

1 HB11  
2 154261-2  
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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ENROLLED, An Act,

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 F-1 permits are due from January 1 to July 1; delete the

1 refund of certain fees when a permit holder sells gas to an  
2 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  
4 for under an existing permit.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. 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 of the Code of  
9 Alabama 1975, are amended to read as follows:

10 "§9-17-100.

11 "As used in this article, the following words and  
12 phrases shall have the following meanings, respectively,  
13 unless the context clearly indicates otherwise:

14 "(1) AUTHORITY HAVING JURISDICTION. Alabama  
15 Liquefied Petroleum Gas Board.

16 "(2) BOARD. The Alabama Liquefied Petroleum Gas  
17 Board.

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

20 "a. A ~~a~~ division or subdivision or a person doing  
21 business under a name other than the Class A permit holder's  
22 name; ~~a.~~

23 "b. A place where the day-to-day retail operations  
24 of an LP-gas business are conducted and at which at least  
25 three of the following activities occur or conditions exist:

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

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

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

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

8           "5. Is ~~or~~ a place that requires a city or county  
9     license to conduct business.

10          "(4) LP. Liquefied petroleum gas.

11          "(5) LPG. Liquefied petroleum gas.

12          "(6) LP-GAS. Liquefied petroleum gas.

13          "(7) LIQUEFIED PETROLEUM GAS. Any material having  
14     vapor pressure not exceeding that allowed for commercial  
15     propane composed predominantly of the following hydrocarbons,  
16     either by themselves or as mixtures: propane, propylene,  
17     butanes (normal butane or isobutane), and butylenes.

18          "~~(8) LIQUEFIED PETROLEUM GAS RECOVERY FUND. A cash~~  
19     ~~surety fund designated to ensure compliance of LP-gas laws,~~  
20     ~~rules, and regulations adopted by the LP-Gas Board.~~

21          "(8) ~~(9)~~ LIQUEFIED PETROLEUM GAS RESEARCH AND  
22     EDUCATION FUND. A fund created to finance activities relating  
23     to research, development, and the implementation of marketing,  
24     advertising, and informational programs relating to LP-gas

1 directed toward the consumer as well as for the education of  
2 industrial members and employees.

3 "(9) ~~(10)~~ LIQUEFIED PETROLEUM GAS SYSTEM. Any  
4 assembly consisting of one or more containers with a means for  
5 conveying LP-gas from the container(s) to dispensing or  
6 consuming devices (either continuously or intermittently) and  
7 which incorporates components intended to achieve control of  
8 quality, flow, pressure, or state (either liquid or vapor).

9 "(10) ~~(11)~~ PERSON. Every natural person, firm,  
10 copartnership, association, or corporation.

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

1           "§9-17-101.

2           "(a) There is created and established the Alabama  
3 Liquefied Petroleum Gas Board. The board shall be composed of  
4 eight members: The State Fire Marshal; the state Director of  
5 Public Safety; the President of the Alabama Public Service  
6 Commission; four members who are representatives of the  
7 liquefied petroleum gas retail Class A permit holders; and one  
8 member of the general public who shall be appointed by the  
9 Governor.

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

22           "(c) From each of four substantially equal  
23 geographical areas of the state, designated as the southeast,  
24 the northeast, the northwest, and the southwest, the Governor  
25 shall appoint one retail permit holder member of the board.

1 Such member shall be appointed from a list of ~~at least~~ no more  
2 than three nominees receiving the largest number of votes  
3 according to written ballots executed by representatives of  
4 retail Class A permit holders.

5 "(d) In the event the Governor has not appointed a  
6 board member at the end of 90 days after the list of retail  
7 permit holders has been submitted to him or her, the person on  
8 the list having the most votes shall become the board member.  
9 In the event of a tie for the most votes, a majority vote of  
10 the board members shall determine which person of those tied  
11 shall become the board member.

12 "(e) In the event a vacancy occurs during the term  
13 of a board member, the administrator shall call an election to  
14 fill the vacancy and the election shall be held and conducted  
15 pursuant to subsection (f). When an elected board member sells  
16 his or her LP-gas business or for any reason is no longer  
17 actively engaged in the day-to-day operation of an LP-gas  
18 business, his or her seat on the board shall be automatically  
19 vacated by the completion of the next regularly scheduled  
20 board meeting.

21 "(f) The balloting for board members, successor  
22 members, and filling vacancies for an unexpired term of office  
23 shall be conducted by the administrator of the board under the  
24 direction and supervision of the board. For appointments and  
25 vacancies, the administrator shall forward by registered or

1 certified mail an official ballot to each retail permit holder  
2 or his or her duly designated representative with instructions  
3 for executing the ballot and returning it to the board. The  
4 terms of all board members shall be for six years, including  
5 the consumer member and members serving on March 20, 1992, but  
6 no member shall be denied the right to succeed himself or  
7 herself and no member shall serve more than two consecutive  
8 terms of office.

9 "(g) The board shall elect its own ~~chairman~~ chair  
10 and ~~vice-chairman~~ vice chair at its first regular meeting each  
11 calendar year. All meetings of the board shall be held at  
12 Montgomery, Alabama, and shall be on a prescribed date, at  
13 least quarterly, and at such time as a majority of the board  
14 members may request in writing to the board chairman. Each ex  
15 officio member of the board may appoint a designee to  
16 represent him or her at all board meetings. Any four members,  
17 or their designees, shall constitute a quorum for the  
18 transaction of any business which may come before the board.  
19 The board may adopt bylaws and rules of administrative  
20 procedure, pursuant to the Alabama Administrative Procedure  
21 Act.

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

24 "§9-17-103.



1           "(a) The board shall have the power to make and  
2           enforce rules and regulations governing the design,  
3           construction, location, installation, and operation of  
4           containers, tanks, systems, and equipment for storing,  
5           utilizing, handling, and transporting liquefied petroleum  
6           gases and rules to secure the substantial accuracy of all  
7           meters, safety devices, and regulators generally used in  
8           connection with such gases. No person shall be permitted to  
9           certify the accuracy of their own company owned meters. ~~Said~~  
10          The rules and regulations shall be such as are reasonably  
11          necessary for the protection of the health and safety of the  
12          public and persons using such gases, and shall be adopted  
13          pursuant to the ~~state administrative procedure statutes~~  
14          Alabama Administrative Procedure Act. All rules and  
15          regulations shall be ~~printed in pamphlet form and shall be~~  
16          ~~mailed to all liquefied petroleum gas dealers registered with~~  
17          ~~the board, and to any person upon request~~ posted on the board  
18          website and available for download by the public. The board,  
19          upon request, shall provide a printed hard copy of the rules  
20          and regulations. If a rule or regulation is amended, the  
21          revised rule or regulation shall be posted on the board  
22          website before the revision becomes effective.

23           "(b) In order that the administrator of the board  
24           and inspectors may determine whether or not a danger to the  
25           public or to a liquefied petroleum gas user exists, and there

1 is reasonable cause to believe that such danger does exist,  
2 the said administrator and inspectors may enter any building  
3 or upon any premises connected to a liquefied petroleum gas  
4 system for the sole purpose of conducting an inspection or an  
5 investigation of such system. If a violation is found in  
6 conducting such inspection which is determined to be a hazard  
7 and a danger to the public or to a liquefied petroleum gas  
8 user, said administrator and inspectors shall have the power,  
9 duty and authority to shut off the liquefied petroleum gas  
10 system and to condemn the system from further use for purposes  
11 of safety until the gas system has been certified as back in  
12 compliance with adopted liquefied petroleum gas safety code  
13 standards and until the red tag is removed, or authorized to  
14 be removed, by a board appointee or employee. When a system is  
15 condemned, it shall be "red-tagged."

16 "§9-17-104.

17 "(a) The board shall appoint, prescribe the duties  
18 of, and fix the compensation of an administrator. ~~Before~~  
19 ~~entering upon the duties of office, the administrator shall~~  
20 ~~make and file with the Secretary of State an official bond in~~  
21 ~~an amount to be fixed by the board. Premiums of the bond shall~~  
22 ~~be paid out of funds of the board. The bond shall be payable~~  
23 ~~to the State of Alabama and shall be written by an approved~~  
24 ~~insurance company qualified to do business in the State of~~  
25 ~~Alabama.~~ The board may dismiss an administrator at its

1 discretion. The board shall adopt a seal, which shall be in  
2 the care and custody of the administrator. The board ~~may~~,  
3 subject to the Merit System, may employ and prescribe the  
4 duties of assistants and inspectors necessary to carry out  
5 this article. The board ~~may~~, without regard to the Merit  
6 System Act, may engage and employ consultants and technical  
7 advisors considered necessary in carrying out its  
8 responsibilities.

9           "(b) The administrator and inspectors are  
10 constituted peace officers of the State of Alabama and are  
11 clothed with the powers of peace officers and deputy sheriffs,  
12 and may exercise such powers anywhere within the state. They  
13 may issue a warning ticket or a uniform ~~traffic~~ nontraffic  
14 citation to or arrest violators of Sections 40-17-160 to  
15 40-17-166, inclusive, and any state or federal law or  
16 regulation adopted by the board relating to the transportation  
17 of liquefied petroleum gas and carry such violators before the  
18 district court in the county in which the violation is  
19 committed.

20           "(c) All fees and penalties collected under this  
21 article or otherwise inuring to the credit of the board shall  
22 be deposited in the State Treasury in a fund designated the  
23 "Liquefied Petroleum Gas Board Fund," which is established by  
24 this subsection. All expenditures from the fund shall be

1 subject to the terms, conditions, provisions, and limitations  
2 of Title 41, Chapter 4, Article 4.

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

21 "§9-17-105.

22 "(a) The board may issue permits to any person, who  
23 is a citizen of the United States or, if not a citizen of the  
24 United States, is legally present in the United States with  
25 appropriate documentation from the federal government, to

1 engage in or continue the business of selling, distributing,  
2 storing, or transporting liquefied petroleum gases and to  
3 engage in or continue the business of ~~selling~~, installing,  
4 servicing, repairing, removing, or adjusting liquefied  
5 petroleum gas containers, tanks, or systems or to perform  
6 magnetic, hydrostatic, visual, or X-ray inspections of  
7 liquefied petroleum gas storage containers, cargo tanks, motor  
8 fuel containers, and cylinders in the State of Alabama; and to  
9 prescribe the requirements of any person to obtain the  
10 permits. The board may revoke any permit issued, for cause, in  
11 the opinion of the board.

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

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

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

17 ~~"The board shall require every applicant for Permit~~  
18 ~~A to present evidence to the board that the applicant has a~~  
19 ~~bona fide contract or a letter of intent to sell, from a~~  
20 ~~reputable supplier of liquefied petroleum gas for an amount of~~  
21 ~~the gases sufficient to supply the customers the applicant has~~  
22 ~~estimated that will be served.~~ In addition to the requirement  
23 of possessing a Class A permit, persons doing business as or  
24 in a name other than the name listed on the Class A permit  
25 shall be required to have a separate Class B-1 permit unless

1 the person doing business as or in another name has a separate  
2 Class A permit for each business.

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

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

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



1 the board before installation of any equipment. Cylinder  
2 exchange stations shall operate under the permit and insurance  
3 of the sponsoring Class A or B-1 permit holder. Certification  
4 forms for retail cylinder exchange stations shall only be  
5 submitted to the board for installations that are in  
6 compliance with all applicable codes at the time of  
7 installation.

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

16 ~~"The board or the board administrator may authorize~~  
17 ~~any person to act as an agent of a Class A or B-1 permit~~  
18 ~~holder to install, service, repair, adjust, or inspect~~  
19 ~~liquefied petroleum gas containers, tanks, and systems without~~  
20 ~~obtaining a Class B-1 permit; provided that the authorized~~  
21 ~~agents have completed the board's certification requirements~~  
22 ~~and the permit holder has provided the board with proof that~~  
23 ~~the agents have met the insurance and surety, in cash,~~  
24 ~~consistent with the requirements of this section. The~~

1 ~~authorized agents shall not be required to meet the storage~~  
2 ~~requirements of Section 9-17-107.~~

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

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

3 "(4) PERMIT C. Shall give the holder a right to  
4 engage in or continue the business of installing, servicing,  
5 repairing, removing, or adjusting liquefied petroleum gas  
6 piping and installing, servicing, repairing, removing, or  
7 adjusting liquefied petroleum gas appliances on the down  
8 stream side of the tank outlet valves only. Before any person  
9 engages in or continues the business of installing, servicing,  
10 repairing, removing, or adjusting liquefied petroleum gas  
11 piping, and installing, servicing, repairing, removing, or  
12 adjusting liquefied petroleum gas appliances on the down  
13 stream side of the tank outlet valves only, and not being a  
14 holder of a Permit A and B-1, the person shall first obtain  
15 from the board a Permit C and execute and file with the board  
16 the insurance ~~and a surety in cash~~ as herein required. A  
17 separate permit shall be required for each business location.  
18 The holder of a Permit C shall ensure that only trained and  
19 qualified personnel perform the functions approved by the  
20 permit.

21 "(5) PERMIT C-1. Shall give the holder a right to  
22 engage in or continue the business of installing, servicing,  
23 repairing, removing, or adjusting any liquefied petroleum gas  
24 motor fuel carburetion equipment, the repair of appurtenances  
25 on motor fuel containers, cylinders, or carburetion

1 components. Before any person engages in or continues the  
2 business of installing, servicing, repairing, removing, or  
3 adjusting liquefied petroleum gas motor fuel carburetion  
4 equipment, the repair of appurtenances on motor fuel  
5 containers, cylinders, or carburetion components in the State  
6 of Alabama, the person shall execute with the board the  
7 insurance ~~and surety in cash~~ herein required. Class A or B-1  
8 permit holders shall not be required to obtain a Permit C-1. A  
9 separate permit shall be required for each business location.  
10 The holder of a Permit C-1 shall ensure that only trained and  
11 qualified personnel perform the functions approved by the  
12 permit.

13 "(6) PERMIT C-2. Shall give the holder a right to  
14 engage in or continue the business of performing magnetic,  
15 hydrostatic, visual or X-ray inspections of liquefied  
16 petroleum gas storage containers, cargo tanks, motor fuel  
17 containers and cylinders. Before any person engages in or  
18 continues the business of performing magnetic, hydrostatic,  
19 visual, or X-ray inspection of liquefied petroleum gas storage  
20 containers, cargo tanks, motor fuel containers, and cylinders  
21 in the State of Alabama and not being a holder of a Permit A  
22 or B-1 the person shall obtain a Class C-2 Permit and execute  
23 with the board the insurance ~~and surety in cash~~ herein  
24 required. A separate permit shall be required for each  
25 business location. The holder of a Permit C-2 shall ensure

1 that only trained and qualified personnel perform the  
2 functions approved by the permit.

3 "(7) PERMIT D. Shall give the holder a right to  
4 engage in or continue the business of installing and/or  
5 repairing, or removal, of bulk storage systems of 5,000  
6 gallons water capacity or more in single containers or in an  
7 aggregate of 5,000 gallons water capacity of a multi-container  
8 installation only. Before any person engages in or continues  
9 the business of installing bulk storage systems of 5,000  
10 gallons water capacity or more in single containers or in a  
11 multi-container installation of an aggregate of 5,000 gallons  
12 water capacity, in the State of Alabama and not being a holder  
13 of a Permit A, the person shall first obtain from the board a  
14 Permit D and shall execute and file with the board the  
15 insurance ~~and surety in cash~~ as herein required. The holder of  
16 a Permit D shall ensure that only trained and qualified  
17 personnel perform the functions approved by the permit.

18 "The board shall require holders of a Permit D to  
19 submit plans for any proposed installation of any liquefied  
20 petroleum gas storage facility they are planning to install  
21 that is authorized under the terms of their permit. They shall  
22 obtain approval for the location and for the plans from the  
23 administrator of the board before construction is begun. All  
24 facilities shall be constructed according to rules and  
25 regulations of the board and the completed unit shall have

1 board approval before being used. A minimum fee of two hundred  
2 dollars (\$200) shall be paid to the board at the time the  
3 plans for each facility are presented for approval. This fee  
4 of two hundred dollars (\$200) will cover examination of the  
5 plans and one site inspection. An additional fee of fifty  
6 dollars (\$50) for each inspection trip to the site that is  
7 required shall be paid to the board before final approval is  
8 given for the facility to be used. These fees may be changed  
9 by action of the board.

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

13 "Before any person engages in or continues the  
14 business of calibration, ~~and/or~~ or repair, or both, of  
15 liquefied petroleum gas liquid meters, in the State of Alabama  
16 and not being a holder of a Permit A, that person shall first  
17 obtain from the board a Permit E and shall execute and file  
18 with the board the insurance ~~and surety in cash~~ as herein  
19 required. The holder of a Permit E shall ensure that only  
20 trained and qualified personnel perform the functions approved  
21 by the permit.

22 "(9) PERMIT F. Shall give the holder the right to  
23 engage in or continue the retail business of filling LP-gas  
24 cylinders ~~and/or~~ or LP-gas motor fuel containers, or both, of  
25 less than 351 pounds water capacity from a stationary filling

1 station. Before any person engages in or continues in the  
2 business of filling LP-gas cylinders ~~and/or~~ or LP-gas motor  
3 fuel containers, or both, and not being a holder ~~or an agent~~  
4 of a Permit A or Permit B-1, the person shall first obtain  
5 from the board a Permit F and shall execute and file with the  
6 board the insurance ~~and surety in cash~~ as herein required.  
7 Owners of businesses that hold a Permit F shall ensure that  
8 only trained, qualified personnel fill cylinders that contain  
9 LP-gas. ~~Permit F holders shall not hold a Class F-1 permit.~~ A  
10 separate permit, ~~surety in cash~~ and insurance certificate  
11 shall be required for each filling station. End users filling  
12 cylinders only for their own use shall not be required to  
13 obtain a Class F permit.

14 "(10) PERMIT F-1. Shall give the holder the right to  
15 engage in or continue in the business of selling or filling  
16 welding or cutting gases as defined in subdivision (7) of  
17 Section 9-17-100 or selling or filling LP-gas cylinders ~~and/or~~  
18 or LP-gas motor fuel containers, or both, of less than 351  
19 pounds water capacity from a stationary filling station and to  
20 transport welding or cutting gases, LP-gas cylinders, ~~and/or~~  
21 or LP-gas motor fuel containers, or any combination of these.  
22 To qualify for a Class F-1 permit, the applicant shall be in  
23 the business of selling welding or cutting gas supplies and  
24 shall meet all state and federal regulations for the  
25 transportation of LP-gas.  ~~Holders of a Permit F-1 shall not~~

1 ~~sell more than 40,000 gallons of LP-gas each calendar year to~~  
2 ~~be verified by purchases received in the previous 12 months in~~  
3 ~~a sworn affidavit at time of renewal of the Permit F-1. Permit~~  
4 ~~holders whose gallons exceed 40,000 gallons for the preceding~~  
5 ~~12 months shall meet the requirements of either the Permit A~~  
6 ~~or Permit B-1, whichever permit is applicable. Permit holders~~  
7 ~~who exceed 40,000 gallons in a calendar year shall be~~  
8 ~~authorized to continue in the business of selling, filling,~~  
9 ~~and transporting welding or cutting gases, LP-gas cylinders,~~  
10 ~~and/or motor fuel containers under their Permit F-1, while the~~  
11 ~~applicant is completing the requirements to obtain the proper~~  
12 ~~permit provided that the permit holder has filed a completed~~  
13 ~~application for the proper permit with the board. Failure to~~  
14 ~~file an application for the proper permit and/or provide the~~  
15 ~~required affidavit by the 31st of January after the Permit F-1~~  
16 ~~expiration date shall cause cancellation of the Permit F-1.~~  
17 Holders of a Permit F-1 shall not transport LP-gas in any bulk  
18 quantity. Holders of a Permit F-1 shall not operate  
19 off-premise retail cylinder exchanges or any type of  
20 off-premise cylinder filling stations. Owners of businesses  
21 that hold a Permit F-1 shall ensure that only trained,  
22 qualified personnel fill or transport containers or cylinders  
23 that contain LP-gas. Before any person engages in or continues  
24 in the business of selling, transporting, or filling welding  
25 or cutting gases, LP-gas cylinders, ~~and/or~~ LP-gas motor fuel



1        ~~containers, or any combination of these,~~ when the person is  
2        ~~not an agent of or~~ a holder of either a Permit A or Permit  
3        B-1, the person shall first obtain from the board a Permit F-1  
4        and shall execute and file with the board ~~on a form provided~~  
5        ~~by the board~~ the insurance ~~and surety in cash~~ as herein  
6        required. ~~No person shall act as an agent of any Permit F-1~~  
7        ~~holder. Permit F-1 holders shall not hold a Class F permit. A~~  
8        ~~separate permit, surety in cash,~~ and insurance certificate  
9        shall be required for each ~~filling station~~ distribution  
10       location.

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

19                "(c) Upon abolition of the LP-Gas Recovery Fund, the  
20        remaining funds in the account shall be transferred to the  
21        board at the beginning of the next fiscal year. ~~The board~~  
22        ~~shall establish and maintain a LP-Gas Recovery Fund~~  
23        ~~conditioned on full compliance with this article and the rules~~  
24        ~~and regulations of the board. When the administrator has~~  
25        ~~determined that there are claims against the LP-Gas Recovery~~

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

20 ~~"(1) Initial payment to the LP-Gas Recovery Fund by~~  
21 ~~all permit holders, except those not required to file a cash~~  
22 ~~surety shall be one hundred dollars (\$100) payable as~~  
23 ~~prescribed by this article. Class C, C-1, and C-2 permit~~  
24 ~~holders shall only be required to file a surety in cash for~~  
25 ~~the company's initial permit. Thereafter, payment made to the~~

1 ~~LP-Gas Recovery Fund by a permit holder shall be made upon~~  
2 ~~application to the board for the initial permit. Payment shall~~  
3 ~~be one hundred dollars (\$100) and shall be refundable only if~~  
4 ~~the application is denied or cancelled by the board.~~

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

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

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

24 ~~"(5) The sums received by the board pursuant to this~~  
25 ~~section shall be deposited into the State Treasury and held in~~

1 ~~a special fund to be known as the "Liquefied Petroleum Gas~~  
 2 ~~Recovery Fund", and shall be held by the board in trust for~~  
 3 ~~carrying out the purposes of the LP-Gas Recovery Fund. These~~  
 4 ~~funds may be invested by the State Treasurer in any~~  
 5 ~~investments which are legal under the laws of this state. From~~  
 6 ~~time to time, the administrator of the board may cause the~~  
 7 ~~withdrawal of cash to be made from the LP-Gas Recovery Fund to~~  
 8 ~~carry out the purposes of the LP-Gas Recovery Fund. Any~~  
 9 ~~interest or other income from investments of the LP-Gas~~  
 10 ~~Recovery Fund shall be credited to the LP-Gas Recovery Fund.~~

11 ~~"(d) An applicant for any of the 10 permits shall~~  
 12 ~~also file with the board evidence that he or she has in force~~  
 13 ~~the listed insurance coverage written on standard contract~~  
 14 ~~forms by an insurance company or companies qualified to do~~  
 15 ~~business in the State of Alabama based upon those activities~~  
 16 ~~listed below in which he or she is engaged. Proof of insurance~~  
 17 ~~shall only be accepted on a form provided by the board. Proof~~  
 18 ~~of liability insurance for all LP-gas cargo vehicles shall be~~  
 19 ~~filed on a MCS.90 form or on a form acceptable to the board.~~

20 ~~"For Class A, B, and B-1 Permits; E Permits for per-~~  
 21 ~~forming calibration, and inspections of LP-gas meters on site:~~

Insurance	Each	Each
	Occurrence	Person
Comprehensive automobile		

	<del>Insurance</del>	<del>Each</del>	<del>Each</del>
		<del>Occurrence</del>	<del>Person</del>
1	<del>liability covering:</del>		
2	<del>(Bodily injury liability)</del>	<del>\$100,000</del>	<del>\$50,000</del>
3	<del>(Property damage liabil-</del>	<del>\$100,000</del>	
4	<del>ity)</del>		
5	<del>Comprehensive general lia-</del>		
6	<del>bility covering:</del>		
7	<del>(Bodily injury liability)</del>		
8	<del>(Manufacturers and con-</del>	<del>100,000</del>	
9	<del>tractors liability)</del>		
10	<del>(Owners and contractors</del>		
11	<del>protection liability)</del>		
12	<del>(Completed operations and</del>		
13	<del>products liability)</del>		
14	<del>For Class A, B, and B-1</del>		
15	<del>permit cargo vehicle as</del>		
16	<del>follows:</del>		
17	<del>To 3499 water gallon</del>	<del>\$1 million</del>	
18	<del>ca pacity</del>		
19	<del>From 3500 water gallon ca-</del>	<del>\$5 million</del>	
20	<del>pacity</del>		

	<del>Insurance</del>	<del>Each Occurrence</del>	<del>Each Person</del>	
1	<del>For Class C, C-1, C-2, D,</del>			
2	<del>F, and F-1 permits; and E</del>			
3	<del>permits only for perform-</del>			
4	<del>ing in shop repairs to</del>			
5	<del>LP-gas meters:</del>			
6	<del>Comprehensive general lia-</del>			
7	<del>bility covering:</del>			
8	<del>(Bodily injury liability)</del>	<del>\$100,000</del>		
9	<del>(Manufacturers and con-</del>			
10	<del>tractors liability)</del>			
11	<del>(Owners and contractors</del>	<del>\$100,000</del>		
12	<del>protection liability)</del>			
13	<del>(Completed operations and</del>			
14	<del>products liability)</del>			
15	<del>"For Permit C-1 LP-gas motor fuel carburetion only:</del>			
16		<del>Each Occurrence</del>	<del>Each Per-</del>	<del>Each Vehicle</del>
			<del>son</del>	
17	<del>Garage liability, one</del>	<del>\$100,000</del>	<del>\$50,000</del>	<del>\$50,000</del>
18	<del>Direct/primary to in-</del>			

1 elude:

2 ~~comprehensive general~~  
3 ~~liability~~

4 ~~(Bodily injury lia-~~  
5 ~~bility)~~

6 ~~(Manufacturers and~~  
7 ~~contractors liabil-~~  
8 ~~ity)~~

9 ~~(Owners and contrac-~~  
10 ~~tors protection lia-~~  
11 ~~bility)~~

12 ~~(Completed operations~~  
13 ~~and products liabil-~~  
14 ~~ity)~~

15 ~~Garage liability, one~~  
16 ~~Direct/primary to in-~~  
17 ~~clude:~~

18 ~~garage keepers legal~~ \$50,000  
19 ~~liability~~

20 ~~"(e) In lieu of filing with the board evidence that~~  
21 ~~the insurance coverage, as outlined above, is in force, the~~  
22 ~~holder of or applicant for a permit described herein may file~~

1 with the board a good and sufficient surety bond executed by  
2 an insurance company qualified to do business in this state,  
3 in an amount sufficient to satisfy the requirements of  
4 subsection (d). The bond shall be payable to the State of  
5 Alabama and shall be conditioned to guarantee the payment of  
6 all damages which proximately result from any act of  
7 negligence on the part of any person or his or her agents,  
8 servants, or employees while engaging in any of the activities  
9 specified in this section. In lieu of the surety bond, any  
10 person may execute and file a good and sufficient personal  
11 bond, in the amount and conditioned as above specified, which  
12 personal bond shall be secured by bonds or other obligations  
13 of the State of Alabama or the United States government of  
14 equal value. Evidence of required insurance issued by an  
15 insurance company shall be filed on a form provided by the  
16 board. When a surety bond, personal bond, or other obligations  
17 of equal value is used in lieu of evidence of the required  
18 insurance coverage, the surety bond, personal bond, or other  
19 obligation of equal value shall remain on deposit in the State  
20 Treasury in the Liquefied Petroleum Gas Board Personal Bond  
21 Fund until at least 365 days have lapsed and there are no  
22 claims against the bonds or obligations of equal value. The  
23 administrator may issue a refund of the bonds or obligations  
24 of equal value from the bond fund after proper application has  
25 been submitted. When the administrator has notice of a claim



1 ~~filed against the monies or other obligations of equal value~~  
2 ~~held in lieu of an insurance contract, the administrator shall~~  
3 ~~deliver to the court, interplead and deposit with the court~~  
4 ~~the amount of money or obligations held, the administrator and~~  
5 ~~the Liquefied Petroleum Gas Board shall be discharged from~~  
6 ~~liability as to any claim, and the action shall continue as~~  
7 ~~between the claimants of the monies or properties. If the~~  
8 ~~matter is adjudicated before 365 days have lapsed, the court~~  
9 ~~shall return any balance of any money or obligation to the~~  
10 ~~Liquefied Petroleum Gas Board Personal Bond Fund.~~

11 "(d) An applicant for any of the 10 permits shall  
12 provide the board with evidence of minimum insurance coverage  
13 by an insurance company or companies licensed to do business  
14 in the state. Proof of insurance shall only be accepted on a  
15 form approved by the Alabama Department of Insurance. In the  
16 absence of proof of minimum insurance requirements, new  
17 permits shall not be issued, and existing permits shall be  
18 automatically cancelled. The permit may be reinstated if  
19 current proof of insurance is provided within six months of  
20 cancellation. After a permit has been cancelled for six  
21 months, a new permit shall be applied for in the manner  
22 previously set by the board. The minimum insurance  
23 requirements are as follows:

24 "(1) Commercial general liability insurance for all  
25 10 permits:

1           "a. One million dollars (\$1,000,000) - each  
2 occurrence.

3           "b. One million dollars (\$1,000,000) - personal and  
4 advertising injury.

5           "c. One million dollars (\$1,000,000) - general  
6 aggregate.

7           "d. One million dollars (\$1,000,000) - products and  
8 completed operations aggregate.

9           "(2) Commercial automobile liability insurance for  
10 A, B, B-1, E, and F-1 permits:

11           "a. One million dollars (\$1,000,000) - combined  
12 single limit.

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

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

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

10           ~~"(f) (h)~~ Whenever a Class A, B, or B-1 permit  
11 holder's company name has changed, all vehicles and equipment  
12 assigned to the company shall be relettered with the new  
13 company name as follows: By the annual renewal of the company  
14 permit or within 180 days of the name change, whichever is  
15 greater, provided, for good cause shown the board may extend  
16 the date by official action. ~~Unmarked~~ LP-gas delivery cargo  
17 vehicles or equipment placed in operation shall be lettered  
18 and placarded as required by the applicable section of the  
19 Code of Federal Regulations, Title 49, ~~within 90 days of the~~  
20 ~~date the vehicle was first placed into operation within this~~  
21 ~~state~~. Vehicles and equipment not lettered with the company  
22 name within the described period or in accordance with Code of  
23 Federal Regulations, Title 49, shall be removed from service  
24 until the proper company name is affixed to the vehicle or  
25 equipment by the owner.

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

6           "§9-17-106.

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

13           "Every person required to renew permits and pay fees  
14 who fails to do so by the delinquent date shall incur a  
15 penalty of ten dollars (\$10) for each day he or she is  
16 delinquent in complying with this section, and the penalty  
17 shall be paid to the board before the issuance of the permit.  
18 Delinquency shall be determined by the United States Postal  
19 Service postmark when the date on the postmark falls on a  
20 later date than the delinquent date.

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

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

14           "(c) Fees for Permit C. Every applicant for a Permit  
15 C shall at the time of issuance of the permit by the board,  
16 and annually thereafter, pay to the board a permit fee of  
17 fifty dollars (\$50). The permit and fees shall be due January  
18 1 and delinquent after January 31 of each year.

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

1 six months the person may reapply in the manner previously set  
2 by the board.

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

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

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

21 "Every person required to renew a permit, and who  
22 fails to do so by the delinquent date, shall have the permit  
23 automatically cancelled. The permit may be reinstated within  
24 six months if the holder can show reasonable cause for the  
25 delinquency and submits payment of the regular fee of one

1 hundred dollars (\$100) and a penalty of twenty-five dollars  
2 (\$25). After six months, the person may reapply in the manner  
3 previously set by the board.

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

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

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

22 "Any person required to renew a permit and who fails  
23 to do so by the delinquent date shall have the permit  
24 automatically cancelled. The permit may be reinstated within  
25 six months if the holder can show reasonable cause for

1 delinquency and submits a payment of the regular fee and a  
2 penalty of twenty-five dollars (\$25). After six months the  
3 person may reapply in the manner previously set by the board.

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

9 Filling stations that are owned and operated by Class A or  
10 Class B-1 permit holders ~~or operated by agents of Class A or~~  
11 ~~Class B-1 permit holders~~ are exempt from obtaining a Class F  
12 Permit.

13 "Every person required to renew a permit and who  
14 fails to do so by the delinquent date shall have the permit  
15 automatically cancelled. The permit may be reinstated within  
16 six months if the holder can show reasonable cause for  
17 delinquency and submits payment of the regular fee of one  
18 hundred dollars (\$100) and a penalty of fifty dollars (\$50).  
19 After six months the person may reapply in the manner  
20 previously set by the board. Class F and F-1 permit holders  
21 shall keep records, report monthly sales of out-of-state motor  
22 fuel, and remit required fees by the twentieth of the months  
23 following the sales. Failure to make timely reports and pay  
24 required fees shall require interest and penalties to be  
25 assessed as described in Section 9-17-109.



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

12           "(j) Any supplier who sells liquefied petroleum gas  
13 to any marketer or any end user in the state or who delivers  
14 or causes to be delivered liquefied petroleum gas to any point  
15 in the state, shall report to the board all sales by the  
16 twentieth of the month following the month in which the sales  
17 are made. Each supplier shall add to each individual sales  
18 invoice an LP-gas fee not to exceed one-half of one cent per  
19 gallon. This fee shall be ~~assessed~~ submitted to the board only  
20 once per gallon. Each supplier shall remit to the board all  
21 ~~money collected~~ LP-gas fees due with the required monthly  
22 ~~report~~ reporting form provided by the board. The board may~~7~~  
23 ~~from year to year,~~ lower or raise the LP-gas fee imposed by  
24 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.~~

1           "(1) ~~(m)~~ Class A, B, B-1, C, and D permit holders  
2 who are licensed by this board to install gas piping shall be  
3 exempt from the requirement of Section 40-12-84 if they only  
4 install gas piping.

5           "§9-17-107.

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

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

1           "(c) The board shall require that such person shall  
2 submit plans for the proposed bulk storage facility to the  
3 office of the board and obtain approval by the administrator  
4 of such plans before construction is begun. All such  
5 facilities must be constructed according to rules and  
6 regulations of the board and the completed unit must have  
7 board approval before being used.

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

1 to the board before final approval is given for the facility  
2 to be used. These fees may be changed by the board.

3 "§9-17-109.

4 "(a) Any person violating this article or any rule,  
5 order, or regulation promulgated pursuant to this article  
6 shall, on conviction thereof, be fined not more than ~~\$1,000~~  
7 one thousand dollars (\$1,000) and may also be imprisoned in  
8 the county jail or sentenced to hard labor for the county for  
9 not more than six months. Every violation of this article or  
10 any rule, order, or regulation promulgated pursuant to this  
11 article shall constitute a separate offense.

12 "(b) Every person subject to the fees imposed by  
13 Section 9-17-106 shall keep and preserve suitable records of  
14 all liquefied petroleum gas transactions subject to fees and  
15 any other books or accounts necessary to determine the amount  
16 of fees for which the person is liable under this article.  
17 Those records shall be retained for a period of not less than  
18 three years, and shall include the name, and address of the  
19 seller and buyer, date of sale or purchase, amount of gallons  
20 purchased or sold, ~~cost per gallon, total amount of sale,~~ and  
21 the amount of fees collected or paid under Section 9-17-106.  
22 The board, the board administrator, or employees of the board  
23 may inspect, review, and copy or detain any original records,  
24 notes, or documents either written or electronically  
25 transcribed that are required to be kept by this article or

1 that relate to the selling, purchasing, storing, transporting,  
2 installing, servicing, testing, inspecting, repairing,  
3 adjusting, and calibrating of LP-gas meters, containers,  
4 tanks, or systems. Those records, notes, or documents shall be  
5 turned over to the board at a location designated by the board  
6 within 24 hours of the notice or within a reasonable time in  
7 excess of 24 hours set by the board or board administrator in  
8 cases of hardship.

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

22 "(2) Any person who reports but fails to pay the  
23 fees levied in Section 9-17-106 within the time required by  
24 this article shall pay, in addition to the fees, a penalty of  
25 10 percent of the amount of the fees due, together with

1 interest thereon at the rate of one and one-half percent per  
2 month or fraction thereof from the date at which the fees  
3 levied in this section became due and payable. The penalty and  
4 interest shall be assessed and collected as part of the fee.  
5 The board, for good cause shown, may waive or remit the 10  
6 percent penalty or any portion thereof.

7 "(3) As soon as practicable after the report is  
8 filed, the board shall examine and ascertain the proper amount  
9 of the fee as shown by the report. Any excess shall be  
10 refunded to the person who filed the report or credited on any  
11 deficiency previously due. If the amount paid is deficient, as  
12 shown by the report, the board shall immediately notify the  
13 persons of the deficiency and shall add a penalty of 10  
14 percent of the amount due. If the deficiency is not paid  
15 within 30 days from the date of notice, interest shall accrue  
16 on the deficiency at the rate of one and one-half percent per  
17 month or fraction thereof, from the date the fee was due and  
18 shall be collected as part of the fee. The board, for good  
19 cause shown, may waive or remit the penalty or any portion  
20 thereof.

21 "(4) When the board ascertains from examining and  
22 auditing the records of a person who collects the fee or from  
23 other information that the amount or amounts previously paid  
24 by the person for any period or periods is incorrect, the  
25 board shall compute the correct amount of fees due. If it

1 appears that the amount paid is excessive, the excess shall be  
2 refunded or credited on any deficiency previously due by the  
3 person as required by this article. If it appears that the  
4 amount paid is deficient, the board shall notify the person,  
5 and shall demand payment. If payment is not paid within 15  
6 days from date of demand, the board shall add a penalty of one  
7 and one-half percent per month from the date the fees, or any  
8 part thereof, becomes due. If the board finds a willful or  
9 fraudulent intent to evade the fees due, it may assess a  
10 penalty of 25 percent of the fees. The penalty shall be  
11 reviewable on appeal.

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



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

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

8           "(d) Liquefied petroleum gas containers may be  
9 filled only by the owner or upon the owner's authorization.  
10 The owner of a liquefied petroleum gas container is  
11 responsible for its suitability for continual service. Any  
12 person who fills or refills any LP-gas container or who,  
13 without authorization, turns any liquefied petroleum gas  
14 system on after it has been inspected, shut down, and  
15 condemned for safety violations, or operates an LP-gas motor  
16 vehicle, transport, or delivery unit that has been condemned  
17 for safety purposes or mechanical defects and red-tagged under  
18 authority of the Liquefied Petroleum Gas Board, or removes any  
19 red tag without authorization from the board administrator, or  
20 any person who authorizes an unqualified person to install or  
21 replace gas piping or install, connect, repair, or service any  
22 LP-gas equipment is guilty of a Class B misdemeanor as defined  
23 in Title 13A, and, upon conviction, shall be punished as  
24 provided by law.

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

20           "(1) In the event the consumer suffers injury,  
21 damage, or loss as a proximate consequence of a negligent  
22 installation, repair, maintenance, adjustment, or service of  
23 any LP-gas appliance, LP-gas system, or any component thereof,  
24 and such consumer has not first notified and afforded the  
25 opportunity to install, repair, maintain, adjust, or service

1 to the LP-gas dealer who regularly supplies his or her system  
2 with LP-gas, no legal action shall be commenced against such  
3 LP-gas dealer.

4 "(2) In the event the consumer suffers injury,  
5 damage, or loss as a proximate consequence of the consumer  
6 using his or her equipment or appliance in a manner or for a  
7 purpose other than that for which the equipment or appliance  
8 was intended, no legal action shall be commenced against his  
9 or her LP-gas dealer.

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

15 "(f) No LP-gas dealer shall be subject to any award  
16 of punitive or exemplary damages, except in those cases  
17 falling within Sections 6-5-391 and 6-5-410, except upon a  
18 showing by clear and convincing evidence of gross negligence  
19 or willful or wanton misconduct.

20 "§9-17-121.

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

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

8           "(2) 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 bedroom of a residential one-  
11 or two-family dwelling provided that the input rating shall  
12 not exceed 10,000 BTU per hour and combustion and ventilation  
13 air is provided as specified in ~~paragraph 6.1(b)~~ of the  
14 National Fuel Gas Code, NFPA 54, as adopted by the board.

15           "§9-17-122.

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

18           "LP-gas listed vented room heaters equipped with a  
19 100 percent safety pilot and a vent spill switch or LP-gas  
20 listed unvented room heaters equipped with factory equipped  
21 oxygen depletion safety shut-off systems may be installed in a  
22 used stationary manufactured home (mobile home) but not in  
23 sleeping quarters or bathrooms in the manufactured home  
24 (mobile home) when the installation of the heater is not  
25 prohibited by the appliance manufacturer and when the input

1 rating of the room heater does not exceed 20 BTU per hour per  
2 cubic foot of space and combustion and ventilation air is  
3 provided as specified in ~~Section 5.3 of~~ the National Fuel Gas  
4 Code, NFPA 54, as adopted by the board. All room heaters  
5 installed pursuant to this section shall be securely anchored  
6 to the wall or floor.

7 "§40-17-161.

8 "(a) Every person owning and/or operating such  
9 vehicles shall make application for and obtain an annual decal  
10 from the Liquefied Petroleum Gas Board which shall serve as an  
11 identification marker that said flat fee has been paid. Each  
12 decal issued by the Liquefied Petroleum Gas Board shall not  
13 exceed a cost of ~~5~~ five dollars (\$5). The decal shall be in  
14 such form and of such size as the Liquefied Petroleum Gas  
15 Board shall prescribe. Such decal shall be attached or affixed  
16 to the vehicle in the place and manner prescribed by the  
17 Liquefied Petroleum Gas Board. The ~~first~~ decals provided for  
18 in this chapter shall be issued ~~October 1, 1980,~~ for a term ~~of~~  
19 ~~six months and thereafter the term of the decals~~ that shall  
20 begin at April 1 of each year and expire on March 31 of the  
21 following year. If any passenger automobile or truck is  
22 acquired, liquefied petroleum gas or natural gas system  
23 installed or vehicle put in operation after September 30 the  
24 fee shall be one-half the flat fee stated in Section  
25 40-17-160, or after December 31, the fee shall be one-fourth

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

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

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

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

4 "§40-17-164.

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

14 "§40-17-165.

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



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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 06-FEB-14.

Jeff Woodard  
Clerk

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Senate

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27-FEB-14

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Passed