

**House Study Bill 623 - Introduced**

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
STATE GOVERNMENT BILL BY  
CHAIRPERSON VANDER LINDEN)

**A BILL FOR**

1 An Act relating to propane inspection and regulation, imposing  
2 an assessment, and making appropriations.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 101.15 Propane industry oversight  
2 committee.

3 1. The state fire marshal shall appoint a propane industry  
4 oversight committee to provide technical expertise to the  
5 state fire marshal to ensure that propane is used, installed,  
6 and delivered safely. The committee shall be advisory and  
7 shall assist the fire marshal in developing propane inspector  
8 qualifications, providing propane inspector training, advising  
9 the fire marshal of industry and regulatory changes, and  
10 providing any other technical assistance as needed.

11 2. The membership of the committee shall be as follows:

12 a. Six members representing retail propane marketers as  
13 defined in section 101C.2, subsection 12. Of these members,  
14 two members shall represent interstate retail propane  
15 marketers, two members shall represent intrastate retail  
16 propane marketers, and two members shall represent agricultural  
17 cooperatives.

18 b. One member representing a propane utilization equipment  
19 marketer or manufacturer.

20 c. One member representing the propane insurance industry.

21 3. A member shall serve a term of three years. Vacancies  
22 shall be filled for the unexpired term in the same manner as  
23 the original appointment was made.

24 Sec. 2. NEW SECTION. 101.16 Propane inspector fund.

25 1. A propane inspector fund is created in the state treasury  
26 under the control of the division of state fire marshal of  
27 the department of public safety. The fund shall consist of  
28 assessments collected pursuant to section 101.17 and any other  
29 moneys available to and obtained or accepted for placement in  
30 the fund. Moneys in the fund are appropriated to the division  
31 of state fire marshal for the purposes specified in subsection  
32 2. Notwithstanding section 8.33, moneys credited to the fund  
33 that remain unexpended or unobligated at the end of a fiscal  
34 year shall not revert to any other fund. Notwithstanding  
35 section 12C.7, subsection 2, interest or earnings on moneys in

1 the fund shall be credited to the fund.

2 2. Moneys in the fund shall be used exclusively for  
3 the state fire marshal to appoint one propane director and  
4 three propane inspectors to assist the fire marshal in the  
5 enforcement of applicable propane regulations, including  
6 regulations covering inspections, investigations, education,  
7 and training. The staff shall directly report to and work  
8 under the supervision of the fire marshal.

9 Sec. 3. NEW SECTION. 101.17 **Propane inspector assessment.**

10 1. An assessment shall be made on propane to which an  
11 odorant has been added and imported into the state. The  
12 assessment shall be imposed at a rate of two-tenths of one  
13 cent on each gallon of odorized propane imported. The owner  
14 of odorized propane at the time of import shall calculate  
15 the amount of the assessment based on the volume of odorized  
16 propane being imported into the state. The assessment shall be  
17 labeled "Iowa propane inspector assessment". Assessments shall  
18 be paid by the owners to the state treasury on a monthly basis  
19 by the twenty-fifth day of the month following the month the  
20 assessment was collected. If payment is not made to the state  
21 treasury by the due date, as required by this subsection, an  
22 interest penalty of one percent of any amount unpaid shall be  
23 imposed against the owner for each month or fraction of a month  
24 after the due date, until final payment is made.

25 2. The treasurer of state shall credit amounts collected  
26 pursuant to this section to the propane inspector fund created  
27 in section 101.16.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with  
30 the explanation's substance by the members of the general assembly.

31 This bill relates to propane inspection and regulation by  
32 the state fire marshal.

33 The bill provides that the state fire marshal shall appoint a  
34 propane industry oversight committee to advise the fire marshal  
35 on inspector qualifications, training, industry and regulatory

1 changes, and other technical assistance. The committee shall  
2 be composed of eight members that are representative of the  
3 propane industry, as described in the bill. Members shall  
4 serve a term of three years.

5 The bill establishes a propane inspector fund to consist  
6 of assessments collected pursuant to the bill and any other  
7 moneys obtained for placement in the fund. The fund shall  
8 be under the control of the state fire marshal and shall be  
9 used exclusively for the fire marshal to appoint one propane  
10 director and three propane inspectors, working under the  
11 supervision of the fire marshal, to assist in the enforcement  
12 of propane regulations.

13 The bill requires odorized propane importers to pay an  
14 assessment at a rate of two-tenths of one cent on each gallon  
15 of odorized propane imported into the state as calculated at  
16 the time of import. The assessment must be paid on a monthly  
17 basis in the manner described in the bill. Failure to pay by  
18 the due date shall require the importer to pay an interest  
19 penalty of 1 percent of the unpaid assessment for each month or  
20 fraction of the month until final payment is made. Assessments  
21 collected pursuant to the bill shall be deposited in the  
22 propane inspector fund.