administrator~~ Corporation  
7 Commission is authorized to suspend or revoke any registration permit issued by the  
8 ~~Oklahoma Liquefied Petroleum Gas Board~~ Commission or impose an administrative  
9 penalty, if it is found at a hearing on the matter, that the registrant has violated or is  
10 violating or has failed or is failing to comply with any provisions of the Oklahoma  
11 Liquefied Petroleum Gas Regulation Act, any rules or specifications promulgated or any  
12 order issued ~~thereto~~, or has delivered a lesser quantity of gas than the registrant bills the  
13 customer for with intent to defraud.

14 B. 1. Upon the motion of the ~~Administrator~~ Commission, or upon the receipt of  
15 written complaint from any ~~member of the Board, or from any deputy administrator or~~  
16 safety code enforcement officer, that a registrant has violated or is violating or has failed  
17 or is failing to comply with any of the provisions of the Oklahoma Liquefied Petroleum  
18 Gas Regulation Act, the rules, or specifications promulgated or any order issued ~~thereto~~,  
19 ~~the Administrator~~ pursuant to this act, the Commission is authorized and it shall be the  
20 duty of the ~~Administrator~~ Commission to hold an administrative hearing pursuant to  
21 Article II of the Administrative Procedures Act to consider such complaint.

22 2. The ~~Administrator~~ Commission shall have the power to:

- 1           (a)   conduct investigations; ~~to,~~
- 2           (b)   summon and compel the attendance at ~~such~~ the hearing of witnesses;
- 3                           ~~to,~~
- 4           (c)   require the production of any records or documents pertinent to the
- 5                           subject matter of any investigation or hearing; ~~and to~~
- 6           (d)   provide for the taking of depositions of witnesses.

7           3. Notice of the date, time and place of any ~~such~~ hearing shall be given by

8 registered mail not less than ten (10) days, exclusive of the date of mailing, before the

9 date thereof, addressed to the registrant complained against and to any other parties

10 involved, each of whom shall have the right to file answer, to appear and be heard in

11 person and by counsel, and to present evidence at such hearing.

12           C. If the ~~Administrator~~ Commission finds at the hearing that the registrant has

13 violated or is violating or has failed or is failing to comply with any provision of the

14 Oklahoma Liquefied Petroleum Gas Regulation Act or ~~such~~ any rules, specifications or

15 ~~any~~ order issued ~~thereto~~ pursuant to this act, the ~~Administrator~~ Commission, if the

16 findings justify such action, shall issue an order suspending the ~~registrant's~~ registration

17 permit of the registrant for a period not to exceed ninety (90) days, revoking the

18 registration permit, or imposing an administrative penalty of not more than Five

19 Hundred Dollars (\$500.00) for each separate offense. Any administrative penalty

20 imposed pursuant to this section shall be deposited into the Liquefied Petroleum Gas

21 Fund, created pursuant to Section 420.11 of this title.

1 D. 1. The ~~Administrator's~~ findings, judgment and order of the Commission shall be  
2 reduced to writing and be recorded in a permanent public record to be retained in the  
3 office of the ~~Administrator~~ Commission. Copies shall be furnished to the registrant  
4 complained against ~~and to the Board~~.

5 2. Any registrant who has been assessed an administrative penalty or whose  
6 registration permit is suspended or revoked by the ~~Administrator~~ Commission may,  
7 pursuant to Section 317 of Title 75 of the Oklahoma Statutes, file for a rehearing,  
8 reopening or reconsideration by the ~~Board~~ Commission. The registrant shall be given the  
9 opportunity to request a de novo hearing by the ~~Board~~ Commission. ~~Such~~ The decision  
10 by the ~~Board~~ Commission shall constitute final action by the ~~Board~~ Commission.

11 3. Any registrant who has been assessed an administrative penalty or whose  
12 registration permit has been suspended or revoked upon review by the ~~Board~~  
13 Commission may, within thirty (30) days after ~~such~~ the filing, suspension or revocation,  
14 file an appeal with the district court of Oklahoma County or in the county wherein the  
15 registrant resides or has its principal place of business in this state, pursuant to Article  
16 II of the Administrative Procedures Act.

17 E. 1. Except for an emergency as determined by the ~~Board~~ Commission upon the  
18 filing of a request for a rehearing, reopening or reconsideration or as determined by the  
19 court upon an appeal for judicial review of the order, enforcement of the ~~Administrator's~~  
20 order of the Commission shall be stayed pending final disposition of such rehearing or  
21 appeal.

1           2. Upon affirmance, the order shall become final and conclusive and the stay of  
2 enforcement shall be vacated.

3           F. The ~~Board~~ Commission shall promulgate reasonable rules governing the sale or  
4 transfer of business, facilities or a permit connected with or to be used in operations  
5 subject to regulation pursuant to the Oklahoma Liquefied Petroleum Gas Regulation Act.

6           SECTION 10.    AMENDATORY    52 O.S. 2001, Section 420.7, as amended by  
7 Section 4, Chapter 202, O.S.L. 2002 (52 O.S. Supp. 2009, Section 420.7), is amended to  
8 read as follows:

9           Section 420.7 A. It shall be the duty of the ~~Administrator~~ Corporation Commission  
10 to inspect, or to provide for the inspection of, any LPG systems, containers, apparatus, or  
11 appliances installed in this state, and any LPG bulk-delivery trucks or trailers used in  
12 this state, whenever in the discretion of the Administrator, ~~any deputy~~, or any safety  
13 code enforcement officer ~~such~~ the inspection is necessary to effectuate the purposes of  
14 this act. The Administrator ~~and any deputy~~ or safety code enforcement officer, or other  
15 authorized employees of the Commission are hereby severally empowered and authorized  
16 to enter upon any premises where any ~~such~~ installation is being or has been made to  
17 conduct ~~such~~ an inspection.

18           B. The ~~Administrator, under the direction of the Board,~~ Commission shall require  
19 proving of metering system to determine the accuracy to be within the manufacturer's  
20 tolerance not to exceed plus or minus one percent (1%) at any time. The LPG liquid  
21 meter system shall be designed and constructed to provide for applying lead-and-wire



1 seals in such a manner that no modifications or adjustments which would affect the  
2 accuracy of deliveries, can be made without mutilating the seal or seals.

3 C. Every person to whom the ~~Board or the Administrator~~ Commission issues a  
4 registration permit as ~~herein~~ provided in the Oklahoma Liquefied Petroleum Gas  
5 Regulation Act shall have immediate possession of the permit at all times when engaged  
6 in that phase of the LPG business for which the same was issued and shall display the  
7 same upon demand of the Administrator, ~~the chief deputy administrator, or any deputy~~  
8 ~~administrator~~ or safety code enforcement officer.

9 D. The Administrator and ~~the chief deputy administrator, and such deputies and~~  
10 safety code enforcement officers ~~as the Administrator shall by appropriate written~~  
11 ~~commission appoint,~~ employed by the Commission shall have all of the powers and  
12 authority of peace officers of this state in making arrests for violations of this act or the  
13 safety rules promulgated ~~thereunder~~ pursuant to this act, or in serving any process,  
14 notice or order connected with the enforcement of this act issued by the ~~Administrator~~  
15 Commission.

16 E. The Administrator, ~~the chief deputy administrator and any deputy~~  
17 ~~administrator~~ or safety code enforcement officer are hereby empowered and authorized to  
18 sign complaints against and to cause the arrest of any person charged with a violation or  
19 violations of ~~this act~~ the Oklahoma Liquefied Petroleum Gas Regulation Act or the safety  
20 rules promulgated ~~thereunder~~ pursuant to this act. In the event the district attorney  
21 fails or refuses to draw or endorse any complaint submitted to the district attorney and  
22 the complainant, whether it be the Administrator, ~~the chief deputy administrator or any~~

1 ~~deputy administrator~~ or safety code enforcement officer, desires to secure prosecution of  
2 the complaint, then and in that event any court of competent jurisdiction shall be  
3 authorized to issue a warrant for the arrest of the person charged in the complaint and  
4 the complainant shall not be required to file with the court the bond provided to be filed  
5 with and approved by the court in Sections 231 through 233 of Title 22 of the Oklahoma  
6 Statutes.

7 F. The Administrator and any ~~deputy or~~ safety code enforcement officer are hereby  
8 severally empowered and authorized to condemn any liquefied petroleum gas system,  
9 container, apparatus or appliance in this state not manufactured, fabricated, assembled  
10 or installed in accordance with the safety rules adopted or promulgated under ~~this act~~  
11 the Oklahoma Liquefied Petroleum Gas Regulation Act, and shall have the authority to  
12 forbid the use of any ~~such~~ system, container, apparatus or appliance unless and until the  
13 same have been made to comply in all respects with ~~such~~ the safety rules.

14 G. The ~~Administrator~~ Commission is hereby empowered and authorized to inspect  
15 or cause the inspection of the records of any person, firm or corporation pertaining to the  
16 installation by such person, firm or corporation of liquefied petroleum gas systems,  
17 containers, apparatus or appliances in this state.

18 H. The Attorney General of the State of Oklahoma shall appear and represent the  
19 ~~Administrator and the Board and members thereof, or any of them,~~ Commission and  
20 employees of the Commission in all litigation or other proceedings that may arise in the  
21 discharge of duties and shall, at the request of the ~~Administrator~~ Commission, assist the  
22 district attorney in prosecuting charges of violations of this act.

1       SECTION 11.    AMENDATORY    52 O.S. 2001, Section 420.8, is amended to read  
2 as follows:

3       Section 420.8 Any person, firm or corporation violating any of the provisions of  
4 ~~Section 420.1 et seq. of this title~~ the Oklahoma Liquefied Petroleum Gas Regulation Act,  
5 or any rule promulgated ~~thereunder~~ pursuant to this act, or installing in this state any  
6 liquefied petroleum gas system or appliance which does not comply with ~~such~~ the safety  
7 rules shall be guilty of a misdemeanor, and upon conviction thereof ~~such~~ the person or  
8 the responsible members of ~~such~~ the firm, or the responsible officers of ~~such~~ the  
9 corporation, shall, in addition to any fine imposed by the ~~Administrator~~ Corporation  
10 Commission pursuant to Section 420.6 of this title, be punished by a fine of not less than  
11 Five Hundred Dollars (\$500.00) or imprisonment in the county jail for not more than  
12 thirty (30) days, or by both such fine and imprisonment.

13       SECTION 12.    AMENDATORY    52 O.S. 2001, Section 420.9, is amended to read  
14 as follows:

15       Section 420.9 A. All liquefied petroleum gases designated as commercial propane,  
16 commercial butane, or mixtures thereof, sold for consumption in this state, shall, when  
17 subjected to the test methods of the Gas Processors Association of America, meet  
18 applicable specifications adopted as tentative standards by ~~said~~ the Association for the  
19 particular product sold.

20       B. All vehicles used in hauling or transporting liquefied petroleum gases upon the  
21 highways of this state shall be identified in ~~such~~ a manner as the ~~Administrator~~  
22 Corporation Commission may, by rule, prescribe.

1 C. The Department of Public Safety of the State of Oklahoma shall cooperate with  
2 the ~~Administrator~~ Commission in the enforcement of the provisions of this section, and  
3 the rules promulgated ~~thereunder~~ pursuant to this section.

4 D. Transport trucks transporting liquefied petroleum gases intrastate which are  
5 owned or operated by a person subject to and licensed by the Oklahoma Liquefied  
6 Petroleum Gas Regulation Act shall not be required to obtain or possess an intrastate  
7 motor carrier or private carrier license issued by the ~~Oklahoma Corporation~~ Commission.

8 E. Transport trucks transporting liquefied petroleum gases out of the state, but not  
9 required to bear Oklahoma license, shall not be subject to the permit fees prescribed by  
10 the Oklahoma Liquefied Petroleum Gas Regulation Act, but shall be subject to all of the  
11 other requirements of the Oklahoma Liquefied Petroleum Gas Regulation Act and any  
12 safety rule or specification promulgated ~~thereunder~~ pursuant to this act.

13 F. Bulk deliveries of liquefied petroleum gases at retail shall be metered in  
14 accordance with rules promulgated by the ~~LP-Gas Board~~ Commission.

15 G. Containers shall be filled or used only upon authorization of the fee simple  
16 owner. The name of the fee simple owner, if other than the consumer, shall be  
17 conspicuously shown on the container.

18 H. At least one attendant shall remain close to the transfer connection from the  
19 time the connections are first made until they are finally disconnected, during the  
20 transfer of the product. During the actual transfer of liquids into containers at domestic  
21 type dwellings and installations, the attendant shall not enter into any type of enclosure

1 including but not limited to truck cabs, dwellings, and barns and shall maintain visual  
2 contact with the liquid level gauge at all times.

3 SECTION 13. AMENDATORY 52 O.S. 2001, Section 420.11, as last amended  
4 by Section 1, Chapter 349, O.S.L. 2005 (52 O.S. Supp. 2009, Section 420.11), is amended  
5 to read as follows:

6 Section 420.11 A. All funds and fees, from whatsoever source derived, and collected  
7 by the ~~Administrator~~ Corporation Commission under the provisions of ~~Section 420.1 et~~  
8 ~~seq. of this title~~ the Oklahoma Liquefied Petroleum Gas Regulation Act, shall be  
9 deposited into the Liquefied Petroleum Gas Fund, created in this section. ~~Effective July~~  
10 ~~1, 2004, and for each fiscal year thereafter, the Administrator shall deposit ten percent~~  
11 ~~(10%) of the total amount collected from fees and funds by the Administrator to the credit~~  
12 ~~of the General Revenue Fund of the State Treasury. The Administrator and the Board~~  
13 ~~are hereby vested and empowered with the authority~~ Commission is authorized to make  
14 any and all necessary expenditures from the fund that in their judgment are reasonable  
15 and required to effectuate the purposes of this act. The ~~Administrator~~ Commission shall  
16 annually file with the Governor a report of all activities of the fund, which shall include a  
17 statement of all receipts and disbursements.

18 B. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma~~  
19 ~~Liquefied Petroleum Gas Board~~ Corporation Commission to be designated the Liquefied  
20 Petroleum Gas Fund. All monies accruing to the credit of the fund are hereby  
21 appropriated and may be budgeted and expended by the ~~Oklahoma Liquefied Petroleum~~  
22 ~~Gas Board~~ Commission as provided for in this section. Expenditures from the fund shall

1 be made upon warrants issued by the State Treasurer against claims filed as prescribed  
2 by law with the Director of State Finance for approval and payment.

3 ~~C. Section 211 of Title 62 of the Oklahoma Statutes shall not apply to the funds~~  
4 ~~and fees collected by the Liquefied Petroleum Gas Board.~~

5 SECTION 14. AMENDATORY 52 O.S. 2001, Section 420.14, is amended to  
6 read as follows:

7 Section 420.14 ~~The State Liquefied Petroleum Gas Administrator~~ Corporation  
8 Commission shall not issue or renew any registration permit or license to any person,  
9 firm, or corporation who is a resident of, or whose principal place of business is located  
10 in, a state other than Oklahoma unless the laws of ~~such~~ the other state, and the rules  
11 and regulations of the authority governing the storage and dispensing of liquefied  
12 petroleum gas permit the operation of ~~such~~ the business by citizens, firms, or  
13 corporations of Oklahoma under the same or substantially similar terms and conditions  
14 as those required for ~~such~~ operation in this state.

15 SECTION 15. AMENDATORY 52 O.S. 2001, Section 420.15, is amended to  
16 read as follows:

17 Section 420.15 ~~The LP-Gas Board~~ Corporation Commission shall provide for the  
18 holding of safety schools for the benefit of the liquefied petroleum gas dealers and  
19 employees in the State of Oklahoma, at ~~such~~ times and in ~~such~~ places as may be deemed  
20 advisable and may, by lawfully adopted rules, require attendance and successful  
21 completion of courses held as a condition precedent to retaining permits issued  
22 ~~hereunder~~ pursuant to the Oklahoma Liquefied Petroleum Gas Regulation Act. The

1 Administrator shall perform ~~such~~ any duties in connection with those schools as the  
2 ~~Board might~~ Commission may direct.

3 SECTION 16. AMENDATORY 52 O.S. 2001, Section 420.20, is amended to  
4 read as follows:

5 Section 420.20. This act shall be known and may be cited as the "Oklahoma  
6 Liquefied Petroleum Gas ~~Research, Marketing and~~ Safety Act".

7 SECTION 17. AMENDATORY 52 O.S. 2001, Section 420.21, as amended by  
8 Section 6, Chapter 202, O.S.L. 2002 (52 O.S. Supp. 2009, Section 420.21), is amended to  
9 read as follows:

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

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

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

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

19 4. "Importer" means the owner of odorized liquefied petroleum gas (LP gas) at the  
20 time of entry into this state from another state or from outside the United States;

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

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

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

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

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

17           SECTION 18.    AMENDATORY    52 O.S. 2001, Section 420.22, as amended by  
18 Section 1, Chapter 41, O.S.L. 2006 (52 O.S. Supp. 2009, Section 420.22), is amended to  
19 read as follows:

20           Section 420.22 ~~A. There is hereby created until July 1, 2012, the Oklahoma~~  
21 ~~Liquefied Petroleum Gas Research, Marketing and Safety Commission which shall be~~  
22 ~~subject to the provisions of the Oklahoma Sunset Law. The purpose of~~ Pursuant to the

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*House of Representatives*



1 provisions of the Oklahoma Liquefied Petroleum Gas Safety Act, the Corporation  
2 Commission ~~is to~~ shall coordinate ~~marketing and research activities of the LP gas~~  
3 ~~industry and to~~ promote safety in the liquefied petroleum gas industry through programs  
4 and education.

5 ~~B. The Commission shall be subject to review and termination under the Oklahoma~~  
6 ~~Sunset Law prior to July 1, 2012, if at least fifty-one percent (51%) of all Class I LP gas~~  
7 ~~permit holders in the state sign a petition requesting such a review. The petition shall~~  
8 ~~be submitted to the House of Representatives and State Senate committees responsible~~  
9 ~~for sunset review.~~

10 SECTION 19. AMENDATORY 52 O.S. 2001, Section 420.24, is amended to  
11 read as follows:

12 Section 420.24 The Corporation Commission shall have the power and duty to:

13 1. Administer and enforce the provisions of the Oklahoma Liquefied Petroleum Gas  
14 ~~Research, Marketing and Safety Act;~~

15 2. ~~Establish an office for the Commission within the State of Oklahoma;~~

16 3. ~~Elect a chairperson and whatever other officers may be necessary to direct~~  
17 ~~operations of the Commission;~~

18 4. Employ personnel as shall be deemed necessary to carry out the purpose and  
19 provisions of the Oklahoma Liquefied Petroleum Gas ~~Research, Marketing and Safety~~  
20 Act and to prescribe their duties and fix their compensation;

21 5. ~~3.~~ Establish and administer the LP Gas ~~Research, Marketing and Safety~~  
22 Revolving Fund;

1        ~~6. Approve or disapprove the budget of the Commission;~~

2        ~~7. 4.~~ Promulgate rules as it deems necessary to carry out the provisions of the  
3 Oklahoma Liquefied Petroleum Gas ~~Research, Marketing and~~ Safety Act;

4        ~~8. 5.~~ Enter into contracts or agreements for studies, research projects, safety  
5 programs and education activities, ~~experimental work, supplies or other services~~ to carry  
6 out the purposes of the Oklahoma Liquefied Petroleum Gas ~~Research, Marketing and~~  
7 Safety Act, and incur those expenses necessary to carry out those purposes. Any contract  
8 or agreement shall provide that:

9            a.        the person entering the contract or agreement on behalf of the  
10                      Commission shall develop and submit to the Commission a plan or  
11                      project together with a budget that shows estimated costs to be  
12                      incurred for the plan or project, and

13            b.        the person entering the contract or agreement shall keep accurate  
14                      records of all of its transactions, account for funds received and  
15                      expended, and make periodic reports to the Commission of activities  
16                      conducted, and any other reports as the Commission may require;

17        ~~9. 6.~~ Keep accurate records of all financial transactions performed pursuant to the  
18 Oklahoma Liquefied Petroleum Gas ~~Research, Marketing and~~ Safety Act. These records  
19 shall be audited annually by an independent auditor and an annual report shall be  
20 compiled and presented to the Governor;

1       ~~10. 7.~~ Cooperate with any private, local, state or national commission, organization,  
2 agency or group and to make contracts and agreements for joint programs beneficial to  
3 the LP gas industry;

4       ~~11. 8.~~ Accept donations, grants, contributions and gifts from any public or private  
5 source and deposit the money in the LP Gas ~~Research, Marketing and Safety Revolving~~  
6 Fund;

7       ~~12. 9.~~ Approve or disapprove the investment of any monies in the LP Gas ~~Research,~~  
8 ~~Marketing and Safety Revolving Fund~~ pursuant to Section 7 420.26 of this act et title; and

9       ~~13. 10.~~ Keep an accurate record of all assessments collected.

10       SECTION 20.    AMENDATORY    52 O.S. 2001, Section 420.26, is amended to  
11 read as follows:

12       Section 420.26 There is hereby created in the State Treasury a revolving fund for  
13 the ~~Oklahoma Liquefied Petroleum Gas Research, Marketing and Safety Corporation~~  
14 Commission to be designated the "LP Gas ~~Research, Marketing and Safety Revolving~~  
15 Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and  
16 shall consist of all monies received by the Commission from assessments received and  
17 collected pursuant to Section 420.27 of this title, and donations, grants, contributions  
18 and gifts from any public or private source and any monies appropriated by the  
19 Oklahoma State Legislature. The Commission may expend funds as provided for by law.  
20 Expenditures from the fund shall be made upon warrants issued by the State Treasurer  
21 against claims filed as prescribed by law with the Director of State Finance for approval  
22 and payment.

1       SECTION 21.    AMENDATORY    52 O.S. 2001, Section 420.27, as amended by  
2   Section 7, Chapter 202, O.S.L. 2002 (52 O.S. Supp. 2009, Section 420.27), is amended to  
3   read as follows:

4       Section 420.27 A. To fund the activities of the Corporation Commission in  
5   implementing the provisions of the Oklahoma Liquefied Petroleum Gas Safety Act, an  
6   assessment shall be imposed on the first sale of odorized LP gas or at the time of import  
7   of odorized LP gas into the State of Oklahoma. Each operator of a loading rack on  
8   delivery into any cargo container shall collect from the person who purchases the  
9   odorized LP gas an assessment in an amount of one-half cent (\$0.005) per gallon. Each  
10   owner of odorized LP gas, at the time of import into this state, shall be responsible for  
11   the payment of the one-half cent (\$0.005) per gallon assessment on the volume of LP gas  
12   at the time of import.

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

15       C. Loading rack operators and importers shall maintain sufficient records  
16   regarding their LP gas operations to enable the Commission to determine whether the  
17   loading rack operators and importers have remitted all fees due under the provisions of  
18   subsection A of this section. Loading rack operators and importers shall make such  
19   records available to the Commission for inspection and shall maintain ~~such~~ the records  
20   for the minimum period of time that business records are required to be maintained by  
21   the Internal Revenue Service.

1 D. Upon a determination by a majority vote of the Commission that just cause  
2 exists, a representative of the Commission may, at reasonable times and after reasonable  
3 notice to the loading rack operator and importer, enter an office, premises or place of  
4 business of a loading rack operator or importer to inspect, examine and obtain copies of  
5 the LP gas operation records maintained pursuant to subsection C of this section, for the  
6 purpose of conducting an audit or investigation or enforcing or administering this act.  
7 The loading rack operator or importer or their representative is entitled to be present  
8 when the Commission representative enters to make inspections and examinations on  
9 the premises of the loading rack operator or importer.

10 E. The Commission ~~shall serve notice to the Oklahoma Liquefied Petroleum Gas~~  
11 ~~Administrator regarding any importer who fails to remit the assessment as required~~  
12 ~~under the provisions of this section. Upon notice and hearing, Oklahoma Liquefied~~  
13 ~~Petroleum Gas Board~~ may suspend or revoke any registration permit issued to the  
14 loading rack operator or importer by the Commission pursuant to the Oklahoma  
15 Liquefied Petroleum Gas Board Regulation Act until all assessments and penalties are  
16 paid in full.

17 SECTION 22. AMENDATORY 52 O.S. 2001, Section 420.28, as amended by  
18 Section 8, Chapter 202, O.S.L. 2002 (52 O.S. Supp. 2009, Section 420.28), is amended to  
19 read as follows:

20 Section 420.28 A. Each operator of a loading rack or owner of LP gas at the time of  
21 import shall, on or before the 25th day of the month following the end of each calendar  
22 month, file a report with the ~~Oklahoma Liquefied Petroleum Gas Research, Marketing~~

1 ~~and Safety Corporation~~ Commission and remit the amount of assessments required to be  
2 collected or paid during the preceding month to the Commission, which shall be  
3 deposited in the LP Gas ~~Research, Marketing and Safety~~ Revolving Fund.

4 B. Loading rack operators or owners of LP gas at the time of import filing a report  
5 or remitting fees later than the 25th day of the month in which fees are due, but within  
6 thirty (30) days of the deadline, shall remit a penalty in the amount of five percent (5%)  
7 of the amount of fees originally due and payable.

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

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

16 E. The Commission shall be responsible for taking appropriate legal actions to  
17 collect any assessment which is not paid or is not properly paid. At the request of the  
18 Commission, the Attorney General is authorized to take any necessary action to collect  
19 any fees or penalties due under the provisions of this act.

20 SECTION 23. AMENDATORY 52 O.S. 2001, Section 420.29, is amended to  
21 read as follows:

1       Section 420.29 A. Any person subject to the assessment levied by Section 420.27 of  
2 this title may request a refund, as provided for in this section, of the assessment paid on  
3 the first sale of odorized LP gas for the preceding calendar year. Upon compliance with  
4 the provisions of this section and rules promulgated by the Corporation Commission, the  
5 Commission shall refund to each person requesting a refund the amount of the  
6 assessment paid by or on behalf of such person during the preceding calendar year.  
7 Refunds made to persons subject to the assessment shall in turn be refunded by the  
8 person to each customer based on the percentage of the total volume of LP gas purchased  
9 by each customer. As used in this section, "customer" shall mean the end-user who  
10 consumes the LP gas.

11       B. The request for a refund of the assessment for the preceding calendar year ~~must~~  
12 shall be made during the first calendar month following the calendar year for which the  
13 refund is requested. Failure to request a refund during this period shall terminate the  
14 right of any person to receive a refund for the assessment paid for the preceding calendar  
15 year. The Commission shall give notice of the availability of the refund through press  
16 releases or such other means as it deems appropriate.

17       C. Each person requesting a refund shall execute an affidavit showing the amount  
18 of refund requested and the volume of sales of LP gas made by the person to each  
19 customer. The Commission may require records to be submitted verifying the volume of  
20 sales and may verify the accuracy of the request for refund.

21       D. No person or company who requests a refund under this section shall be eligible  
22 to serve or have a representative serve as a member of the Commission.

1       SECTION 24.    AMENDATORY    52 O.S. 2001, Section 420.29-1, is amended to  
2 read as follows:

3       Section 420.29-1 A. No fee shall be collected on any deliveries of odorized LP gas  
4 destined for export out of this state if the LP gas is in continuous movement to a  
5 destination outside of this state.

6       B. Purchasers or representatives of purchasers claiming an exemption under this  
7 section ~~must~~ shall complete a form, provided by the Corporation Commission, and return  
8 it to the loading rack operator making the exempt delivery. Any purchaser requesting an  
9 exemption for a particular load or for all LP gas purchased shall complete a form  
10 provided by the Commission. Each loading rack operator shall keep all exemptions forms  
11 filed with ~~him or her~~ the operator on file and available for inspection by the Commission  
12 for a period of four (4) years.

13       SECTION 25.    AMENDATORY    52 O.S. 2001, Section 420.29-2, is amended to  
14 read as follows:

15       Section 420.29-2 Any purchaser who pays a fee to a loading rack operator or owner  
16 of LP gas at the time of import on a load of LP gas that is exempt under the provisions of  
17 this act may apply to the loading rack operator or owner of the LP gas at the time of  
18 import for a refund of the amount paid. To apply for a refund, the purchaser ~~must~~ shall  
19 complete a refund request form provided by the Corporation Commission, and return it  
20 to the loading rack operator or owner of the LP gas at the time of import who collected  
21 the fee. Any loading rack operator or owner of LP gas at the time of import required to  
22 refund a fee to a purchaser shall report the amount of the refund to the Commission. All



1 amounts refunded and reported according to the provisions of this act may be deducted  
2 from the total amount of fees collected to arrive at the total amount of fees to be remitted  
3 to the Commission. All refund amounts reported ~~must~~ shall be supported by refund  
4 request forms kept on file by the loading rack operator and be available for inspection by  
5 the Commission for a period of four (4) years.

6 SECTION 26. AMENDATORY 52 O.S. 2001, Section 420.29-3, is amended to  
7 read as follows:

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

12 SECTION 27. AMENDATORY 52 O.S. 2001, Section 420.30, is amended to  
13 read as follows:

14 Section 420.30 Nothing in the Oklahoma Liquefied Petroleum Gas ~~Research,~~  
15 ~~Marketing and~~ Safety Act may be construed to preempt or supersede any other program  
16 relating to LP gas ~~promotion or marketing~~ safety organized and operated under the law  
17 of the State of Oklahoma or the United States. The provisions of the Oklahoma  
18 Liquefied Petroleum Gas ~~Research, Marketing and~~ Safety Act applicable to the rules  
19 shall be applicable to amendments to the rules. In the event of the establishment of a  
20 national program for an assessment on propane sales, the Corporation Commission, by  
21 majority vote, may elect to designate up to a maximum of twenty percent (20%) of the  
22 funds collected pursuant to the Oklahoma Liquefied Petroleum Gas ~~Research, Marketing~~

1 ~~and~~ Safety Act to the national program in lieu of an additional assessment as may be  
2 required by the national program.

3 SECTION 28. AMENDATORY 74 O.S. 2001, Section 324.7, as last amended by  
4 Section 18, Chapter 439, O.S.L. 2009 (74 O.S. Supp. 2009, Section 324.7), is amended to  
5 read as follows:

6 Section 324.7 A. Except as otherwise specified by subsection B of this section, the  
7 State Fire Marshal Commission shall have the power and duty to prescribe, adopt, and  
8 promulgate, in the manner set forth in this act, such reasonable rules, regulations, or  
9 specifications on matters relating to the safeguarding of life and property from the  
10 hazards of fire and explosion arising from storage, handling, and use of flammable and  
11 combustible materials, and from conditions hazardous to life or property in the use or  
12 occupancy of buildings or premises, as are deemed just and reasonable and in accordance  
13 with the codes as last adopted by the Oklahoma Uniform Building Code Commission, and  
14 not inconsistent with this act, and to revoke, amend, or supersede the same. Exceptions  
15 to these standards shall be granted to detention and correction facilities in existence on  
16 November 1, 1985, when noncompliance would not result in a life-threatening condition  
17 to inmates incarcerated in such facilities. All such rules, regulations, and specifications  
18 or any revisions or amendments thereto shall not become effective until promulgated in  
19 accordance with the provisions of the Administrative Procedures Act.

20 B. 1. Liquefied petroleum gas defined by Section 420.1 of Title 52 of the Oklahoma  
21 Statutes shall be regulated by the ~~Oklahoma Liquefied Petroleum Gas Board~~  
22 Corporation Commission.

1           2. Flammable liquids stored in tanks at service stations shall be regulated by the  
2 Corporation Commission.

3           C. For the purpose of this section:

4           1. "Flammable liquids" means all petroleum products used as motor fuel and all  
5 grades of gasoline, kerosene, diesel fuel and aviation fuel having a vapor pressure not  
6 exceeding forty (40) pounds per square inch absolute at one hundred (100) degrees  
7 Fahrenheit;

8           2. "Service station" means any facility including but not limited to businesses  
9 serving the public, marinas and airports where flammable liquids are stored in  
10 aboveground tanks and dispensed for retail sales into the fuel tanks of airplanes, vessels  
11 or motor vehicles of the public; and

12           3. "Aboveground tank" means any stationary vessel at a service station and is  
13 located above the surface of the ground or on the ground which is designed to contain an  
14 accumulation of flammable liquids and which is constructed of nonearthen materials that  
15 provide structural support.

16           SECTION 29.   REPEALER   52 O.S. 2001, Section 420.10, is hereby repealed.

17           SECTION 30.   REPEALER   52 O.S. 2001, Section 420.17, as amended by  
18 Section 5, Chapter 202, O.S.L. 2002 (52 O.S. Supp. 2009, Section 420.17), is hereby  
19 repealed.

20           SECTION 31.   REPEALER   52 O.S. 2001, Section 420.23, is hereby repealed.

21           SECTION 32.   REPEALER   52 O.S. 2001, Section 420.25, is hereby repealed.

22           SECTION 33. This act shall become effective July 1, 2010.

1       SECTION 34. It being immediately necessary for the preservation of the public  
2 peace, health and safety, an emergency is hereby declared to exist, by reason whereof  
3 this act shall take effect and be in full force from and after its passage and approval.  
4 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,  
5 dated 02-25-10 - DO PASS, As Amended and Coauthored.