

HCS HB 426 -- PROPANE SAFETY

SPONSOR: Parson

COMMITTEE ACTION: Voted "do pass" by the Special Committee on General Laws by a vote of 7 to 0.

This substitute establishes the Missouri Propane Safety Act. In its main provisions, the substitute:

- (1) Establishes the seven-member Missouri Propane Safety Commission within the Department of Agriculture and specifies the criteria for membership, term of office, and procedures for removal from office;
- (2) Requires the commission to employ a director and allows the commission to hire additional staff;
- (3) Authorizes the commission to regulate propane under Chapter 323, RSMo, promulgate rules in accordance with Section 323.020, and conduct hearings and regulate disputes arising under the chapter;
- (4) Requires the commission to undertake various functions including the development of propane safety plans, the receipt of private and federal funds, and the general supervision and representation of Missouri in all matters arising under Chapter 323;
- (5) Authorizes the director to conduct investigations, subpoena witnesses, require attendance at hearings, inspect premises, and produce reports;
- (6) Specifies the criteria for establishing an initial fee for the funding of inspections of propane installations and allows the commission and director to change the fee structure as specified in the substitute;
- (7) Allows the commission to establish fees for permits, licenses, and certificates required by Chapter 323 and to change the fee structure every two years;
- (8) Requires funds to be used solely for the enforcement of Chapter 323 and prohibits the use of any funds for lobbying; and
- (9) Allows the director to impose specified civil penalties and issue cease and desist orders.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPONENTS: Supporters say that the bill will make propane regulation much more effective by organizing a commission of members from the industry. Currently, there are only two full-time employees in the state inspecting propane resources and businesses. The bill will make the industry safer and facilitate inspections of propane businesses and workers by imposing an initial assessment of no more than 1/10 of a cent per gallon on the producers or wholesalers of propane.

Testifying for the bill were Representative Parson; Missouri Propane Gas Association; Keeven Heating and Cooling; and Glenn Kolkmeyer.

OPPONENTS: There was no opposition voiced to the committee.