

75th OREGON LEGISLATIVE ASSEMBLY - 2009 Regular Session
STAFF MEASURE SUMMARY
Senate Committee on Business and Transportation

MEASURE: SB 91
CARRIER:

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass and Be Referred to the Committee on Ways and Means
Vote:	4 - 0 - 1
Yeas:	George, Schrader, Starr, Metsger
Nays:	-
Exc.:	Verger
Prepared By:	Jim Stembridge, Administrator
Meeting Dates:	1/22, 3/4

WHAT THE MEASURE DOES: Increases fees charged by the State Fire Marshal's liquefied petroleum gas license and inspection program. Establishes a second increase, effective July 1, 2011. Authorizes transfer of gas fitter licenses and gas truck equipment licenses.

ISSUES DISCUSSED:

- Financial aspects of the liquefied petroleum gas (LPG) program, including the total program budget
- Position of LPG industry on the proposed fee increases
- Nature of violations reported
- Penalty aspect of re-inspection fee
- Examples of safety problems

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Individuals and businesses installing or servicing propane tanks must first obtain liquefied petroleum gas (LPG) licenses from the Office of State Fire Marshal. LPG program costs include personnel, supplies, and other costs supporting inspection and licensing services. LPG licensing has been in place since the 1950s; inspections of residential propane tanks began in 2000. Propane tank installations are inspected to ensure fire safety, because fire code violations, even minor ones, may lead to catastrophic fires or explosions. In 2007, the LPG program inspected 17 percent of all new residential propane tank installations. Of these, approximately 55 percent were found to have violations of the fire code.

SB 91 increases industry fees in two steps during the 2009-11 biennium to ensure adequate funding through the 2011-13 biennium. The most recent fee increase was in 2003. Fee increases proposed by SB 91 are as follows:

	<u>Current</u>	<u>January 1, 2010</u>	<u>July 1, 2011</u>
Examination fee	\$ 40	\$ 55	\$ 55
LP gas installation license (annual)	85	120	130
LP gas fitter license (biennial)	15	50	60
LP gas truck equipment license (biennial)	15	50	60
Late fee minimum	15	30	30
Installation fee	35	45	50
Container inspection	35	45	50
Re-inspection	24	100	125

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This summary has not been adopted or officially endorsed by action of the committee.