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WISCONSIN LEGISLATIVE COUNCIL  
AMENDMENT MEMO

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2007 Assembly Bill 515

Assembly Substitute  
Amendment 1 and Assembly  
Amendment 1 to Assembly  
Substitute Amendment 1

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**Assembly Bill 515**

Assembly Bill 515 relates to the regulation of liquefied petroleum gas (LPG), a fuel that may be composed of a number of specified hydrocarbons or mixtures of these hydrocarbons, including propane.

The bill establishes a number of requirements for “retail suppliers” of LPG, including that they must be licensed by the Department of Commerce to distribute LPG, maintain proof of financial responsibility, and provide a written notice specified in the bill to each customer who owns, leases, or uses a “propane gas system” and obtains propane gas from the retail supplier. The bill authorizes a retail supplier to evacuate an LPG container not under the supplier’s ownership under specified conditions and creates a civil cause of action for a licensed retail supplier suffering damages caused by an unlicensed retail supplier filling LPG into a container that does not meet U.S. Department of Transportation regulations.

**Assembly Substitute Amendment 1**

Assembly Substitute Amendment 1 makes the following changes to the bill.

**License fee:** The *bill* requires the Department of Commerce to fix and collect fees for issuing the license required under the bill to LPG retail suppliers. These fees must, as close as possible, equal the cost of providing this service. The *substitute amendment* specifies in a new provision that the annual license fee for a retail supplier of LPG who only fills “Department of Transportation cylinders” shall be \$20. [An example of these cylinders is a 20-pound propane tank used to provide fuel to a barbecue grill.]

**Excavation clearances:** Under the *current law* governing the diggers hotline system, each excavator must maintain specified clearances between an underground transmission facility marked

under this system and the cutting edge or point of any power-operated excavating earth moving equipment. The *substitute amendment* specifies in a new provision that the minimum clearance for an unexposed underground transmission facility is measured between a marking for the facility and this cutting edge or point rather than between the facility and the cutting edge or point. The substitute amendment also creates an exception for the minimum clearance for an unexposed underground transmission facility to be a clearance as necessary at the beginning of the excavation process to penetrate and remove pavement, rock, or other hard materials.

**Notice to propane customers:** The *substitute amendment* authorizes the Department of Commerce in a new provision to require by rule retail suppliers of propane to inform their customers each year of the obligation of owners of transmission facilities under the diggers hotline law.

**Penalties:** The *bill* applies the criminal penalties in the current LPG law administered by the Department of Commerce to violations of Commerce's rules for the design, construction, operation, and maintenance of LPG equipment and the requirements in the bill relating to filling, evacuating, and use of LPG containers, and various requirements to provide information. *The substitute amendment* modifies the penalty provisions of the bill, resulting in the following penalty structure:

- For the intentional violation of requirements regarding the handling of liquefied petroleum gas containers and providing notices to customers: a fine of \$25 to \$2,000 or imprisonment for 30 days to six months (but not both).
- For most intentional violations of requirements regarding licensing or demonstration of financial responsibility: a fine of \$500 to \$1,000 for the first offense and \$2,000 to \$5,000 for subsequent offenses or imprisonment for 30 days to six months (but not both).
- For the intentional violation of requirements regarding licensing or demonstration of financial responsibility by a person who fills only specified types of containers: a fine of \$200 to \$400 for the first offense and \$200 to \$2,000 for subsequent offenses or imprisonment for 30 days to six months (but not both).
- For the unintentional violation of requirements regarding the handling of liquefied petroleum gas containers and providing notices to customers: a forfeiture of \$10 to \$1,000.
- For most unintentional violations of requirements regarding licensing or demonstration of financial responsibility: a forfeiture of \$500 to \$1,000 for the first offense and \$1,000 to \$5,000 for subsequent offenses.
- For the unintentional violation of requirements regarding licensing or demonstration of financial responsibility by a person who fills only specified types of containers: a forfeiture of \$200 to \$400 for the first offense and \$800 to \$2,000 for subsequent offenses.

With regard to all of the foregoing penalties, each day of violation is a separate offense.

**Technical clarifications and corrections:** The substitute amendment makes various technical clarifications and corrections including incorporating Legislative Reference Bureau corrections to the original bill, clarifying how information is provided from the diggers hotline system to a person providing notice on an intended excavation activity, correcting grammar through the removal of certain

commas, and making the references to the various hydrocarbons included in the definition of LPG consistent and nonduplicative.

**Assembly Amendment 1 to Assembly Substitute Amendment 1**

**Excavations:** Under *current law*, an excavator must maintain a clearance of 18 inches between the excavating equipment and marked underground transmission facilities. The *substitute amendment* provides an exception to this requirement “as necessary at the beginning of the excavation process to penetrate and remove pavement, rock, or other hard materials.” *Assembly Amendment 1* modifies this exception to apply only to the penetration and removal of “the surface layer of pavement.”

**Related Legislation**

2007 Assembly Bill 515 is identical to 2007 Senate Bill 273, so-called “companion bills.” Assembly Substitute Amendment 1 to Assembly Bill 515 is *not* identical to Senate Substitute Amendment 1 to Senate Bill 273; however, they are made identical by the adoption of Assembly Amendment 1 to Assembly Substitute Amendment 1 to Assembly Bill 515 and Senate Amendments 1 and 2 to Senate Substitute Amendment 1 to Senate Bill 273.

**Legislative History**

On January 22, 2008, the Assembly Committee on Energy and Utilities introduced Assembly Substitute Amendment 1 and voted to recommend adoption of Assembly Substitute Amendment 1 and passage of Assembly Bill 515, as amended, on separate votes of Ayes, 10; Noes 0.

On January 30, 2008, the Joint Committee on Finance voted to recommend adoption of Assembly Amendment 1 to Assembly Substitute Amendment 1 and adoption of Assembly Substitute Amendment 1, as amended, on votes of Ayes, 16; Noes, 0, and passage of Assembly Bill 515, as amended, on a vote of Ayes, 15; Noes, 1.

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