

CHAPTER 153

(HB 565)

AN ACT relating to liquefied petroleum gas.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 234.120 is amended to read as follows:

- (1) Subject to the exceptions provided in subsection (2), no person shall engage in any of the businesses set out in this subsection without first having provided proof to the commissioner of ability to respond in damages for personal injury and property damages in the amount prescribed, and having obtained from the commissioner the required license or licenses and paid the prescribed fee therefor:
 - (a) Selling or delivering to the ultimate consumer or user of liquefied petroleum gas; selling liquefied petroleum gas regulating equipment; repairing, installing, or connecting of containers, liquefied petroleum gas appliances, or liquefied petroleum gas utilization equipment; or filling of D.O.T. liquefied petroleum gas containers for ultimate consumer or wholesale dealer. In-state liquefied petroleum gas dealers, except those holding a valid license on July 15, 1994, shall maintain a liquefied petroleum gas storage facility with an eighteen thousand (18,000) gallon minimum capacity within the boundaries of Kentucky. Out-of-state liquefied petroleum gas dealers, except those holding a valid license on July 15, 1994, shall maintain an eighteen thousand (18,000) gallon minimum capacity liquefied petroleum gas storage facility within fifty (50) miles of the Kentucky border. ***Until January 1, 2002***, the fee for this license shall be one hundred dollars (\$100). ***Beginning on January 1, 2002, the fee for this license shall be two hundred dollars (\$200), and the license shall be issued for a period of two (2) years.*** The minimum liability insurance for this license shall be one million dollars (\$1,000,000).
 - (b) Selling or delivering liquefied petroleum gas in prefilled or filled-on-site containers of one hundred (100) pound liquefied petroleum gas capacity or less; selling of liquefied petroleum gas regulating equipment; assembly, repairing, installing, or connecting of liquefied petroleum gas containers, liquefied petroleum gas appliances, or any liquefied petroleum gas utilization equipment. ***Until January 1, 2002***, the fee for this license shall be fifty dollars (\$50). ***Beginning on January 1, 2002, the fee for this license shall be one hundred dollars (\$100), and the license shall be issued for a period of two (2) years.*** The minimum liability insurance for this license shall be five hundred thousand dollars (\$500,000).
 - (c) Selling or filling of D.O.T. liquefied petroleum gas containers of forty-five (45) pounds or less capacity, or selling liquefied petroleum gas at a specific site for use as a motor vehicle fuel. ***Until January 1, 2002***, the fee for this license shall be fifty dollars (\$50). ***Beginning on January 1, 2002, the fee for this license shall be one hundred dollars (\$100), and the license shall be issued for a period of two (2) years.*** The minimum liability insurance for this license shall be five hundred thousand dollars (\$500,000).
 - (d) Storing, for resale, liquefied petroleum gas in D.O.T. containers of forty-five (45) pounds or less capacity, or selling D.O.T. containers, storage cabinets, racks, docks, for storage of forty-five (45) pound capacity or less. ***Until January 1, 2001***, the fee for

this license shall be twenty-five dollars (\$25). ***Beginning on January 1, 2001, the fee for this license shall be fifty dollars (\$50), and the license shall be issued for a period of two (2) years.*** The minimum liability insurance for this license shall be one hundred thousand dollars (\$100,000).

- (e) Assembling, repairing, installing, or connecting of liquefied petroleum gas containers, or regulating equipment, or liquefied petroleum gas appliances, or any liquefied petroleum gas utilization equipment. ***Until January 1, 2001, the fee for this license shall be twenty-five dollars (\$25). Beginning on January 1, 2001, the fee for this license shall be fifty dollars (\$50), and the license shall be issued for a period of two (2) years.*** The minimum liability insurance for this license shall be five hundred thousand dollars (\$500,000).

~~(2) No person shall be required to obtain a license in order to engage in the following activities concerning liquefied petroleum gas:~~

- ~~(a) Storage, by the ultimate consumer, for consumption only;~~
- ~~(b) Transportation, by the ultimate consumer, in quantities of ten (10) gallons or less;~~
- ~~(c) Handling in quantities of less than one (1) gallon United States water capacity, where the gas is an integral part of a device for its utilization;~~
- ~~(d) Use as a fuel, while in the fuel tank of a motor vehicle.~~

~~(3) Any person engaged in any business for which a license is required under the provisions of subsection (1) and who engages in the business at more than one (1) office or place of business in this state shall obtain a separate license for each such office or place of business and shall pay therefor the required license fee; except that for the purposes of issuance of licenses under subsection (1) all facilities for the storage only of liquefied petroleum gas for resale within a radius of twenty (20) miles of an office or place of business shall be considered a part of the office or place of business and shall not require separate licensure.~~

~~(3)(4) The commissioner shall further have the authority to promulgate and enforce reasonable administrative regulations requiring proof of ability to respond in damages for personal injury and property damages in the minimum amounts required under the provisions of subsection (1), prior to the issuance of a license. The commissioner shall also have authority to suspend or revoke any license issued under this section for willful or gross negligence or for violation of any applicable administrative regulations promulgated under KRS 227.300, but any licensee whose license is suspended or revoked shall be afforded the opportunity for an administrative hearing conducted in accordance with KRS Chapter 13B.~~

Section 2. KRS 234.130 is amended to read as follows:

(1) The licenses required under KRS 234.120 shall be issued on a ***two (2)*** calendar year basis and shall be procured from the commissioner prior to the time of beginning business. All licenses and renewals thereof shall expire on December 31 of ***the second***~~each~~ year.

~~(2) Any person applying for a license after July 1 of any year shall be required to pay therefor only one half (1/2) of the applicable fee for that calendar year.~~

~~(3) Every person licensed under the provisions of KRS 234.100 to 234.160 who desires to continue in business shall, during January of ***the appropriate***~~each~~ year, procure from the commissioner a renewal license for which he shall pay a fee equal to the original license fee.~~

~~Failure to procure a renewal license prior to January 31 of the year for which it is issued shall result in the imposition of a penalty equal to twenty percent (20%) of the renewal fee which shall be paid to the commissioner in addition to the renewal fee.]~~

Approved March 23, 2000