

# SENATE CHAMBER

STATE OF OKLAHOMA

DISPOSITION

☒ FLOOR AMENDMENT

No. 1

☐ COMMITTEE AMENDMENT

(Date)

I move to amend House Bill No. 1072, by substituting the attached floor substitute (Request #3840) for the title, enacting clause and entire body of the measure.

Submitted by:

Marty Quinn  
Senator Quinn

I hereby grant permission for the floor substitute to be adopted.

Mud Allen  
Senator Allen, Chair (required)

Zack Taylor  
Senator Taylor

Mary Boren  
Senator Boren

Senator Bullard  
Senator Bullard

Senator Daniels  
Senator Daniels

Senator David  
Senator David

Senator Hicks  
Senator Hicks

Senator Jech  
Senator Jech

Senator Merrick  
Senator Merrick

Senator Murdock  
Senator Murdock

Senator Quinn  
Senator Quinn

Senator Rader  
Senator Rader

Senator Standridge  
Senator Standridge

Senator Treat, President Pro Tempore

Senator McCortney, Majority Floor Leader

Note: Energy committee majority requires seven (7) members' signatures.

Quinn-RJ-FS-HB1072

4/19/2022 2:17 PM

(Floor Amendments Only)

Date and Time Filed: 4-27-22

4:46 pm jd

☐ Untimely

☐ Amendment Cycle Extended

☐ Secondary Amendment

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

FLOOR SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 1072

By: Gann of the House

and

Quinn and Dahm of the  
Senate

FLOOR SUBSTITUTE

An Act relating to the Oklahoma Liquefied Petroleum Gas Regulation Act; amending 52 O.S. 2021, Sections 420.4, 420.5, 420.9, and 420.15, which relate to registration permit, fees on sale, reports, and penalties, and safety schools for liquefied petroleum dealers; providing for additional permit classes to be assessed annual fee; modifying public hearing dates; directing promulgation of rules; clarifying language; providing for in person or virtual instruction for safety school; and providing an effective date.

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

SECTION 1. AMENDATORY 52 O.S. 2021, 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

1 utilization of LPG, nor shall any transporter, distributor or  
2 retailer of LPG store, dispense or transport over the highways of  
3 this state any LPG intended for use in this state in any such  
4 system, container, apparatus or appliance, without having first  
5 applied for and obtained a registration permit to do so. A permit  
6 shall not be required by any person, firm or corporation engaged in  
7 the production or manufacture of LPG, or selling or reselling LPG to  
8 transporters, gas processors, distributors or retailers, nor by any  
9 person, firm or corporation selling or delivering motor vehicles or  
10 tractors which are factory equipped with an LPG system, container,  
11 apparatus or appliance for the utilization of LPG as motor fuel.  
12 The provisions of this section shall not prevent an individual from  
13 installing in his or her own single-unit residence any system,  
14 container, apparatus or appliance which uses or will utilize LPG,  
15 provided that such individual has secured an inspection of the  
16 installation by the Administrator or someone designated by the  
17 Administrator or by a person duly licensed to make such an  
18 installation prior to the use of the system, container, apparatus or  
19 appliance. Applications for registration permits shall be in  
20 writing, on a form provided by the Board, and shall contain such  
21 pertinent information as is required by the Board. Upon approval of  
22 each application and receipt of the certificates of insurance or  
23 securities required by the provisions of this section, the  
24 Administrator shall issue to the applicant a permit to engage in the

1 phase of the LPG industry in this state to which such permit  
2 applies. No permit other than the Class I Dealer Permit shall be  
3 transferable. The Board is authorized to establish a fee for the  
4 transfer of a Class I Permit. Nothing in Sections 420.1 through  
5 420.15 of this title shall be construed to regulate the  
6 manufacturing, fabrication, assembling, selling or installing of any  
7 system, container, apparatus or appliance having a fuel container  
8 with a maximum individual water capacity of less than two and one-  
9 half (2 1/2) pounds.

10 B. 1. The Board is authorized to establish an annual permit  
11 fee for the issuance of each class of permit listed in subsection C  
12 of this section.

13 2. All such registration permits shall expire annually with no  
14 permit extending longer than one (1) calendar year. The expiration  
15 dates shall be set by the Board in the rules. The Administrator may  
16 issue a semiannual permit to applicants engaging in the business  
17 within six (6) months or less of the annual renewal date. A  
18 semiannual permit shall expire on the following annual expiration  
19 date. The fee for a semiannual permit shall be one-half (1/2) that  
20 of the fee of the annual permit. All registration permits required  
21 pursuant to the provisions of this section shall be renewed upon  
22 payment of the annual fees on or before the expiration of the  
23 registration permit, and upon fulfilling all insurance requirements.  
24

1 The Board is authorized to establish necessary penalty provisions  
2 required to ensure prompt payment of the annual fees.

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

5 4. The Board is authorized to establish an initial permit fee  
6 for the issuance of Class I and Class II permits to any person, firm  
7 or corporation for the first time.

8 C. Persons, firms and corporations required to be registered  
9 pursuant to the provisions of Sections 420.1 through 420.15 of this  
10 title, at the time of issuance of each permit, shall pay to the  
11 Administrator the initial permit fee, if applicable, and any annual  
12 fee that is applicable to the following permit classes:

- 13 1. Class I - Dealer Permit;
- 14 2. Class II - Truck Transporter Permit;
- 15 3. Class III - DOT Cylinder Transporter Permit;
- 16 4. Class IV - Installer Permit;
- 17 5. Class IV-D - Driver/Installer Permit;
- 18 6. Class VI - DOT Cylinder and/or LPG Motor Fuel Station;
- 19 7. Class VI-A - LPG Dispensing Permit;
- 20 8. Class VII - Cylinder Exchange Program Permit;
- 21 9. Class VIII - Unodorized LPG Permit;
- 22 10. Class IX - LPG Container Sales Permit;
- 23 ~~10.~~ 11. Class IX-A - Manufactured Homes and Recreation Sales  
24 Permit; and

~~11.~~ 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~~ owe at the time of inspection an annual inspection fee in an amount as established by the Board for each delivery truck or trailer belonging to the person, firm or corporation. Each person, firm or corporation who does not hold a permit issued by the Board 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 for each such truck or trailer belonging to 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 per vehicle if the inspection is not completed within sixty (60) days of the expiration date, or at a later date at the discretion of the Administrator.

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

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

G. The Board is authorized to approve or disapprove applications for registration permits to distributors and retailers

1 of LPG and managers of LPG establishments. The Administrator is  
2 authorized to approve or disapprove all other applications for  
3 registration permits that may be issued pursuant to the provisions  
4 of this section.

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

9 2. No application shall be approved by the Board unless the  
10 Board is satisfied by adequate written examination of the applicant,  
11 or the individual who is or shall be directly responsible for  
12 actively supervising the operations of such applicant which is a  
13 partnership, firm or corporation, that the applicant or such  
14 individual has a working knowledge of the safety requirements  
15 provided by the rules of the Board. The Board shall cause to be  
16 held public hearings ~~on the second Monday~~ in the months of January,  
17 April, July and October of each year on all applications for new  
18 registration permits required by the provisions of this section, or  
19 upon such other occasions as the Board may deem necessary. Notice  
20 of each hearing shall be mailed to each such applicant and shall be  
21 posted in a conspicuous place in the Office of the Administrator in  
22 Oklahoma City, Oklahoma, at least thirty (30) days prior to the date  
23 of the hearing. The notice shall include the name, address, permit  
24 class and business location of each applicant whose application is

1 to be considered at the hearing. The applicant, or the individual  
2 who is or shall be directly responsible for and actively supervising  
3 the operations of the applicant, may be present at the hearing. If,  
4 after the public hearing, an applicant is found by the Board to have  
5 a working knowledge of the safety requirements provided by the rules  
6 and regulations of the Board, the Board shall cause an order to that  
7 effect to be entered upon its records and the application shall be  
8 approved. In the event an applicant fails to qualify, the fact  
9 shall be entered upon the Board's records.

10 3. The Board shall charge a fee, in an amount established by  
11 the Board, for testing materials and the expense of holding the  
12 examinations provided for in this section. The fee shall be paid  
13 upon filing an application for any permit.

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

17 I. Except as otherwise provided for in this section, all  
18 persons, firms or corporations engaged in the business of  
19 manufacturing, fabricating, assembling or installing any LPG system,  
20 container, apparatus or appliance in this state, and required to be  
21 registered pursuant to the provisions of Sections 420.1 through  
22 420.15 of this title, shall file with the Administrator a  
23 certificate indicating liability insurance coverage for the  
24 manufacturer and contractor. The Board is authorized to establish



1 coverage amounts for each class of permit, provided coverage shall  
2 be for an amount of not less than Twenty-five Thousand Dollars  
3 (\$25,000.00) to Fifty Thousand Dollars (\$50,000.00) for bodily  
4 injury and limits of not less than Twenty-five Thousand Dollars  
5 (\$25,000.00) for property damage, and shall be in full force and  
6 effect, covering the plant, equipment and motor vehicles used in  
7 such business, and the operations of the business.

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

21 K. Insurance pursuant to the provisions of this section shall  
22 be maintained in full force and effect during the operation of the  
23 business for which the coverage was issued. Except as otherwise  
24 provided for in this section, or in administrative rules promulgated

1 by the Board, no registration permit shall be issued until the  
2 certificate is filed with the Administrator. No insurance coverage  
3 shall be canceled or terminated without thirty (30) days prior  
4 written notice of cancellation or termination to the Administrator.

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

22 SECTION 2. AMENDATORY 52 O.S. 2021, Section 420.5, is  
23 amended to read as follows:  
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1       Section 420.5. A. The Board is authorized to establish a fee,  
2 to be paid to the Administrator, upon the sale, purchase, rental  
3 and/or use in this state of liquefied petroleum gas refillable  
4 cylinders and all other liquefied petroleum gas containers.

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

1 C. No person, firm or corporation shall use or install in this  
2 state any container or cylinder upon which the applicable fee levied  
3 above applies and has not been paid. In case of failure to pay  
4 within the specified time, there shall be assessed a penalty of  
5 twenty-five percent (25%), which shall be added to the applicable  
6 fee.

7 SECTION 3. AMENDATORY 52 O.S. 2021, Section 420.9, is  
8 amended to read as follows:

9 Section 420.9. A. All liquefied petroleum gases designated as  
10 commercial propane, commercial butane or mixtures thereof, sold for  
11 consumption in this state, shall, when subjected to the test methods  
12 of the ~~Gas Processors Association of America~~ GPA Midstream  
13 Association, meet applicable specifications adopted as tentative  
14 standards by the Association for the particular product sold.

15 B. All vehicles used in hauling or transporting liquefied  
16 petroleum gases upon the highways of this state shall be identified  
17 in such manner as the Administrator may, by rule, prescribe.

18 C. The Department of Public Safety of the State of Oklahoma  
19 shall cooperate with the Administrator in the enforcement of the  
20 provisions of this section, and the rules promulgated thereunder.

21 D. Transport trucks transporting liquefied petroleum gases  
22 intrastate which are owned or operated by a person subject to and  
23 licensed by the Oklahoma Liquefied Petroleum Gas Regulation Act  
24 shall not be required to obtain or possess an intrastate motor

1 carrier or private carrier license issued by the Oklahoma  
2 Corporation Commission.

3 E. Containers shall be filled or used only upon authorization  
4 of the fee simple owner. The name of the fee simple owner, if other  
5 than the consumer, shall be conspicuously shown on the container.

6 F. At least one attendant shall remain close to the transfer  
7 connection from the time the connections are first made until they  
8 are finally disconnected, during the transfer of the product.  
9 During the actual transfer of liquids into containers at domestic  
10 type dwellings and installations, the attendant shall not enter into  
11 any type of enclosure including but not limited to truck cabs,  
12 dwellings and barns and shall maintain visual contact with the  
13 liquid level gauge at all times.

14 SECTION 4. AMENDATORY 52 O.S. 2021, Section 420.15, is  
15 amended to read as follows:

16 Section 420.15. The LP-Gas Board shall provide for the holding  
17 of safety schools for the benefit of the liquefied petroleum gas  
18 dealers and employees in the State of Oklahoma, at such times and in  
19 such places as may be deemed advisable ~~and~~. The Board may, by  
20 lawfully adopted rules, require attendance and successful completion  
21 of courses, by in-person or virtual instruction, held as a condition  
22 precedent to retaining permits issued hereunder. Such courses shall  
23 be in the format as established by the Board in its sole discretion.

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1 The Administrator shall perform such duties in connection with those  
2 schools as the Board might direct.

3 SECTION 5. This act shall become effective November 1, 2022.

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5 58-2-3840 RJ 4/27/2022 6:18:38 PM

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