- 1 SB29
- 2 155280-1
- 3 By Senator Ross
- 4 RFD: Energy and Natural Resources
- 5 First Read: 14-JAN-14
- 6 PFD: 10/22/2013

1	155280-1:n	:10/08/2013:KMS/tan LRS2013-3747
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8	SYNOPSIS:	Under existing law, the Alabama Liquefied
9		Petroleum Gas Board is responsible for enforcing
10		state and federal statutes related to the liquefied
11		petroleum gas industry throughout the state.
12		This bill would delete the definition of the
13		Liquefied Petroleum Gas Recovery Fund.
14		This bill would provide for the posting of
15		board rules, and any pending amendments to the
16		rules, on the board website in lieu of mailing a
17		pamphlet containing the rules to all registered LP
18		gas dealers.
19		This bill would delete the requirement that
20		a permit holder file a surety in cash with the
21		board.
22		This bill would delete the requirement that
23		the administrator file an official bond with the
24		Secretary of State before beginning employment.
25		This bill would authorize the board to issue
26		uniform nontraffic citations, in lieu of uniform

traffic citations, relating to the transportation
of liquefied petroleum gas.

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This bill would delete the requirement that every applicant for a Class A permit provide the board with proof from a reputable LP gas supplier of gases sufficient to supply the customers of the applicant.

This bill would provide further for a Class F permit, would provide for temporary authorizations to operate, would delete antiquated language, would abolish the LP-Gas Recovery Fund, would revise the minimum requirements for commercial general liability and automobile liability insurance coverage of applicants, would delete reference to the Liquefied Petroleum Gas Board Personal Bond Fund, would change the date on which fees for Class F and Class F-1 permits are due from January 1 to July 1, and would delete language providing for a refund of certain fees when a permit holder sells gas to an end user who is outside of the state.

This bill would delete the language providing for the ability of an entity to act as an agent for duties already provided for under an existing permit.

This bill would also delete references to specific paragraphs of the National Fuel Gas Code.

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A BILL

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TO BE ENTITLED

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To amend Sections 9-17-100, 9-17-101, 9-17-103, 9-17-104, 9-17-105, 9-17-106, 9-17-107, 9-17-109, 9-17-121, 9-17-122, 40-17-161, 40-17-164, and 40-17-165, Code of Alabama 1975, relating to the Alabama Liquefied Petroleum Gas Board and the Liquefied Petroleum Gas Fuel Tax; to delete the definition of the Liquefied Petroleum Gas Recovery Fund; provide for the posting of board rules, and amendments to rules, on the board website; delete the requirement that a permit holder file a surety in cash with the board; delete the requirement that the board administrator file an official bond with the Secretary of State; authorize the board to issue uniform nontraffic citations, in lieu of uniform traffic citations, relating to the transportation of LP-gas; delete the requirement that Class A permit applicants provide the board with proof of the availability of gases sufficient to supply customers; provide further for a Class F permit; delete reference to temporary permits; delete antiquated language; revise minimum requirements for commercial general liability and automobile liability insurance coverage for applicants; delete reference to the LP-Gas Board Personal Bond Fund; require all LP-gas delivery cargo vehicles to be appropriately marked; change the date on which fees for Class F and Class

AN ACT

1 F-1 permits are due from January 1 to July 1; delete the 2 refund of certain fees when a permit holder sells gas to an end user who is outside of the state; and delete the ability 3 of an entity to act as an agent for duties already provided for under an existing permit. 5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA: 6 7 Section 1. Sections 9-17-100, 9-17-101, 9-17-103, 9-17-104, 9-17-105, 9-17-106, 9-17-107, 9-17-109, 9-17-121, 8 9-17-122, 40-17-161, 40-17-164, and 40-17-165 of the Code of 9 10 Alabama 1975, are amended to read as follows: "\$9-17-100. 11 12 "As used in this article, the following words and 13 phrases shall have the following meanings, respectively, 14 unless the context clearly indicates otherwise: 15 "(1) AUTHORITY HAVING JURISDICTION. Alabama 16 Liquefied Petroleum Gas Board. 17 "(2) BOARD. The Alabama Liquefied Petroleum Gas Board. 18 "(3) BRANCH. A local unit of an LP-gas business that 19 is one or more of the following: 20 21 "a. A a division or subdivision or a person doing 22 business under a name other than the Class A permit holder's 23 name; a. 24 "b. A place where the day-to-day retail operations 25 of an LP-gas business are conducted and at which at least 26 three of the following activities occur or conditions exist:

"1. Sales sales of appliances.

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Ι	" <u>2. Orders</u> are taken for LP-gas repair and
2	service <del>,</del>
3	"3. Orders orders are taken to refill LP-gas systems
4	either by phone or in person .
5	"4. Employees employees are present during a normal
6	workday <del>,</del> .
7	"5. Is or a place that requires a city or county
8	license to conduct business.
9	"(4) LP. Liquefied petroleum gas.
10	"(5) LPG. Liquefied petroleum gas.
11	"(6) LP-GAS. Liquefied petroleum gas.
12	"(7) LIQUEFIED PETROLEUM GAS. Any material having
13	vapor pressure not exceeding that allowed for commercial
14	propane composed predominantly of the following hydrocarbons,
15	either by themselves or as mixtures: propane, propylene,
16	butanes (normal butane or isobutane), and butylenes.
17	" <del>(8) LIQUEFIED PETROLEUM GAS RECOVERY FUND. A cash</del>
18	surety fund designated to ensure compliance of LP-gas laws,
19	rules, and regulations adopted by the LP-Gas Board.
20	"(8) (9) LIQUEFIED PETROLEUM GAS RESEARCH AND
21	EDUCATION FUND. A fund created to finance activities relating
22	to research, development, and the implementation of marketing,
23	advertising, and informational programs relating to LP-gas
24	directed toward the consumer as well as for the education of
25	industrial members and employees.
26	"(9) (10) LIQUEFIED PETROLEUM GAS SYSTEM. Any
27	assembly consisting of one or more containers with a means for

conveying LP-gas from the container(s) to dispensing or

consuming devices (either continuously or intermittently) and

which incorporates components intended to achieve control of

quality, flow, pressure, or state (either liquid or vapor).

" $\underline{(10)}$  (11) PERSON. Every natural person, firm, copartnership, association, or corporation.

"(11) (12) RED TAG. A red card or device containing an official printed notice of the condemnation of a liquefied petroleum gas system or any connected or disconnected LP-gas component, LP-gas storage container, LP-gas container appurtenance, or LP-gas motor vehicle, transport, or delivery unit placed as a result of a violation of the liquefied petroleum gas safety code provisions and regulations, or as a result of a mechanical defect found on the LP-gas motor vehicle, transport, or delivery unit that could cause a danger to the public if allowed to continue to operate. When attached to a system or to any connected or disconnected LP-gas component, LP-gas storage container, LP-gas appurtenances, motor vehicle, transport, or delivery unit a red tag is official notice of condemnation and of the prohibition of further use, so long as the red tag remains affixed by law.

"(a) There is created and established the Alabama Liquefied Petroleum Gas Board. The board shall be composed of eight members: The State Fire Marshal; the state Director of Public Safety; the President of the Alabama Public Service Commission; four members who are representatives of the

"\$9-17-101.

liquefied petroleum gas retail Class A permit holders; and one member of the general public who shall be appointed by the Governor.

- "(b) Members of the board who are representatives of the liquefied petroleum gas retail permit holders shall have been legal residents of the State of Alabama for at least five years next preceding the date of appointment and shall have been actively engaged in the retail distribution of liquefied petroleum gas in this state for a period of at least five years. No retail Class A permit holder shall have more than one representative on the board at any one time. It is the legislative intent that no single corporation or partnership comprised of separate entities within the state, whether or not separately licensed, be represented on the board by more than one representative at any one time.
- "(c) From each of four substantially equal geographical areas of the state, designated as the southeast, the northeast, the northwest, and the southwest, the Governor shall appoint one retail permit holder member of the board. Such member shall be appointed from a list of at least no more than three nominees receiving the largest number of votes according to written ballots executed by representatives of retail Class A permit holders.
- "(d) In the event the Governor has not appointed a board member at the end of 90 days after the list of retail permit holders has been submitted to him or her, the person on the list having the most votes shall become the board member.

In the event of a tie for the most votes, a majority vote of the board members shall determine which person of those tied shall become the board member.

- "(e) In the event a vacancy occurs during the term of a board member, the administrator shall call an election to fill the vacancy and the election shall be held and conducted pursuant to subsection (f). When an elected board member sells his or her LP-gas business or for any reason is no longer actively engaged in the day-to-day operation of an LP-gas business, his or her seat on the board shall be automatically vacated by the completion of the next regularly scheduled board meeting.
- members, and filling vacancies for an unexpired term of office shall be conducted by the administrator of the board under the direction and supervision of the board. For appointments and vacancies, the administrator shall forward by registered or certified mail an official ballot to each retail permit holder or his or her duly designated representative with instructions for executing the ballot and returning it to the board. The terms of all board members shall be for six years, including the consumer member and members serving on March 20, 1992, but no member shall be denied the right to succeed himself or herself and no member shall serve more than two consecutive terms of office.
- "(g) The board shall elect its own <del>chairman</del> <u>chair</u> and <del>vice-chairman</del> <u>vice chair</u> at its first regular meeting each

calendar year. All meetings of the board shall be held at Montgomery, Alabama, and shall be on a prescribed date, at least quarterly, and at such time as a majority of the board members may request in writing to the board chairman. Each ex officio member of the board may appoint a designee to represent him or her at all board meetings. Any four members, or their designees, shall constitute a quorum for the transaction of any business which may come before the board. The board may adopt bylaws and rules of administrative procedure, pursuant to the Alabama Administrative Procedure Act.

"(h) The board may promulgate rules and regulations having the force and effect of law to carry out this article. \$9-17-103.

"(a) The board shall have the power to make and enforce rules and regulations governing the design, construction, location, installation, and operation of containers, tanks, systems, and equipment for storing, utilizing, handling, and transporting liquefied petroleum gases and rules to secure the substantial accuracy of all meters, safety devices, and regulators generally used in connection with such gases. No person shall be permitted to certify the accuracy of their own company owned meters. Said

The rules and regulations shall be such as are reasonably necessary for the protection of the health and safety of the public and persons using such gases, and shall be adopted pursuant to the state administrative procedure statutes

Alabama Administrative Procedure Act. All rules and regulations shall be printed in pamphlet form and shall be mailed to all liquefied petroleum gas dealers registered with the board, and to any person upon request posted on the board website and available for download by the public. The board, upon request, shall provide a printed hard copy of the rules and regulations. If a rule or regulation is amended, the revised rule or regulation shall be posted on the board website before the revision becomes effective.

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"(b) In order that the administrator of the board and inspectors may determine whether or not a danger to the public or to a liquefied petroleum gas user exists, and there is reasonable cause to believe that such danger does exist, the said administrator and inspectors may enter any building or upon any premises connected to a liquefied petroleum gas system for the sole purpose of conducting an inspection or an investigation of such system. If a violation is found in conducting such inspection which is determined to be a hazard and a danger to the public or to a liquefied petroleum gas user, said administrator and inspectors shall have the power, duty and authority to shut off the liquefied petroleum gas system and to condemn the system from further use for purposes of safety until the gas system has been certified as back in compliance with adopted liquefied petroleum gas safety code standards and until the red tag is removed, or authorized to be removed, by a board appointee or employee. When a system is condemned, it shall be "red-tagged."

"\$9-17-104.

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"(a) The board shall appoint, prescribe the duties of, and fix the compensation of an administrator. Before entering upon the duties of office, the administrator shall make and file with the Secretary of State an official bond in an amount to be fixed by the board. Premiums of the bond shall be paid out of funds of the board. The bond shall be payable to the State of Alabama and shall be written by an approved insurance company qualified to do business in the State of Alabama. The board may dismiss an administrator at its discretion. The board shall adopt a seal, which shall be in the care and custody of the administrator. The board may, subject to the Merit System, may employ and prescribe the duties of assistants and inspectors necessary to carry out this article. The board may, without regard to the Merit System Act, may engage and employ consultants and technical advisors considered necessary in carrying out its responsibilities.

"(b) The administrator and inspectors are constituted peace officers of the State of Alabama and are clothed with the powers of peace officers and deputy sheriffs, and may exercise such powers anywhere within the state. They may issue a warning ticket or a uniform traffic nontraffic citation to or arrest violators of Sections 40-17-160 to 40-17-166, inclusive, and any state or federal law or regulation adopted by the board relating to the transportation of liquefied petroleum gas and carry such violators before the

district court in the county in which the violation is committed.

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"(c) All fees and penalties collected under this article or otherwise inuring to the credit of the board shall be deposited in the State Treasury in a fund designated the "Liquefied Petroleum Gas Board Fund," which is established by this subsection. All expenditures from the fund shall be subject to the terms, conditions, provisions, and limitations of Title 41, Chapter 4, Article 4.

"(d) All balances in the fund in excess of \$200,000two hundred thousand dollars (\$200,000) at the end of each fiscal year shall be transferred to the Liquefied Petroleum Gas Research and Education Fund established in the State Treasury. The monies in the Liquefied Petroleum Gas Research and Education Fund shall be paid out only by warrant of the Comptroller upon the Treasurer, upon itemized vouchers, approved by the administrator; provided, that no funds shall be withdrawn or expended except as budgeted and allotted according to the provisions of Sections 41-4-80 through 41-4-96 and Sections 41-19-1 through 41-19-12, and only in amounts as stipulated in the general appropriation or other appropriation bills each new fiscal year for research, development, and training and the implementation of marketing, advertising, and information programs relating to LP-gas. Any other appropriations, grants, or other sources of funding made available for the purpose of LP-gas research and education shall be deposited in the LP-Gas Research and Education Fund.

"\$9-17-105.

"(a) The board may issue permits to any person, who is a citizen of the United States or, if not a citizen of the United States, is legally present in the United States with appropriate documentation from the federal government, to engage in or continue the business of selling, distributing, storing, or transporting liquefied petroleum gases and to engage in or continue the business of selling, installing, servicing, repairing, removing, or adjusting liquefied petroleum gas containers, tanks, or systems or to perform magnetic, hydrostatic, visual, or X-ray inspections of liquefied petroleum gas storage containers, cargo tanks, motor fuel containers, and cylinders in the State of Alabama; and to prescribe the requirements of any person to obtain the permits. The board may revoke any permit issued, for cause, in the opinion of the board.

- "(b) The permits shall be of 10 types:
- "(1) PERMIT A. Shall give the holder a right to engage in or continue the business of selling, distributing, storing, or transporting liquefied petroleum gases and to engage in or continue the business of selling, installing, servicing, repairing, or adjusting liquefied petroleum gas containers, tanks, or systems at retail or installing, repairing, servicing, removing, or adjusting liquefied petroleum carburetion equipment, or to perform magnetic, hydrostatic, visual, or X-ray inspections of liquefied petroleum gas storage containers, cargo tanks, motor fuel

containers, and cylinders. Before any person engages in or continues the business of selling, distributing, storing, or transporting liquefied petroleum gases, except where the liquefied petroleum gas so handled is in quantities of less than one gallon U.S. water capacity and is an integral part of a device for its utilization, or before any person engages in the business of selling, installing, servicing, removing, repairing, or adjusting liquefied petroleum gas containers, tanks, or systems at retail or installing, repairing, servicing, removing, or adjusting liquefied petroleum carburetion equipment, or to perform magnetic, hydrostatic, visual, or X-ray inspections of liquefied petroleum gas storage containers, cargo tanks, motor fuel containers, and cylinders in the State of Alabama, the person shall first obtain from the board a Permit A and shall execute and file with the board the insurance and a surety in cash as herein required. The holder of a Permit A shall ensure that only trained and qualified personnel perform the functions approved by the permit.

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"The board shall require every applicant for Permit
A to present evidence to the board that the applicant has a
bona fide contract or a letter of intent to sell, from a
reputable supplier of liquefied petroleum gas for an amount of
the gases sufficient to supply the customers the applicant has
estimated that will be served. In addition to the requirement
of possessing a Class A permit, persons doing business as or
in a name other than the name listed on the Class A permit

shall be required to have a separate Class B-1 permit unless the person doing business as or in another name has a separate Class A permit for each business.

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"(2) PERMIT B. Shall give the holder a right to engage in or continue the business of transporting, storing, distributing, and/or selling liquefied petroleum gas at wholesale or in unit quantities of 5,000 gallons or more at retail to end users or act as wholesale distributors, suppliers, or agents thereof or act as a consignor or shipper that delivers or causes LP-gas to be delivered in the State of Alabama. Before any person engages in or continues the business of transporting, storing, distributing, and/or selling liquefied petroleum gas at wholesale in any quantity to retailers or retail to end users in unit quantities of 5,000 gallons or more or to other wholesaler distributors, suppliers, or agents thereof in the State of Alabama and not being a holder of a Permit A, the person shall first obtain from the board a Permit B and shall execute and file the insurance and surety in cash as required herein, except that those wholesale distributors, suppliers, consignors, shippers, or agents thereof who only sell liquefied petroleum gas at wholesale and transport no gas in the state shall not be required to file a motor vehicle or general liability certificate of insurance with the board. Class B permit holders shall keep records and shall report monthly, and at all other times as the board shall deem necessary, all sales of liquefied petroleum gas made to retailers, end users, and

to other wholesale distributors, suppliers, or agents in this state. Failure to make timely reports and pay required fees shall cause interest and penalties to be assessed as described in Section 9-17-109. Any person possessing a valid Class A permit shall not be required to obtain a Class B permit. The holder of a Permit B shall ensure that only trained and qualified personnel perform the functions approved by the permit.

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"(3) PERMIT B-1. Shall give the holder a right to operate an individual branch, division, or subdivision or to act as an agent of a Class A permit holder to engage in or continue the business of selling, storing, or transporting liquefied petroleum gases at retail and to engage in or continue the business of selling, installing, servicing, repairing, removing, or adjusting liquefied petroleum gas containers, tanks, or systems at retail or to install, repair, remove, service, or adjust liquefied petroleum carburetion equipment, or to perform magnetic, hydrostatic, visual, or X-ray inspections of liquefied or petroleum gas storage containers and cylinders. Authorized agents Certified representatives of Class A or B-1 permit holders who only operate off-premises cylinder filling retail cylinder exchange stations shall not be required to obtain a Class B-1 permit, but shall be certified as representatives on forms provided by the board before installation of any equipment. Cylinder exchange stations shall operate under the permit and insurance of the sponsoring Class A or B-1 permit holder. Certification

forms for retail cylinder exchange stations shall only be

submitted to the board for installations that are in

compliance with all applicable codes at the time of

installation.

"Existing retail, off-premise cylinder filling stations formerly certified as authorized agents of a Class A or B-1 permit holder shall obtain a Class F permit on or before August 1, 2015, to continue operations. No permit holder may supply LP-gas to any retail, off-premise cylinder filling station that is required to possess a Class F permit without verification of a current Class F permit with the board.

"The board or the board administrator may authorize any person to act as an agent of a Class A or B-1 permit holder to install, service, repair, adjust, or inspect liquefied petroleum gas containers, tanks, and systems without obtaining a Class B-1 permit; provided that the authorized agents have completed the board's certification requirements and the permit holder has provided the board with proof that the agents have met the insurance and surety, in cash, consistent with the requirements of this section. The authorized agents shall not be required to meet the storage requirements of Section 9-17-107.

"Before any person engages in or continues in the operation of an individual branch, division, or subdivision or acts as an agent of a valid Class A permit holder to sell, store, or transport liquefied petroleum gas and to sell,

install, service, repair, or adjust liquefied petroleum gas containers, tanks and systems at retail, or to install, repair, service, remove, or adjust liquefied petroleum carburetion equipment, or to perform magnetic, hydrostatic, visual, or X-ray inspections of liquefied petroleum gas storage containers, cargo tanks, motor fuel containers and cylinders, the person shall first obtain from the board a Permit B-1, meet the minimum storage requirements set out in Section 9-17-107, and shall execute and file with the board the insurance and surety in cash as herein required. Branches that were in operation when this article became law shall not be required to meet the storage requirement of Section 9-17-107. A Class B-1 permit holder shall not be required to file or maintain separate or additional insurance or surety in cash as specified by this section provided that the Class B-1 permit holder is included in the parent company's Class A permit insurance and surety in cash on file with the board. The holder of a Permit B-1 shall ensure that only trained and qualified personnel perform the functions approved by the permit.

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"(4) PERMIT C. Shall give the holder a right to engage in or continue the business of installing, servicing, repairing, removing, or adjusting liquefied petroleum gas piping and installing, servicing, repairing, removing, or adjusting liquefied petroleum gas appliances on the down stream side of the tank outlet valves only. Before any person engages in or continues the business of installing, servicing,

repairing, removing, or adjusting liquefied petroleum gas piping, and installing, servicing, repairing, removing, or adjusting liquefied petroleum gas appliances on the down stream side of the tank outlet valves only, and not being a holder of a Permit A and B-1, the person shall first obtain from the board a Permit C and execute and file with the board the insurance and a surety in cash as herein required. A separate permit shall be required for each business location.

The holder of a Permit C shall ensure that only trained and qualified personnel perform the functions approved by the permit.

"(5) PERMIT C-1. Shall give the holder a right to engage in or continue the business of installing, servicing, repairing, removing, or adjusting any liquefied petroleum gas motor fuel carburetion equipment, the repair of appurtenances on motor fuel containers, cylinders, or carburetion components. Before any person engages in or continues the business of installing, servicing, repairing, removing, or adjusting liquefied petroleum gas motor fuel carburetion equipment, the repair of appurtenances on motor fuel containers, cylinders, or carburetion components in the State of Alabama, the person shall execute with the board the insurance and surety in cash herein required. Class A or B-1 permit holders shall not be required to obtain a Permit C-1. A separate permit shall be required for each business location. The holder of a Permit C-1 shall ensure that only trained and

1 <u>qualified personnel perform the functions approved by the</u> 2 permit.

"(6) PERMIT C-2. Shall give the holder a right to engage in or continue the business of performing magnetic, hydrostatic, visual or X-ray inspections of liquefied petroleum gas storage containers, cargo tanks, motor fuel containers and cylinders. Before any person engages in or continues the business of performing magnetic, hydrostatic, visual, or X-ray inspection of liquefied petroleum gas storage containers, cargo tanks, motor fuel containers, and cylinders in the State of Alabama and not being a holder of a Permit A or B-1 the person shall obtain a Class C-2 Permit and execute with the board the insurance and surety in cash herein required. A separate permit shall be required for each business location. The holder of a Permit C-2 shall ensure that only trained and qualified personnel perform the functions approved by the permit.

"(7) PERMIT D. Shall give the holder a right to engage in or continue the business of installing and/or repairing, or removal, of bulk storage systems of 5,000 gallons water capacity or more in single containers or in an aggregate of 5,000 gallons water capacity of a multi-container installation only. Before any person engages in or continues the business of installing bulk storage systems of 5,000 gallons water capacity or more in single containers or in a multi-container installation of an aggregate of 5,000 gallons water capacity, in the State of Alabama and not being a holder

of a Permit A, the person shall first obtain from the board a

Permit D and shall execute and file with the board the

insurance and surety in cash as herein required. The holder of

a Permit D shall ensure that only trained and qualified

personnel perform the functions approved by the permit.

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"The board shall require holders of a Permit D to submit plans for any proposed installation of any liquefied petroleum gas storage facility they are planning to install that is authorized under the terms of their permit. They shall obtain approval for the location and for the plans from the administrator of the board before construction is begun. All facilities shall be constructed according to rules and regulations of the board and the completed unit shall have board approval before being used. A minimum fee of two hundred dollars (\$200) shall be paid to the board at the time the plans for each facility are presented for approval. This fee of two hundred dollars (\$200) will cover examination of the plans and one site inspection. An additional fee of fifty dollars (\$50) for each inspection trip to the site that is required shall be paid to the board before final approval is given for the facility to be used. These fees may be changed by action of the board.

"(8) PERMIT E. Shall give the holder a right to engage in or continue the business of calibration and/or repair of liquefied petroleum gas liquid meters.

"Before any person engages in or continues the business of calibration, and/or or repair, or both, of

liquefied petroleum gas liquid meters, in the State of Alabama and not being a holder of a Permit A, that person shall first obtain from the board a Permit E and shall execute and file with the board the insurance and surety in cash as herein required. The holder of a Permit E shall ensure that only trained and qualified personnel perform the functions approved by the permit.

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"(9) PERMIT F. Shall give the holder the right to engage in or continue the retail business of filling LP-gas cylinders and/or or LP-gas motor fuel containers, or both, of less than 351 pounds water capacity from a stationary filling station. Before any person engages in or continues in the business of filling LP-gas cylinders and/or or LP-gas motor fuel containers, or both, and not being a holder or an agent of a Permit A or Permit B-1, the person shall first obtain from the board a Permit F and shall execute and file with the board the insurance and surety in cash as herein required. Owners of businesses that hold a Permit F shall ensure that only trained, qualified personnel fill cylinders that contain LP-gas. Permit F holders shall not hold a Class F-1 permit. A separate permit, surety in cash and insurance certificate shall be required for each filling station. End users filling cylinders only for their own use shall not be required to obtain a Class F permit.

"(10) PERMIT F-1. Shall give the holder the right to engage in or continue in the business of selling or filling welding or cutting gases as defined in subdivision (7) of

Section 9-17-100 or selling or filling LP-gas cylinders and/or or LP-gas motor fuel containers, or both, of less than 351 pounds water capacity from a stationary filling station and to transport welding or cutting gases, LP-gas cylinders, and/or or LP-gas motor fuel containers, or any combination of these. To qualify for a Class F-1 permit, the applicant shall be in the business of selling welding or cutting gas supplies and shall meet all state and federal regulations for the transportation of LP-gas. Holders of a Permit F-1 shall not sell more than 40,000 gallons of LP-gas each calendar year to be verified by purchases received in the previous 12 months in a sworn affidavit at time of renewal of the Permit F-1. Permit holders whose gallons exceed 40,000 gallons for the preceding 12 months shall meet the requirements of either the Permit A or Permit B-1, whichever permit is applicable. Permit holders who exceed 40,000 gallons in a calendar year shall be authorized to continue in the business of selling, filling, and transporting welding or cutting gases, LP-gas cylinders, and/or motor fuel containers under their Permit F-1, while the applicant is completing the requirements to obtain the proper permit provided that the permit holder has filed a completed application for the proper permit with the board. Failure to file an application for the proper permit and/or provide the required affidavit by the 31st of January after the Permit F-1 expiration date shall cause cancellation of the Permit F-1. Holders of a Permit F-1 shall not transport LP-gas in any bulk quantity. Holders of a Permit F-1 shall not operate

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off-premise retail cylinder exchanges or any type of off-premise cylinder filling stations. Owners of businesses that hold a Permit F-1 shall ensure that only trained, qualified personnel fill or transport containers or cylinders that contain LP-gas. Before any person engages in or continues in the business of selling, transporting, or filling welding or cutting gases, LP-gas cylinders, and/or LP-gas motor fuel containers, or any combination of these, when the person is not an agent of or a holder of either a Permit A or Permit B-1, the person shall first obtain from the board a Permit F-1 and shall execute and file with the board on a form provided by the board the insurance and surety in cash as herein required. No person shall act as an agent of any Permit F-1 holder. Permit F-1 holders shall not hold a Class F permit. A separate permit, surety in cash, and insurance certificate shall be required for each filling station distribution location.

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"(11) TEMPORARY AUTHORIZATION TO OPERATE. The administrator may issue temporary <u>authorization to operate for</u> Class B, B-1, C, C-1, C-2, D, E, F, and F-1 <u>permits applicants</u> as soon as all <u>permit issuance</u> requirements have been <u>met completed</u>. The temporary <u>permit authorization to operate</u> shall remain in effect until the next regular board meeting, unless the board extends the effective date of any such temporary <u>permit</u> authorization to operate by official action.

"(c) <u>Upon abolition of the LP-Gas Recovery Fund</u>, the remaining funds in the account shall be transferred to the

board at the beginning of the next fiscal year. The board shall establish and maintain a LP-Gas Recovery Fund conditioned on full compliance with this article and the rules and regulations of the board. When the administrator has determined that there are claims against the LP-Gas Recovery Fund, there shall be a third party hearing by an administrative law judge from the office of the Attorney General to adjudicate the matter. When the appeal time has lapsed after an administrative hearing where the cash surety is determined to be in default, the administrator shall initiate action to recover the five thousand dollars (\$5,000) cash surety from the person found to be in violation of this article and transfer the cash surety into the LP-Gas Research and Education Fund. After the conclusion of the appeal time, payment shall be received in the board office within 10 days. Interest on the payment shall begin to accrue on the eleventh day at the rate of one percent per month or any fraction thereof provided that the board, for good cause shown, may waive the interest or any fraction thereof. Failure to remit payment and interest within 30 days after the expiration of the time to appeal, may result in the suspension or revocation of the person's permit and cause the administrator to transfer five thousand dollars (\$5,000) out of the LP-Gas Recovery Fund into the LP-Gas Research and Education Fund. "(1) Initial payment to the LP-Gas Recovery Fund by

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all permit holders, except those not required to file a cash

surety shall be one hundred dollars (\$100) payable as

holders shall only be required to file a surety in cash for the company's initial permit. Thereafter, payment made to the LP-Gas Recovery Fund by a permit holder shall be made upon application to the board for the initial permit. Payment shall be one hundred dollars (\$100) and shall be refundable only if the application is denied or cancelled by the board.

"(2) When the balance in the LP-Gas Recovery Fund is less than twenty-five thousand dollars (\$25,000), each permit holder shall, on order of the board, make a non-refundable payment to the LP-Gas Recovery Fund. The payment will be determined by the board to return the LP-Gas Recovery Fund balance to forty thousand dollars (\$40,000). Notwithstanding the foregoing, the payment shall not exceed one hundred dollars (\$100) and shall not be levied more than once in any fiscal year.

"(3) If the balance in the LP-Gas Recovery Fund exceeds fifty thousand dollars (\$50,000) at the end of any fiscal year, the administrator shall transfer the amount in excess of fifty thousand dollars (\$50,000) to the LP-Gas Research and Education Fund.

"(4) If the balance in the LP-Gas Recovery Fund is insufficient to satisfy a duly authorized claim or portion of a claim, the board shall, when sufficient money has been deposited into the LP-Gas Recovery Fund, satisfy the unpaid claims or portions thereof.

1 "(5) The sums received by the board pursuant to this 2 section shall be deposited into the State Treasury and held in a special fund to be known as the "Liquefied Petroleum Gas 3 Recovery Fund", and shall be held by the board in trust for carrying out the purposes of the LP-Gas Recovery Fund. These funds may be invested by the State Treasurer in any investments which are legal under the laws of this state. From time to time, the administrator of the board may cause the 8 withdrawal of cash to be made from the LP-Gas Recovery Fund to 9 carry out the purposes of the LP-Gas Recovery Fund. Any 10 interest or other income from investments of the LP-Gas 11 12 Recovery Fund shall be credited to the LP-Gas Recovery Fund. "(d) An applicant for any of the 10 permits shall 13 also file with the board evidence that he or she has in force 14 the listed insurance coverage written on standard contract 15 16 forms by an insurance company or companies qualified to do 17 business in the State of Alabama based upon those activities listed below in which he or she is engaged. Proof of insurance 18 19 shall only be accepted on a form provided by the board. Proof 20 of liability insurance for all LP-gas cargo vehicles shall be 21 filed on a MCS.90 form or on a form acceptable to the board. 22 "For Class A, B, and B-1 Permits; E Permits for per-23 forming calibration, and inspections of LP-gas meters on site:

1	Comprehensive automobile		
2	<pre>liability covering:</pre>		
3	(Bodily injury liability)	\$100,000	\$50,000
4	(Property damage liabil-	\$100,000	
5	<del>ity)</del>		
6	Comprehensive general lia-		
7	bility covering:		
8	(Bodily injury liability)		
9	(Manufacturers and con-	100,000	
10	tractors liability)		
11	(Owners and contractors		
12	protection liability)		
13	(Completed operations and		
14	products liability)		
15	For Class A, B, and B-1		
16	permit cargo vehicle as		
17	follows:		
18	<del>To 3499 water gallon</del>	<del>\$1 million</del>	
19	<del>ca-pacity</del>		
20	From 3500 water gallon ca-	<del>\$5 million</del>	
21	<del>pacity</del>		
22	For Class C, C-1, C-2, D,		
23	F, and F-1 permits; and E		
24	permits only for perform-		

1	ing in-shop repairs to			
2	<del>LP-gas meters:</del>			
3	Comprehensive general lia-			
4	bility covering:			
5	(Bodily injury liability)	\$100,000		
6	(Manufacturers and con-			
7	tractors liability)			
8	(Owners and contractors	\$100,000		
9	protection liability)			
10	(Completed operations and			
11	products liability)			
12	" <del>For Permit C-1 LP-</del>	<del>-gas motor fue</del>	<del>l carburetio</del>	n only:
13	Eac	<del>ch Occurrence</del>	<del>Each Per-</del>	Each Vehicle
			son	
14	Garage liability, one	<del>\$100,000</del>	\$50 <b>,</b> 000	\$50 <b>,</b> 000
15	Direct/primary to in-			
16	<del>clude:</del>			
17	comprehensive general			
18	<del>liability</del>			
	TIADITICY			
19	(Bodily injury lia-			
19 20	-			

Τ	<del>contractors liabil-</del>	
2	<del>ity)</del>	
3	<del>(Owners and contrac-</del>	
4	tors protection lia-	
5	<del>bility)</del>	
6	(Completed operations	
7	and products liabil-	
8	<del>ity)</del>	
9	Garage liability, one	
10	Direct/primary to in-	
11	<del>clude:</del>	
12	<del>garage keepers legal</del>	<del>\$50,000</del>
1.3	<del>liability</del>	

"(e) In lieu of filing with the board evidence that the insurance coverage, as outlined above, is in force, the holder of or applicant for a permit described herein may file with the board a good and sufficient surety bond executed by an insurance company qualified to do business in this state, in an amount sufficient to satisfy the requirements of subsection (d). The bond shall be payable to the State of Alabama and shall be conditioned to guarantee the payment of all damages which proximately result from any act of negligence on the part of any person or his or her agents, servants, or employees while engaging in any of the activities

specified in this section. In lieu of the surety bond, any person may execute and file a good and sufficient personal bond, in the amount and conditioned as above specified, which personal bond shall be secured by bonds or other obligations of the State of Alabama or the United States government of equal value. Evidence of required insurance issued by an insurance company shall be filed on a form provided by the board. When a surety bond, personal bond, or other obligations of equal value is used in lieu of evidence of the required insurance coverage, the surety bond, personal bond, or other obligation of equal value shall remain on deposit in the State Treasury in the Liquefied Petroleum Gas Board Personal Bond Fund until at least 365 days have lapsed and there are no claims against the bonds or obligations of equal value. The administrator may issue a refund of the bonds or obligations of equal value from the bond fund after proper application has been submitted. When the administrator has notice of a claim filed against the monies or other obligations of equal value held in lieu of an insurance contract, the administrator shall deliver to the court, interplead and deposit with the court the amount of money or obligations held, the administrator and the Liquefied Petroleum Gas Board shall be discharged from liability as to any claim, and the action shall continue as between the claimants of the monies or properties. If the matter is adjudicated before 365 days have lapsed, the court shall return any balance of any money or obligation to the Liquefied Petroleum Gas Board Personal Bond Fund.

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1	"(d) An applicant for any of the 10 permits shall
2	provide the board with evidence of minimum insurance coverage
3	by an insurance company or companies licensed to do business
4	in the state. Proof of insurance shall only be accepted on a
5	form approved by the Alabama Department of Insurance. In the
6	absence of proof of minimum insurance requirements, new
7	permits shall not be issued, and existing permits shall be
8	automatically cancelled. The permit may be reinstated if
9	current proof of insurance is provided within six months of
10	cancellation. After a permit has been cancelled for six
11	months, a new permit shall be applied for in the manner
12	previously set by the board. The minimum insurance
13	requirements are as follows:
14	"(1) Commercial general liability insurance for all
15	10 permits:
16	"a. One million dollars (\$1,000,000) - each
17	occurrence.
18	"b. One million dollars (\$1,000,000) - personal and
19	advertising injury.
20	"c. One million dollars (\$1,000,000) - general
21	aggregate.
22	"d. One million dollars (\$1,000,000) - products and
23	<pre>completed operations aggregate.</pre>
24	"(2) Commercial automobile liability insurance for
25	A, B, B-1, E, and F-1 permits:
26	"a. One million dollars (\$1,000,000) - combined
27	single limit.

"b. Five million dollars (\$5,000,000) - combined single limit or in combination with umbrella coverage for cargo vehicles with 3,500 gallon water capacity, or more.

"(e) (f) Any state, county, or any incorporated municipality or agency, or instrumentality thereof and any industrial user who makes application and possesses a Class C permit shall not be required to file with the board a surety in cash proof of liability insurance, provided that all of the servicing, repairing, adjusting, removing, and installing of LP-gas equipment, appliances, and systems is only being accomplished on their own LP-gas equipment, appliances, and systems.

"(g) There is hereby created in the State Treasury a fund to be designated as the "Liquefied Petroleum Gas Board Personal Bond Fund" into which cash bonds or other obligations shall be deposited and from which the bonds shall be removed or refunded by the administrator at the appropriate time. The monies or other obligations in the bond fund shall not revert to the General Fund at the end of each state fiscal year, but shall be carried over into each subsequent state fiscal year and disbursed as provided in this section.

"(f) (h) Whenever a Class A, B, or B-1 permit holder's company name has changed, all vehicles and equipment assigned to the company shall be relettered with the new company name as follows: By the annual renewal of the company permit or within 180 days of the name change, whichever is greater, provided, for good cause shown the board may extend

the date by official action. Unmarked LP-gas delivery cargo vehicles or equipment placed in operation shall be lettered and placarded as required by the applicable section of the Code of Federal Regulations, Title 49, within 90 days of the date the vehicle was first placed into operation within this state. Vehicles and equipment not lettered with the company name within the described period or in accordance with Code of Federal Regulations, Title 49, shall be removed from service until the proper company name is affixed to the vehicle or equipment by the owner.

"(q) (i) Counties, municipalities, or other local entities are prohibited from requiring any further local testing or other requirements of LP-gas servicemen, certified by the LP-Gas Board, subject to the payment of any applicable local privilege, license, or business fees or charges.

"\$9-17-106.

"(a) Fees for Permit A and Permit B. Every applicant for a Permit A or a Permit B, at the time of issuance, shall pay to the board a fee of three hundred dollars (\$300) and annually thereafter pay to the board a fee of two hundred dollars (\$200). Permits and fees shall be due on October 1 and delinquent after October 31 of each year.

"Every person required to renew permits and pay fees who fails to do so by the delinquent date shall incur a penalty of ten dollars (\$10) for each day he or she is delinquent in complying with this section, and the penalty shall be paid to the board before the issuance of the permit.

Delinquency shall be determined by the United States Postal

Service postmark when the date on the postmark falls on a

later date than the delinquent date.

"(b) Fees for Permit B-1. Every applicant at the time of issuance, shall pay to the board a fee of one hundred dollars (\$100) and annually thereafter pay to the board a fee of one hundred dollars (\$100). The permits and fees shall be due on October 1 and delinquent after October 31 of each year.

"Every person who is required to renew permits and who fails to pay the fees by the delinquent date, shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for the delinquency and submits payment of the regular fee of one hundred dollars (\$100) plus a penalty of fifty dollars (\$50). The fees and penalties shall be paid to the board before the permit shall be reissued. Delinquency shall be determined by the United States Postal Service postmark when the date on the postmark falls on a later date than the delinquent date. After a permit has been cancelled for six months, the permit shall be applied for in the manner previously set by the board.

"(c) Fees for Permit C. Every applicant for a Permit C shall at the time of issuance of the permit by the board, and annually thereafter, pay to the board a permit fee of fifty dollars (\$50). The permit and fees shall be due January 1 and delinquent after January 31 of each year.

"Every person required to renew a permit and who fails to do so by the delinquent date shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for delinquency and submits payment of the regular fee of fifty dollars (\$50) and penalty of twenty-five dollars (\$25). After six months the person may reapply in the manner previously set by the board.

"(d) Fees for Permit C-1. Every applicant for a

Permit C-1 shall, at the time of issuance of the permit by the

board, and each year subsequently, pay to the board a permit

fee of fifty dollars (\$50). The permit and fees shall be due

January 1 and delinquent after January 31 of each year.

"Every person required to renew a permit, and who fails to do so by the delinquent date, shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for the delinquency and submits payment of the regular fifty dollar (\$50) fee and penalty of twenty-five dollars (\$25). After six months the person may reapply in the manner previously set by the board.

"(e) Fees for Permit C-2. Every applicant for a

Permit C-2 shall, at the time of issuance of the permit by the

board, and each year subsequently, pay to the board a permit

fee of one hundred dollars (\$100). The permit and fees shall

be due January 1 and delinquent after January 31 of each year.

"Every person required to renew a permit, and who fails to do so by the delinquent date, shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for the delinquency and submits payment of the regular fee of one hundred dollars (\$100) and a penalty of twenty-five dollars (\$25). After six months, the person may reapply in the manner previously set by the board.

"(f) Fees for Permit D. Every applicant for a Permit D shall at the time of issuance of the permit by the board, and annually thereafter, pay to the board a permit fee of two hundred fifty dollars (\$250). The permit and fees shall be due January 1 and delinquent after January 31 of each year.

"Every person required to renew a permit and who fails to do so by the delinquent date shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for delinquency and submits payment of the regular fee of two hundred fifty dollars (\$250) and a penalty of fifty dollars (\$50). After six months the person may reapply in the manner previously set by the board.

"(g) Fees for Permit E. Every applicant for a Permit E shall at the time of issuance of the permit by the board, and annually thereafter, pay a permit fee of fifty dollars (\$50). The permit fees shall be due on January 1 and delinquent after January 31 of each year.

"Any person required to renew a permit and who fails to do so by the delinquent date shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for delinquency and submits a payment of the regular fee and a penalty of twenty-five dollars (\$25). After six months the person may reapply in the manner previously set by the board.

"(h) Fees for Permit F and F-1. Every applicant for a Permit F and F-1 shall at the time of issuance of the permit by the board, and annually thereafter, pay a permit fee of one hundred dollars (\$100). The permit fees shall be due January July 1 and delinquent after January July 31 of each year. Filling stations that are owned and operated by Class A or Class B-1 permit holders or operated by agents of Class A or Class B-1 permit holders are exempt from obtaining a Class F Permit.

"Every person required to renew a permit and who fails to do so by the delinquent date shall have the permit automatically cancelled. The permit may be reinstated within six months if the holder can show reasonable cause for delinquency and submits payment of the regular fee of one hundred dollars (\$100) and a penalty of fifty dollars (\$50). After six months the person may reapply in the manner previously set by the board. Class F and F-1 permit holders shall keep records, report monthly sales of out-of-state motor fuel, and remit required fees by the twentieth of the months following the sales. Failure to make timely reports and pay

required fees shall require interest and penalties to be assessed as described in Section 9-17-109.

"(i) In the event that an end user located within the State of Alabama purchases or obtains liquefied petroleum gas on which the permit LP-qas fees required by this article have not been paid, the end user shall be required to report to the board the cost total gallons of any liquefied petroleum gas purchased during each period from October 1 to September 30 each year and shall pay to the board any fees that are due. All end users who purchase liquefied petroleum gas in unit quantities of 5,000 gallons or more shall furnish the board with written information concerning any purchases as may be requested by the board.

"(j) Any supplier who sells liquefied petroleum gas to any marketer or any end user in the state or who delivers or causes to be delivered liquefied petroleum gas to any point in the state, shall report to the board all sales by the twentieth of the month following the month in which the sales are made. Each supplier shall add to each individual sales invoice an LP-gas fee not to exceed one-half of one cent per gallon. This fee shall be assessed submitted to the board only once per gallon. Each supplier shall remit to the board all money collected LP-gas fees due with the required monthly report reporting form provided by the board. The board may, from year to year, lower or raise the LP-gas fee imposed by this article. At no time may the board raise the LP-gas fee

imposed by this article above the rate of one-half of one cent per gallon.

"(k) Any permit holder who <u>purchases</u>, sells, or otherwise exchanges liquefied petroleum gas in the State of Alabama not otherwise covered under this article shall report to the board the number of gallons <u>purchased</u>, sold, or <u>exchanges exchanged</u> by the twentieth of the month following the month such <u>purchases</u>, sales, or exchanges were made. The permit holder shall submit to the board the <u>any LP-gas fee as specified by the board fees due</u> not to exceed one-half of one cent per gallon.

"(1) Where a Class A or B-1 permit holder buys liquefied petroleum gas in the State of Alabama and pays the required fees on the liquefied petroleum gas and the Class A or B-1 permit holder sells the gas to end users outside the State of Alabama, the board may issue a credit or refund of the amount of the fee upon proper application to the board; provided, that the liquefied petroleum gas delivered to the out-of-state end user shall be transferred from the permit holder's storage facilities located within the State of Alabama. The application shall be submitted to the board no later than 30 days following the end of each fiscal quarter. Failure to make a timely application shall result in forfeiture of the fee.

" $\underline{(1)}$  (m) Class A, B, B-1, C, and D permit holders who are licensed by this board to install gas piping shall be

exempt from the requirement of Section 40-12-84 if they only install gas piping.

3 "\$9-17-107.

- "(a) The board shall require that every applicant for a Permit A have located within the State of Alabama a minimum of 30,000 (water gallon capacity) gallons storage capacity for liquefied petroleum gases. Class B-1 permit holders shall be required to have a minimum of 18,000 (water gallon capacity) gallons storage capacity of liquefied petroleum gas. However, persons who are valid agents of a Class A permit holder who sell only welding gases that qualify as liquid petroleum gas under Section 9-17-100, shall be exempt from the minimum storage requirements under this section.
- "(b) If the 30,000 gallon (water capacity) required minimum storage consists of more than one container, then no storage container in any installation used to meet this requirement of the law shall be a size less than 6,000 gallon (water capacity) and the storage capacity required by this section of the law shall be within close proximity to the area serviced and used by the applicant to service his customers in the State of Alabama.
- "(c) The board shall require that such person shall submit plans for the proposed bulk storage facility to the office of the board and obtain approval by the administrator of such plans before construction is begun. All such facilities must be constructed according to rules and

regulations of the board and the completed unit must have board approval before being used.

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"(d) If the holder of a Permit A or Permit B-1 submits plans to the board for a storage plant that shall remain his property even though the plant be at a customer's site or if the plant to be built is to be used as part of his own distribution system, then there will be no additional fees for approval and inspection of this facility; however, if this permit holder undertakes to install a bulk storage system of 5,000 gallons water capacity or more in single containers or in multi-container installation of an aggregate of 5,000 gallons water capacity, he must obtain approval for the location and for the plans from the administrator of the board before construction is begun. When plans for the bulk storage plant described above are submitted to the board for approval, a fee of \$200.00 two hundred dollars (\$200) must be paid at the same time. This fee of \$200.00 two hundred dollars (\$200) will cover examination of the plans and one site inspection. An additional fee of \$50.00 fifty dollars (\$50) for each inspection trip to the site, that is required, shall be paid to the board before final approval is given for the facility to be used. These fees may be changed by the board.

"\$9-17-109.

"(a) Any person violating this article or any rule, order, or regulation promulgated pursuant to this article shall, on conviction thereof, be fined not more than \$1,000 one thousand dollars (\$1,000) and may also be imprisoned in

the county jail or sentenced to hard labor for the county for not more than six months. Every violation of this article or any rule, order, or regulation promulgated pursuant to this article shall constitute a separate offense.

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"(b) Every person subject to the fees imposed by Section 9-17-106 shall keep and preserve suitable records of all liquefied petroleum gas transactions subject to fees and any other books or accounts necessary to determine the amount of fees for which the person is liable under this article. Those records shall be retained for a period of not less than three years, and shall include the name, and address of the seller and buyer, date of sale or purchase, amount of gallons purchased or sold, cost per gallon, total amount of sale, and the amount of fees collected or paid under Section 9-17-106. The board, the board administrator, or employees of the board may inspect, review, and copy or detain any original records, notes, or documents either written or electronically transcribed that are required to be kept by this article or that relate to the selling, purchasing, storing, transporting, installing, servicing, testing, inspecting, repairing, adjusting, and calibrating of LP-gas meters, containers, tanks, or systems. Those records, notes, or documents shall be turned over to the board at a location designated by the board within 24 hours of the notice or within a reasonable time in excess of 24 hours set by the board or board administrator in cases of hardship.

"(1) If any person fails to report and remit fees required in Section 9-17-106, the board shall issue a written order by registered or certified mail to the person to report and remit those fees. If the person fails or refuses to make the report and remittance within 30 days following the order, the board shall make the report based upon any information it reasonably obtains, shall assess the fees due thereon, and shall add a penalty of 25 percent of the fees due, as assessed by the board, and interest at the rate of one and one-half percent per month, or fraction thereof, from the date the fees were originally due. If a good and sufficient reason is shown for the delinquency, the board may waive or remit the 25 percent penalty or a portion thereof.

- "(2) Any person who reports but fails to pay the fees levied in Section 9-17-106 within the time required by this article shall pay, in addition to the fees, a penalty of 10 percent of the amount of the fees due, together with interest thereon at the rate of one and one-half percent per month or fraction thereof from the date at which the fees levied in this section became due and payable. The penalty and interest shall be assessed and collected as part of the fee. The board, for good cause shown, may waive or remit the 10 percent penalty or any portion thereof.
- "(3) As soon as practicable after the report is filed, the board shall examine and ascertain the proper amount of the fee as shown by the report. Any excess shall be refunded to the person who filed the report or credited on any

deficiency previously due. If the amount paid is deficient, as shown by the report, the board shall immediately notify the persons of the deficiency and shall add a penalty of 10 percent of the amount due. If the deficiency is not paid within 30 days from the date of notice, interest shall accrue on the deficiency at the rate of one and one-half percent per month or fraction thereof, from the date the fee was due and shall be collected as part of the fee. The board, for good cause shown, may waive or remit the penalty or any portion thereof.

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"(4) When the board ascertains from examining and auditing the records of a person who collects the fee or from other information that the amount or amounts previously paid by the person for any period or periods is incorrect, the board shall compute the correct amount of fees due. If it appears that the amount paid is excessive, the excess shall be refunded or credited on any deficiency previously due by the person as required by this article. If it appears that the amount paid is deficient, the board shall notify the person, and shall demand payment. If payment is not paid within 15 days from date of demand, the board shall add a penalty of one and one-half percent per month from the date the fees, or any part thereof, becomes due. If the board finds a willful or fraudulent intent to evade the fees due, it may assess a penalty of 25 percent of the fees. The penalty shall be reviewable on appeal.

"(c) When the board makes an assessment as provided in Section 9-17-106, the board shall notify the person by registered or certified mail of the amount of the assessment and shall notify the person to appear at a hearing of the board at the board office on a day named not less than 20 days from date of the notice to show cause why the assessment should not be final. The appearance may be by an agent or attorney. If no response is made on or before the date of the hearing, or if the response is not sufficient in the judgment of the board, the assessment shall be made final in the amount originally fixed or in any amount determined by the board to be correct. The board shall notify the person of the final assessment. A notice by the United States mail, addressed to the last known place of business, shall be sufficient.

"Any person who has duly appeared and protested an assessment may appeal the final assessment of the board. A hearing on the appeal shall be held at a time and place designated by the board. No appeal shall lie in cases if the person has failed to appear and protest.

"Any assessment made by the board shall be deemed correct, prima facie, on appeal.

"(d) Liquefied petroleum gas containers may be filled only by the owner or upon the owner's authorization. The owner of a liquefied petroleum gas container is responsible for its suitability for continual service. Any person who fills or refills any LP-gas container or who, without authorization, turns any liquefied petroleum gas

system on after it has been inspected, shut down, and condemned for safety violations, or operates an LP-gas motor vehicle, transport, or delivery unit that has been condemned for safety purposes or mechanical defects and red-tagged under authority of the Liquefied Petroleum Gas Board, or removes any red tag without authorization from the board administrator, or any person who authorizes an unqualified person to install or replace gas piping or install, connect, repair, or service any LP-gas equipment is guilty of a Class B misdemeanor as defined in Title 13A, and, upon conviction, shall be punished as provided by law.

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"(e) LP-dealers holding Class A or Class B-1 permits have special knowledge and expertise in performing installations, maintenance, repairs, adjustments, and services to liquefied petroleum gas appliances, including ranges, water heaters, heaters, containers, and LP-gas systems, or any component thereof. To ensure the safety of Alabama's consumers of LP-gas services, any consumer who desires to install, repair, maintain, adjust, or service any liquefied petroleum gas appliance, including, but not limited to, ranges, water heaters, containers, heaters, and LP-gas systems, or any component thereof, shall notify the LP-gas dealer who regularly supplies such consumer with LP-gas of his or her intention to employ an individual other than the LP-gas dealer to perform such installation, maintenance, repair, adjustment, or service being performed. The consumer shall afford the LP-gas dealer with an opportunity to first install, repair,

maintain, adjust, or service the LP-gas appliance before
resorting to an individual other than his or her LP-gas dealer
who regularly supplies LP-gas.

- "(1) In the event the consumer suffers injury, damage, or loss as a proximate consequence of a negligent installation, repair, maintenance, adjustment, or service of any LP-gas appliance, LP-gas system, or any component thereof, and such consumer has not first notified and afforded the opportunity to install, repair, maintain, adjust, or service to the LP-gas dealer who regularly supplies his or her system with LP-gas, no legal action shall be commenced against such LP-gas dealer.
- "(2) In the event the consumer suffers injury, damage, or loss as a proximate consequence of the consumer using his or her equipment or appliance in a manner or for a purpose other than that for which the equipment or appliance was intended, no legal action shall be commenced against his or her LP-gas dealer.
- "(3) All LP-gas dealers are required to document and maintain in writing all notices received from consumers for a period of not less than five years. Any LP-gas dealer who is found not to have maintained such notices in writing as required herein shall be guilty of a Class B misdemeanor.
- "(f) No LP-gas dealer shall be subject to any award of punitive or exemplary damages, except in those cases falling within Sections 6-5-391 and 6-5-410, except upon a

showing by clear and convincing evidence of gross negligence or willful or wanton misconduct.

"\$9-17-121.

"The following LP-gas room heaters may be installed in a residence that is a one- or two-family dwelling and that is not a manufactured home (mobile home) or a modular home as provided in this section:

- "(1) One listed wall-mounted LP-gas unvented room heater equipped with an oxygen depletion safety shut-off system may be installed in the bathroom of a residential one-or two-family dwelling provided that the input rating shall not exceed 6000 BTU per hour and combustion and ventilation air is provided in accordance with paragraph 6.1(b) of the National Fuel Gas Code, NFPA 54, as adopted by the board.
- "(2) One listed wall-mounted LP-gas unvented room heater equipped with an oxygen depletion safety shut-off system may be installed in the bedroom of a residential one-or two-family dwelling provided that the input rating shall not exceed 10,000 BTU per hour and combustion and ventilation air is provided as specified in paragraph 6.1(b) of the National Fuel Gas Code, NFPA 54, as adopted by the board.

"\$9-17-122.

"The following LP-gas room heaters may be installed in a used manufactured home as follows:

"LP-gas listed vented room heaters equipped with a 100 percent safety pilot and a vent spill switch or LP-gas listed unvented room heaters equipped with factory equipped

oxygen depletion safety shut-off systems may be installed in a used stationary manufactured home (mobile home) but not in sleeping quarters or bathrooms in the manufactured home (mobile home) when the installation of the heater is not prohibited by the appliance manufacturer and when the input rating of the room heater does not exceed 20 BTU per hour per cubic foot of space and combustion and ventilation air is provided as specified in Section 5.3 of the National Fuel Gas Code, NFPA 54, as adopted by the board. All room heaters installed pursuant to this section shall be securely anchored to the wall or floor.

"\$40-17-161.

"(a) Every person owning and/or operating such vehicles shall make application for and obtain an annual decal from the Liquefied Petroleum Gas Board which shall serve as an identification marker that said flat fee has been paid. Each decal issued by the Liquefied Petroleum Gas Board shall not exceed a cost of \$\frac{1}{25}\$ five dollars (\$\frac{1}{25}\$). The decal shall be in such form and of such size as the Liquefied Petroleum Gas Board shall prescribe. Such decal shall be attached or affixed to the vehicle in the place and manner prescribed by the Liquefied Petroleum Gas Board. The first decals provided for in this chapter shall be issued October 1, 1980, for a term of six months and thereafter the term of the decals that shall begin at April 1 of each year and expire on March 31 of the following year. If any passenger automobile or truck is acquired, liquefied petroleum gas or natural gas system

installed or vehicle put in operation after September 30 the fee shall be one-half the flat fee stated in Section 40-17-160, or after December 31, the fee shall be one-fourth of the flat fee stated in Section 40-17-160. Owners of all newly converted vehicles must apply for the required decal as provided for in Section 40-17-160 within 10 days of the completion date in which the liquefied petroleum or natural gas system was installed on the vehicle. Failure to submit an application within the 10-day period requires the payment of penalties as prescribed by Section 40-17-164.

"(b) In order to easily identify vehicles using liquefied petroleum gas as a motor fuel to police, fire and rescue members, a decal reading "Powered by Liquefied Petroleum Gas" shall be prominently displayed on the rear of any vehicle using liquefied petroleum gas as a motor fuel. The decal colors shall be blue with a white background with the letters no smaller than one inch in size. Provided, however, that such decal shall not be required on liquefied petroleum gas bobtail delivery units.

"(c) The board administrator and the board inspectors shall have the power and authority to issue a uniform traffic nontraffic citation to any person violating the provisions of this section. For the purpose of enforcing this section, there shall be prima facie evidence that a connected, operational liquefied petroleum gas carburetion system, which is part of a dual or switchable gasoline-liquefied petroleum gas system, has been in use, if

there is liquefied petroleum gas in the liquefied petroleum gas tank. Any violation of the provisions of this section shall constitute a Class B misdemeanor as defined in Title 13A, and shall be punished as provided by law.

"\$40-17-164.

"Any person who fails to obtain a current decal within 30 days of the date said decal is required as provided in this chapter, shall be liable for a penalty of 20 percent of the fee required at the date decal is purchased in addition to the fee. Said penalty shall be paid at the same time and in the same manner as the flat fee; and such penalty shall be deposited by the Liquefied Petroleum Gas Board in the State Treasury, to the credit of the Liquefied Petroleum Gas Board Fund.

"\$40-17-165.

"If an out-of-state vehicle comes to a propane or natural gas dealer or supplier in the State of Alabama to purchase fuel, the dealer must collect in lieu of any fees levied by this chapter an amount equal to the current Alabama motor fuel tax in effect as prescribed by Sections 40-17-2 and 40-17-220 Section 40-17-325, and remit these funds to the Alabama LP-Gas Board before the 20th of the following month after the date of the sale. Decals for out-of-state vehicles can be purchased with decal fees and issue issuance fees to be paid as prescribed by Sections 40-17-160 and 40-17-161."

Section 2. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.