

1 HB11
2 154261-1
3 By Representative Jones
4 RFD: Boards, Agencies and Commissions
5 First Read: 14-JAN-14
6 PFD: 10/02/2013

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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

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

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

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

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

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

1
2 A BILL
3 TO BE ENTITLED
4 AN ACT

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6 To amend Sections 9-17-100, 9-17-101, 9-17-103,
7 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, Code of Alabama
9 1975, relating to the Alabama Liquefied Petroleum Gas Board
10 and the Liquefied Petroleum Gas Fuel Tax; to delete the
11 definition of the Liquefied Petroleum Gas Recovery Fund;
12 provide for the posting of board rules, and amendments to
13 rules, on the board website; delete the requirement that a
14 permit holder file a surety in cash with the board; delete the
15 requirement that the board administrator file an official bond
16 with the Secretary of State; authorize the board to issue
17 uniform nontraffic citations, in lieu of uniform traffic
18 citations, relating to the transportation of LP-gas; delete
19 the requirement that Class A permit applicants provide the
20 board with proof of the availability of gases sufficient to
21 supply customers; provide further for a Class F permit; delete
22 reference to temporary permits; delete antiquated language;
23 revise minimum requirements for commercial general liability
24 and automobile liability insurance coverage for applicants;
25 delete reference to the LP-Gas Board Personal Bond Fund;
26 require all LP-gas delivery cargo vehicles to be appropriately
27 marked; change the date on which fees for Class F and Class

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
3 end user who is outside of the state; and delete the ability
4 of an entity to act as an agent for duties already provided
5 for under an existing permit.

6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

7 Section 1. Sections 9-17-100, 9-17-101, 9-17-103,
8 9-17-104, 9-17-105, 9-17-106, 9-17-107, 9-17-109, 9-17-121,
9 9-17-122, 40-17-161, 40-17-164, and 40-17-165 of the Code of
10 Alabama 1975, are amended to read as follows:

11 "§9-17-100.

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
18 Board.

19 "(3) BRANCH. A local unit of an LP-gas business that
20 is one or more of the following:

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:

27 "1. Sales ~~sales~~ of appliances; ~~7.~~

1 "2. Orders ~~orders~~ are taken for LP-gas repair and
2 service~~7.~~

3 "3. Orders ~~orders~~ are taken to refill LP-gas systems
4 either by phone or in person~~7.~~

5 "4. Employees ~~employees~~ are present during a normal
6 workday~~7.~~

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 "~~(8) LIQUEFIED PETROLEUM GAS RECOVERY FUND. A cash~~
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

1 conveying LP-gas from the container(s) to dispensing or
2 consuming devices (either continuously or intermittently) and
3 which incorporates components intended to achieve control of
4 quality, flow, pressure, or state (either liquid or vapor).

5 "(10) ~~(11)~~ PERSON. Every natural person, firm,
6 copartnership, association, or corporation.

7 "(11) ~~(12)~~ RED TAG. A red card or device containing
8 an official printed notice of the condemnation of a liquefied
9 petroleum gas system or any connected or disconnected LP-gas
10 component, LP-gas storage container, LP-gas container
11 appurtenance, or LP-gas motor vehicle, transport, or delivery
12 unit placed as a result of a violation of the liquefied
13 petroleum gas safety code provisions and regulations, or as a
14 result of a mechanical defect found on the LP-gas motor
15 vehicle, transport, or delivery unit that could cause a danger
16 to the public if allowed to continue to operate. When attached
17 to a system or to any connected or disconnected LP-gas
18 component, LP-gas storage container, LP-gas appurtenances,
19 motor vehicle, transport, or delivery unit a red tag is
20 official notice of condemnation and of the prohibition of
21 further use, so long as the red tag remains affixed by law.

22 "§9-17-101.

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

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

4 "(b) Members of the board who are representatives of
5 the liquefied petroleum gas retail permit holders shall have
6 been legal residents of the State of Alabama for at least five
7 years next preceding the date of appointment and shall have
8 been actively engaged in the retail distribution of liquefied
9 petroleum gas in this state for a period of at least five
10 years. No retail Class A permit holder shall have more than
11 one representative on the board at any one time. It is the
12 legislative intent that no single corporation or partnership
13 comprised of separate entities within the state, whether or
14 not separately licensed, be represented on the board by more
15 than one representative at any one time.

16 "(c) From each of four substantially equal
17 geographical areas of the state, designated as the southeast,
18 the northeast, the northwest, and the southwest, the Governor
19 shall appoint one retail permit holder member of the board.
20 Such member shall be appointed from a list of ~~at least~~ no more
21 than three nominees receiving the largest number of votes
22 according to written ballots executed by representatives of
23 retail Class A permit holders.

24 "(d) In the event the Governor has not appointed a
25 board member at the end of 90 days after the list of retail
26 permit holders has been submitted to him or her, the person on
27 the list having the most votes shall become the board member.

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

4 "(e) In the event a vacancy occurs during the term
5 of a board member, the administrator shall call an election to
6 fill the vacancy and the election shall be held and conducted
7 pursuant to subsection (f). When an elected board member sells
8 his or her LP-gas business or for any reason is no longer
9 actively engaged in the day-to-day operation of an LP-gas
10 business, his or her seat on the board shall be automatically
11 vacated by the completion of the next regularly scheduled
12 board meeting.

13 "(f) The balloting for board members, successor
14 members, and filling vacancies for an unexpired term of office
15 shall be conducted by the administrator of the board under the
16 direction and supervision of the board. For appointments and
17 vacancies, the administrator shall forward by registered or
18 certified mail an official ballot to each retail permit holder
19 or his or her duly designated representative with instructions
20 for executing the ballot and returning it to the board. The
21 terms of all board members shall be for six years, including
22 the consumer member and members serving on March 20, 1992, but
23 no member shall be denied the right to succeed himself or
24 herself and no member shall serve more than two consecutive
25 terms of office.

26 "(g) The board shall elect its own ~~chairman~~ chair
27 and ~~vice-chairman~~ vice chair at its first regular meeting each

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

12 "(h) The board may promulgate rules and regulations
13 having the force and effect of law to carry out this article.

14 "§9-17-103.

15 "(a) The board shall have the power to make and
16 enforce rules and regulations governing the design,
17 construction, location, installation, and operation of
18 containers, tanks, systems, and equipment for storing,
19 utilizing, handling, and transporting liquefied petroleum
20 gases and rules to secure the substantial accuracy of all
21 meters, safety devices, and regulators generally used in
22 connection with such gases. No person shall be permitted to
23 certify the accuracy of their own company owned meters. ~~Said~~
24 The rules and regulations shall be such as are reasonably
25 necessary for the protection of the health and safety of the
26 public and persons using such gases, and shall be adopted
27 pursuant to the ~~state administrative procedure statutes~~

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

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

1 "§9-17-104.

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

19 "(b) The administrator and inspectors are
20 constituted peace officers of the State of Alabama and are
21 clothed with the powers of peace officers and deputy sheriffs,
22 and may exercise such powers anywhere within the state. They
23 may issue a warning ticket or a uniform ~~traffic~~ nontraffic
24 citation to or arrest violators of Sections 40-17-160 to
25 40-17-166, inclusive, and any state or federal law or
26 regulation adopted by the board relating to the transportation
27 of liquefied petroleum gas and carry such violators before the

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

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

10 "(d) All balances in the fund in excess of ~~\$200,000~~
11 two hundred thousand dollars (\$200,000) at the end of each
12 fiscal year shall be transferred to the Liquefied Petroleum
13 Gas Research and Education Fund established in the State
14 Treasury. The monies in the Liquefied Petroleum Gas Research
15 and Education Fund shall be paid out only by warrant of the
16 Comptroller upon the Treasurer, upon itemized vouchers,
17 approved by the administrator; provided, that no funds shall
18 be withdrawn or expended except as budgeted and allotted
19 according to the provisions of Sections 41-4-80 through
20 41-4-96 and Sections 41-19-1 through 41-19-12, and only in
21 amounts as stipulated in the general appropriation or other
22 appropriation bills each new fiscal year for research,
23 development, and training and the implementation of marketing,
24 advertising, and information programs relating to LP-gas. Any
25 other appropriations, grants, or other sources of funding made
26 available for the purpose of LP-gas research and education
27 shall be deposited in the LP-Gas Research and Education Fund.

1 "§9-17-105.

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

17 "(b) The permits shall be of 10 types:

18 "(1) PERMIT A. Shall give the holder a right to
19 engage in or continue the business of selling, distributing,
20 storing, or transporting liquefied petroleum gases and to
21 engage in or continue the business of ~~selling~~, installing,
22 servicing, repairing, or adjusting liquefied petroleum gas
23 containers, tanks, or systems at retail or installing,
24 repairing, servicing, removing, or adjusting liquefied
25 petroleum carburetion equipment, or to perform magnetic,
26 hydrostatic, visual, or X-ray inspections of liquefied
27 petroleum gas storage containers, cargo tanks, motor fuel

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

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

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

4 "(2) PERMIT B. Shall give the holder a right to
5 engage in or continue the business of transporting, storing,
6 distributing, and/or selling liquefied petroleum gas at
7 wholesale or in unit quantities of 5,000 gallons or more at
8 retail to end users or act as wholesale distributors,
9 suppliers, or agents thereof or act as a consignor or shipper
10 that delivers or causes LP-gas to be delivered in the State of
11 Alabama. Before any person engages in or continues the
12 business of transporting, storing, distributing, and/or
13 selling liquefied petroleum gas at wholesale in any quantity
14 to retailers or retail to end users in unit quantities of
15 5,000 gallons or more or to other wholesaler distributors,
16 suppliers, or agents thereof in the State of Alabama and not
17 being a holder of a Permit A, the person shall first obtain
18 from the board a Permit B and shall execute and file the
19 insurance ~~and surety in cash~~ as required herein, except that
20 those wholesale distributors, suppliers, consignors, shippers,
21 or agents thereof who only sell liquefied petroleum gas at
22 wholesale and transport no gas in the state shall not be
23 required to file a motor vehicle ~~or general~~ liability
24 certificate of insurance with the board. Class B permit
25 holders shall keep records and shall report monthly, and at
26 all other times as the board shall deem necessary, all sales
27 of liquefied petroleum gas made to retailers, end users, and

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

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

1 forms for retail cylinder exchange stations shall only be
2 submitted to the board for installations that are in
3 compliance with all applicable codes at the time of
4 installation.

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

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

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

1 install, service, repair, or adjust liquefied petroleum gas
2 containers, tanks and systems at retail, or to install,
3 repair, service, remove, or adjust liquefied petroleum
4 carburetion equipment, or to perform magnetic, hydrostatic,
5 visual, or X-ray inspections of liquefied petroleum gas
6 storage containers, cargo tanks, motor fuel containers and
7 cylinders, the person shall first obtain from the board a
8 Permit B-1, meet the minimum storage requirements set out in
9 Section 9-17-107, and shall execute and file with the board
10 the insurance ~~and surety in cash~~ as herein required. Branches
11 that were in operation when this article became law shall not
12 be required to meet the storage requirement of Section
13 9-17-107. A Class B-1 permit holder shall not be required to
14 file or maintain separate or additional insurance ~~or surety in~~
15 ~~cash~~ as specified by this section provided that the Class B-1
16 permit holder is included in the parent company's Class A
17 permit insurance ~~and surety in cash~~ on file with the board.
18 The holder of a Permit B-1 shall ensure that only trained and
19 qualified personnel perform the functions approved by the
20 permit.

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

1 repairing, removing, or adjusting liquefied petroleum gas
2 piping, and installing, servicing, repairing, removing, or
3 adjusting liquefied petroleum gas appliances on the down
4 stream side of the tank outlet valves only, and not being a
5 holder of a Permit A and B-1, the person shall first obtain
6 from the board a Permit C and execute and file with the board
7 the insurance ~~and a surety in cash~~ as herein required. A
8 separate permit shall be required for each business location.
9 The holder of a Permit C shall ensure that only trained and
10 qualified personnel perform the functions approved by the
11 permit.

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

1 qualified personnel perform the functions approved by the
2 permit.

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

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

1 of a Permit A, the person shall first obtain from the board a
2 Permit D and shall execute and file with the board the
3 insurance ~~and surety in cash~~ as herein required. The holder of
4 a Permit D shall ensure that only trained and qualified
5 personnel perform the functions approved by the permit.

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

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

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

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

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

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

1 Section 9-17-100 or selling or filling LP-gas cylinders ~~and/or~~
2 or LP-gas motor fuel containers, or both, of less than 351
3 pounds water capacity from a stationary filling station and to
4 transport welding or cutting gases, LP-gas cylinders, ~~and/or~~
5 or LP-gas motor fuel containers, or any combination of these.
6 To qualify for a Class F-1 permit, the applicant shall be in
7 the business of selling welding or cutting gas supplies and
8 shall meet all state and federal regulations for the
9 transportation of LP-gas. ~~Holders of a Permit F-1 shall not~~
10 ~~sell more than 40,000 gallons of LP-gas each calendar year to~~
11 ~~be verified by purchases received in the previous 12 months in~~
12 ~~a sworn affidavit at time of renewal of the Permit F-1. Permit~~
13 ~~holders whose gallons exceed 40,000 gallons for the preceding~~
14 ~~12 months shall meet the requirements of either the Permit A~~
15 ~~or Permit B-1, whichever permit is applicable. Permit holders~~
16 ~~who exceed 40,000 gallons in a calendar year shall be~~
17 ~~authorized to continue in the business of selling, filling,~~
18 ~~and transporting welding or cutting gases, LP-gas cylinders,~~
19 ~~and/or motor fuel containers under their Permit F-1, while the~~
20 ~~applicant is completing the requirements to obtain the proper~~
21 ~~permit provided that the permit holder has filed a completed~~
22 ~~application for the proper permit with the board. Failure to~~
23 ~~file an application for the proper permit and/or provide the~~
24 ~~required affidavit by the 31st of January after the Permit F-1~~
25 ~~expiration date shall cause cancellation of the Permit F-1.~~
26 Holders of a Permit F-1 shall not transport LP-gas in any bulk
27 quantity. Holders of a Permit F-1 shall not operate

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

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

26 "(c) Upon abolition of the LP-Gas Recovery Fund, the
27 remaining funds in the account shall be transferred to the

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

25 ~~"(1) Initial payment to the LP-Gas Recovery Fund by~~
26 ~~all permit holders, except those not required to file a cash~~
27 ~~surety shall be one hundred dollars (\$100) payable as~~

1 ~~prescribed by this article. Class C, C-1, and C-2 permit~~
2 ~~holders shall only be required to file a surety in cash for~~
3 ~~the company's initial permit. Thereafter, payment made to the~~
4 ~~LP-Gas Recovery Fund by a permit holder shall be made upon~~
5 ~~application to the board for the initial permit. Payment shall~~
6 ~~be one hundred dollars (\$100) and shall be refundable only if~~
7 ~~the application is denied or cancelled by the board.~~

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

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

22 ~~"(4) If the balance in the LP-Gas Recovery Fund is~~
23 ~~insufficient to satisfy a duly authorized claim or portion of~~
24 ~~a claim, the board shall, when sufficient money has been~~
25 ~~deposited into the LP-Gas Recovery Fund, satisfy the unpaid~~
26 ~~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~~
3 ~~a special fund to be known as the "Liquefied Petroleum Gas~~
4 ~~Recovery Fund", and shall be held by the board in trust for~~
5 ~~carrying out the purposes of the LP-Gas Recovery Fund. These~~
6 ~~funds may be invested by the State Treasurer in any~~
7 ~~investments which are legal under the laws of this state. From~~
8 ~~time to time, the administrator of the board may cause the~~
9 ~~withdrawal of cash to be made from the LP-Gas Recovery Fund to~~
10 ~~carry out the purposes of the LP-Gas Recovery Fund. Any~~
11 ~~interest or other income from investments of the LP-Gas~~
12 ~~Recovery Fund shall be credited to the LP-Gas Recovery Fund.~~

13 ~~"(d) An applicant for any of the 10 permits shall~~
14 ~~also file with the board evidence that he or she has in force~~
15 ~~the listed insurance coverage written on standard contract~~
16 ~~forms by an insurance company or companies qualified to do~~
17 ~~business in the State of Alabama based upon those activities~~
18 ~~listed below in which he or she is engaged. Proof of insurance~~
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:~~

24 Insurance	Each	Each
25	Occurrence	Person

1 ~~Comprehensive automobile~~
 2 ~~liability covering:~~
 3 ~~(Bodily injury liability)~~ ~~\$100,000~~ ~~\$50,000~~
 4 ~~(Property damage liabil-~~ ~~\$100,000~~
 5 ~~ity)~~
 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 ~~To 3499 water gallon~~ ~~\$1 million~~
 19 ~~ea-pacity~~
 20 ~~From 3500 water gallon ca-~~ ~~\$5 million~~
 21 ~~capacity~~
 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 ~~LP-gas meters:~~
 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 ~~"For Permit C-1 LP-gas motor fuel carburetion only:~~

	Each Occurrence	Each Per- son	Each Vehicle
14 Garage liability, one	\$100,000	\$50,000	\$50,000
15 Direct/primary to in- 16 clude:			
17 comprehensive general 18 liability			
19 (Bodily injury lia- 20 bility)			
21 (Manufacturers and			

1 ~~contractors liability~~
2 ~~ity)~~
3 ~~(Owners and contrac~~
4 ~~tors protection lia~~
5 ~~bility)~~
6 ~~(Completed operations~~
7 ~~and products liability~~
8 ~~ity)~~

9 ~~Garage liability, one~~
10 ~~Direct/primary to in~~
11 ~~clude:~~

12 ~~garage keepers legal liability~~ ~~\$50,000~~
13 ~~liability~~

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

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

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 completed operations aggregate.

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.

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

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

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

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

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

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

16 "§9-17-106.

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

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

1 Delinquency shall be determined by the United States Postal
2 Service postmark when the date on the postmark falls on a
3 later date than the delinquent date.

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

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

22 "(c) Fees for Permit C. Every applicant for a Permit
23 C shall at the time of issuance of the permit by the board,
24 and annually thereafter, pay to the board a permit fee of
25 fifty dollars (\$50). The permit and fees shall be due January
26 1 and delinquent after January 31 of each year.

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

9 "(d) Fees for Permit C-1. Every applicant for a
10 Permit C-1 shall, at the time of issuance of the permit by the
11 board, and each year subsequently, pay to the board a permit
12 fee of fifty dollars (\$50). The permit and fees shall be due
13 January 1 and delinquent after January 31 of each year.

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

22 "(e) Fees for Permit C-2. Every applicant for a
23 Permit C-2 shall, at the time of issuance of the permit by the
24 board, and each year subsequently, pay to the board a permit
25 fee of one hundred dollars (\$100). The permit and fees shall
26 be due January 1 and delinquent after January 31 of each year.

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

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

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

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

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

8 "(h) Fees for Permit F and F-1. Every applicant for
9 a Permit F and F-1 shall at the time of issuance of the permit
10 by the board, and annually thereafter, pay a permit fee of one
11 hundred dollars (\$100). The permit fees shall be due ~~January~~
12 July 1 and delinquent after ~~January~~ July 31 of each year.

13 Filling stations that are owned and operated by Class A or
14 Class B-1 permit holders ~~or operated by agents of Class A or~~
15 ~~Class B-1 permit holders~~ are exempt from obtaining a Class F
16 Permit.

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

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

3 "(i) In the event that an end user located within
4 the State of Alabama purchases or obtains liquefied petroleum
5 gas on which the ~~permit~~ LP-gas fees required by this article
6 have not been paid, the end user shall be required to report
7 to the board the ~~cost~~ total gallons of any liquefied petroleum
8 gas purchased during each period from October 1 to September
9 30 each year and shall pay to the board any fees that are due.
10 All end users who purchase liquefied petroleum gas in unit
11 quantities of 5,000 gallons or more shall furnish the board
12 with written information concerning any purchases as may be
13 requested by the board.

14 "(j) Any supplier who sells liquefied petroleum gas
15 to any marketer or any end user in the state or who delivers
16 or causes to be delivered liquefied petroleum gas to any point
17 in the state, shall report to the board all sales by the
18 twentieth of the month following the month in which the sales
19 are made. Each supplier shall add to each individual sales
20 invoice an LP-gas fee not to exceed one-half of one cent per
21 gallon. This fee shall be ~~assessed~~ submitted to the board only
22 once per gallon. Each supplier shall remit to the board all
23 ~~money collected~~ LP-gas fees due with the required monthly
24 ~~report~~ reporting form provided by the board. The board may~~7~~
25 ~~from year to year,~~ lower or raise the LP-gas fee imposed by
26 this article. At no time may the board raise the LP-gas fee

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

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

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

25 "(l) ~~(m)~~ Class A, B, B-1, C, and D permit holders
26 who are licensed by this board to install gas piping shall be

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

3 "§9-17-107.

4 "(a) The board shall require that every applicant
5 for a Permit A have located within the State of Alabama a
6 minimum of 30,000 (water gallon capacity) gallons storage
7 capacity for liquefied petroleum gases. Class B-1 permit
8 holders shall be required to have a minimum of 18,000 (water
9 gallon capacity) gallons storage capacity of liquefied
10 petroleum gas. ~~However, persons who are valid agents of a
11 Class A permit holder who sell only welding gases that qualify
12 as liquid petroleum gas under Section 9-17-100, shall be
13 exempt from the minimum storage requirements under this
14 section.~~

15 "(b) If the ~~30,000 gallon (water capacity)~~ required
16 minimum storage consists of more than one container, then no
17 storage container in any installation used to meet this
18 requirement of the law shall be a size less than 6,000 gallon
19 (water capacity) and the storage capacity required by this
20 section of the law shall be within close proximity to the area
21 serviced and used by the applicant to service his customers in
22 the State of Alabama.

23 "(c) The board shall require that such person shall
24 submit plans for the proposed bulk storage facility to the
25 office of the board and obtain approval by the administrator
26 of such plans before construction is begun. All such
27 facilities must be constructed according to rules and

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

3 "(d) If the holder of a Permit A or Permit B-1
4 submits plans to the board for a storage plant that shall
5 remain his property even though the plant be at a customer's
6 site or if the plant to be built is to be used as part of his
7 own distribution system, then there will be no additional fees
8 for approval and inspection of this facility; however, if this
9 permit holder undertakes to install a bulk storage system of
10 5,000 gallons water capacity or more in single containers or
11 in multi-container installation of an aggregate of 5,000
12 gallons water capacity, he must obtain approval for the
13 location and for the plans from the administrator of the board
14 before construction is begun. When plans for the bulk storage
15 plant described above are submitted to the board for approval,
16 a fee of ~~\$200.00~~ two hundred dollars (\$200) must be paid at
17 the same time. This fee of ~~\$200.00~~ two hundred dollars (\$200)
18 will cover examination of the plans and one site inspection.
19 An additional fee of ~~\$50.00~~ fifty dollars (\$50) for each
20 inspection trip to the site, that is required, shall be paid
21 to the board before final approval is given for the facility
22 to be used. These fees may be changed by the board.

23 "§9-17-109.

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

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

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

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

14 "(2) Any person who reports but fails to pay the
15 fees levied in Section 9-17-106 within the time required by
16 this article shall pay, in addition to the fees, a penalty of
17 10 percent of the amount of the fees due, together with
18 interest thereon at the rate of one and one-half percent per
19 month or fraction thereof from the date at which the fees
20 levied in this section became due and payable. The penalty and
21 interest shall be assessed and collected as part of the fee.
22 The board, for good cause shown, may waive or remit the 10
23 percent penalty or any portion thereof.

24 "(3) As soon as practicable after the report is
25 filed, the board shall examine and ascertain the proper amount
26 of the fee as shown by the report. Any excess shall be
27 refunded to the person who filed the report or credited on any

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

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

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

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

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

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

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

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

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

4 "(1) In the event the consumer suffers injury,
5 damage, or loss as a proximate consequence of a negligent
6 installation, repair, maintenance, adjustment, or service of
7 any LP-gas appliance, LP-gas system, or any component thereof,
8 and such consumer has not first notified and afforded the
9 opportunity to install, repair, maintain, adjust, or service
10 to the LP-gas dealer who regularly supplies his or her system
11 with LP-gas, no legal action shall be commenced against such
12 LP-gas dealer.

13 "(2) In the event the consumer suffers injury,
14 damage, or loss as a proximate consequence of the consumer
15 using his or her equipment or appliance in a manner or for a
16 purpose other than that for which the equipment or appliance
17 was intended, no legal action shall be commenced against his
18 or her LP-gas dealer.

19 "(3) All LP-gas dealers are required to document and
20 maintain in writing all notices received from consumers for a
21 period of not less than five years. Any LP-gas dealer who is
22 found not to have maintained such notices in writing as
23 required herein shall be guilty of a Class B misdemeanor.

24 "(f) No LP-gas dealer shall be subject to any award
25 of punitive or exemplary damages, except in those cases
26 falling within Sections 6-5-391 and 6-5-410, except upon a

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

3 "§9-17-121.

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

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

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

22 "§9-17-122.

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

25 "LP-gas listed vented room heaters equipped with a
26 100 percent safety pilot and a vent spill switch or LP-gas
27 listed unvented room heaters equipped with factory equipped

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

12 "§40-17-161.

13 "(a) Every person owning and/or operating such
14 vehicles shall make application for and obtain an annual decal
15 from the Liquefied Petroleum Gas Board which shall serve as an
16 identification marker that said flat fee has been paid. Each
17 decal issued by the Liquefied Petroleum Gas Board shall not
18 exceed a cost of ~~5~~ five dollars (\$5). The decal shall be in
19 such form and of such size as the Liquefied Petroleum Gas
20 Board shall prescribe. Such decal shall be attached or affixed
21 to the vehicle in the place and manner prescribed by the
22 Liquefied Petroleum Gas Board. The ~~first~~ decals provided for
23 in this chapter shall be issued ~~October 1, 1980,~~ for a term ~~of~~
24 ~~six months and thereafter the term of the decals~~ that shall
25 begin at April 1 of each year and expire on March 31 of the
26 following year. If any passenger automobile or truck is
27 acquired, liquefied petroleum gas or natural gas system

1 installed or vehicle put in operation after September 30 the
2 fee shall be one-half the flat fee stated in Section
3 40-17-160, or after December 31, the fee shall be one-fourth
4 of the flat fee stated in Section 40-17-160. Owners of all
5 newly converted vehicles must apply for the required decal as
6 provided for in Section 40-17-160 within 10 days of the
7 completion date in which the liquefied petroleum or natural
8 gas system was installed on the vehicle. Failure to submit an
9 application within the 10-day period requires the payment of
10 penalties as prescribed by Section 40-17-164.

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

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

1 there is liquefied petroleum gas in the liquefied petroleum
2 gas tank. Any violation of the provisions of this section
3 shall constitute a Class B misdemeanor as defined in Title
4 13A, and shall be punished as provided by law.

5 "§40-17-164.

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

15 "§40-17-165.

16 "If an out-of-state vehicle comes to a propane or
17 natural gas dealer or supplier in the State of Alabama to
18 purchase fuel, the dealer must collect in lieu of any fees
19 levied by this chapter an amount equal to the current Alabama
20 motor fuel tax in effect as prescribed by ~~Sections 40-17-2 and~~
21 ~~40-17-220~~ Section 40-17-325, and remit these funds to the
22 Alabama LP-Gas Board before the 20th of the following month
23 after the date of the sale. Decals for out-of-state vehicles
24 can be purchased with decal fees and ~~issue~~ issuance fees to be
25 paid as prescribed by Sections 40-17-160 and 40-17-161."

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