Subchapter A Current

This document highlights those sections of the LP-Gas Rules Subchapter A that will have changes effective June 1, 2020 and September 1, 2020. The table below shows text from the June 2016 edition and any changes that became effective January 6, 2020.

June 1, 2020

- The section numbers, listed in column one, are from the 2020 edition of the LP-Gas Safety Rules.
- The 2020 edition had some section number changes in Subchapter A; if the section number changed from the 2016 edition to the 2020 edition, the previous section number will be shown in the second column. Sections that had number changes only are not included.
- The third column shows the section text from the 2016 edition with added text underlined and removed text shown with strikethroughs. If the section doesn't have changes effective January 6, 2020 the section text will still be listed.

Section (§)	Previous § number	New text
9.4(a)		 (a) Records. Each LP-gas licensee or registrant shall retain: (2) a copy of all documentation submitted for an exception to an LP-gas rule pursuant to §9.27 of this title (relating to Application for an Exception to a Safety Rule), including the <u>AFS</u> [LP-Gas Operations] director's memorandum granting the exception, for as long as the exception is in use; and
9.4(b)		(b) Periodic inspection. <u>AFS</u> [LP-Gas Operations] shall formulate a plan or program for periodic evaluation or inspection of records and facilities owned, operated, or serviced by LP-gas licenses or registrants for the purpose of verifying compliance with this chapter.
9.4(d)		Licensee and registrant obligations.
9.5(a)	9.5(b)	 (a) [(b)] Except as provided by subsections (c) and (d) [(e) and (f)] of this section, the Commission may not approve an application for a [an initial or renewal] license, an exemption or their associated renewals, [or registration for an exemption] under this chapter if[÷] [(1)] the applicant [or registrant for an exemption] has violated a statute or Commission rule, order, license, permit, or certificate that relates to safety. If[; or] [(2)] a person who holds a position of ownership or control in the applicant [or registrant for an exemption] has held a position of ownership or control in another person during the seven years preceding the date on which the application [or registration for an exemption] is filed and during that period of ownership or control the other person violated a statute or Commission rule, order, license, registration, permit, or certificate that relates to safety, then that violation will be attributed to the applicant. Regardless of whether the person's name appears or is required to appear on an application, a person holds a position of owner, or trustee of, or the owner of at least 25 percent of the beneficial interest in the applicant; or (2) the applicant and has been determined by a final judgment or final administrative order to have exerted actual control over the applicant.

Section (§)	Previous § number	New text
9.5(d)	9.5(f)	(d) [(f)] The Commission may issue a license to an applicant described by subsection (a) [(b)] of this section or approve a registration for an exemption for a registrant for an exemption described by subsection (b) of this section for a term specified by the Commission if the license or registration for an exemption is necessary to remedy a violation of law or Commission rules.
9.5(e)	9.5(g)	 (e) [{e}] If the Commission is prohibited by subsection (a) [{b}] of this section from approving an application for a license-or would be prohibited from doing so by that subsection if the applicant, licensee, or registrant for an exemption submitted an application or registration for an exemption], then the Commission, after notice and opportunity for a hearing, by order may refuse to renew or may revoke a license or registration for an exemption issued [to the applicant, licensee, or registrant for an exemption] under this chapter. (1) In determining whether to refuse to renew or to revoke a person's license or registration for an exemption under this subsection, the Commission shall consider the person's history of previous violations, the seriousness of previous violations, any hazard to the health or safety of the public, and the demonstrated good faith of the person. (2) If the Commission shall provide the applicant [or registration for an exemption] with a written statement explaining the reason for the denial. (3) An order issued under this subsection must provide the applicant [<i>licensee, or registration for an exemption</i>] a reasonable period to comply with the judgment or order finding the violation before the order takes effect. (4) The Commission's refusal to renew or revocation of a person's license or registration for an exemption under this subsection does not relieve the person of any existing or future duty under law, rules, or license, or registration conditions. (5) On refusal to renew or revocation of a person's license or registration for an exemption for an exemption issued as authorized by the Commission under this subsection, the person may not perform any activities under the jurisdiction of the Commission under this chapter, except as necessary to remedy a violation of law or Commission rules and as authorized by the Commission under this subsection for an exemption issued under subsection is nonrefundable. (7) The Commissi
9.6(a)		(a) A prospective licensee may apply to <u>AFS</u> [LP-Gas Operations,] for one or more licenses specified in subsection (b) [(c)(1) - (16)] of this section. Fees required to be paid shall be those established by the Commission and in effect at the time of <u>application</u> [licensing] or renewal <u>and shall be paid at the time of application or renewal</u> .

Section (§)	Previous § number	New text
9.6(b)-(b)(1)	9.6(c)	 (b) [(c)] The license categories and fees are as follows. (1) A Category A license for container manufacturers and/or fabricators authorizes the manufacture, fabrication, assembly, repair, installation, subframing, testing, and sale of <u>ASME or DOT</u> LP-gas containers, including LP-gas motor or mobile fuel containers and systems, and the repair and installation of transport and transfer systems. <u>A Category A license includes all activities covered by a Category A1 and Category A2 license.</u> The original license fee is \$1,000; the renewal fee is \$600.
9.6(b)(2)	New	A Category A1 license for ASME container assembly and repair authorizes the assembly, repair, installation, testing, and sale of ASME containers, including LP-gas motor or mobile fuel containers and systems, and the repair and installation of transport and transfer systems. The original license fee is \$1,000; the renewal fee is \$600.
9.6(b)(3)	New	A Category A2 license for U.S. Department of Transportation (DOT) container assembly and repair authorizes the assembly, repair, installation, subframing, testing, and sale of LP-gas DOT containers, including LP-gas motor or mobile fuel containers and systems, and the repair and installation of transport and transfer systems. The original license fee is \$1,000; the renewal fee is \$600.
9.7(c)	9.7(d)	(c) [(d)] Licensees, company representatives, and operations supervisors at each outlet shall have copies of all current licenses and <u>certificates</u> [certification cards] for employees at that location available for inspection during regular business hours. In addition, licensees shall maintain a current version of the <u>rules in this chapter</u> [LP-Gas Safety Rules] and shall provide <u>access to</u> <u>these rules for</u> [at least one copy to] each company representative and operations supervisor. The <u>rules</u> [copies] shall <u>also</u> be available to employees during business hours.
9.7(d)	9.7(e)	(d) [(e)] Licenses issued under this chapter expire one year after issuance at midnight on the last day of the month prior to the month in which they are issued.
9.7(e)	Part of 9.7(h)	(e) If a license expires, the person shall immediately cease LP-gas activities.
9.7(i)	New	 (i) AFS will review an application for license to verify all requirements have been met. (1) If errors are found or information is missing on the application or other documents, AFS will notify the applicant of the deficiencies in writing. (2) The applicant must respond with the required information and/or documentation within 30 days of the written notice. Failure to respond by the deadline will result in withdrawal of the application. (3) If all requirements have been met, AFS will issue the license and send the license to the licensee, as applicable.

Section (§)	Previous § number	New text
9.7(j)-(j)(5)	9.7(h)	 (j) [(h)] For license renewals:[₇] (<u>1</u>) AFS [LP Gas Operations] shall notify the licensee in writing at the address on file with <u>AFS</u> [LP Gas Operations] of the impending license expiration at least 30 calendar days before the date <u>the</u> [a person's] license is scheduled to expire. (<u>2</u>) The renewal notice shall include copies of <u>applicable</u> LPG Forms 1, 1A, and 7, [whichever are applicable,] showing the information currently on file. (<u>3</u>) The licensee shall review and return all renewal documentation [Renewals shall be submitted] to <u>AFS</u> [LP Gas Operations] with any necessary changes clearly marked on the forms. <u>The licensee shall submit any applicable fees with the renewal documentation</u>. [Licensee engaging in LP gas product activities as defined in Texas Natural Resources Code, <u>5113.081(a)(4)</u>, shall include on LPG Form <u>1</u> a 24-hour emergency response telephone number, if not previously submitted, along with the license renewal fee specified in <u>59.6</u> of this title (relating to Licenses and Fees) and any applicable transport registration fee specified in <u>59.202</u> of this title (relating to Registration and Transfer of LP Gas Transports or Container Delivery Units) on or before the last day of the month in which the license expires in order for the licensee to continue LP gas activities.] (<u>4</u>) Failure to meet the renewal deadline set forth in this section shall result in expiration of the license. (<u>5</u>) If a person's license expires, that person shall immediately cease performance of any LP-gas activities authorized by the license.
9.7(j)(6)	9.7(h)(1)	(6) If a person's license has been expired for 90 calendar days or fewer, the person shall submit a renewal fee that is equal to 1 1/2 times the renewal fee in §9.6 of this title (relating to License Categories, Container Manufacturer Registration, and Fees).
9.7(j)(7)	9.7(h)(2)	(7) If a person's license has been expired for more than 90 calendar days but less than one year, the person shall submit a renewal fee that is equal to two times the renewal fee.
9.7(j)(8)	9.7(h)(3)	(8) If a person's license has been expired for one year or more, that person shall not renew but shall comply with the requirements for issuance of an original license under subsection (f) of this section.
9.7(j)(9)	Part of 9.7(h)	(9) After verification that[, if] the licensee has met all [other] requirements for licensing, AFS[, LP-Gas Operations] shall renew the license and send the applicable authorization to the licensee [, and the person may resume LP-gas activities].
9.15(a)		(a) Policy. Improved safety and environmental protection are the desired outcomes of any enforcement action. Encouraging licensees, certificate holders, registered manufacturers, and other registrants to take appropriate voluntary corrective and future protective actions once a violation has occurred is an effective component of the enforcement process. Deterrence of violations through penalty assessments is also a necessary and effective component of the enforcement process. A rule-based enforcement penalty guideline to evaluate and rank LP-gas-related violations is consistent with the central goal of the Commission's enforcement efforts to promote compliance. Penalty guidelines set forth in this section will provide a framework for more uniform and equitable assessment of penalties throughout the state, while also enhancing the integrity of the Commission's enforcement program.

Section (§)	Previous § number	New text
9.15(b)		(b) <u>Guidelines</u> [Only guidelines]. This section complies with the requirements of Texas Natural Resources Code, §81.0531. The penalty amounts contained in the tables in this section are provided solely as guidelines to be considered by the Commission in determining the amount of administrative penalties for violations of Texas Natural Resources Code, Chapter 113[, relating to LP-gas safety]; of rules, orders, licenses, permits, or certificates relating to LP-gas safety adopted under those provisions; and of regulations, codes, or standards that the Commission has adopted by reference.
9.15(c)		(c) Commission authority. The establishment of these penalty guidelines shall in no way limit the Commission's authority and discretion to assess administrative penalties. The typical minimum penalties listed in this section are for the most common violations cited; however, this is neither an exclusive nor an exhaustive list of violations that the Commission may cite. The Commission retains full authority and discretion to cite violations of Texas Natural Resources Code, Chapter 113[, relating to LP gas safety]; of rules, orders, licenses, permits, or certificates relating to LP-gas safety adopted or issued under those provisions; and of regulations, codes, or standards that the Commission has adopted by reference, and to assess administrative penalties in any amount up to the statutory maximum when warranted by the facts in any case, regardless of inclusion in or omission from this section.
9.15(e)		(e) Typical penalties. Regardless of the method by which the typical penalty amount is calculated, the total penalty amount will be within the statutory limit. Typical penalties for violations of Texas Natural Resources Code, Chapter 113[, relating to LP-gas safety]; of rules, orders, licenses, permits, or certificates relating to LP-gas safety adopted under those provisions; and of regulations, codes, or standards that the Commission has adopted by reference, are set forth in Table 1.
9.16(a)		 (a) The Commission may deny, suspend, or revoke a licenseor certificate for any <u>person</u> [individual] who fails to comply with the <u>rules in this chapter</u> [LP-Gas Safety Rules]. (1) If <u>AFS</u> [LP-Gas Operations] determines that an applicant for license, certificate, or renewal has not met the requirements of the <u>rules in this chapter</u>, <u>AFS</u> [LP-Gas Safety Rules, LP-Gas Operations] shall notify the applicant in writing of the reasons for the proposed denial. In the case of an applicant for license or certificate, the notice shall advise the person that the application may be resubmitted within 30 calendar days of receipt of the denial with all cited deficiencies corrected, or, if the person disagrees with <u>AFS'</u> [LP-Gas Operations'] determination, that person may request in writing a hearing on the matter within 30 calendar days of receipt of the notice or license renewal] within 30 calendar days of receipt of the denial. (2) If a person resubmits the application [for license or license renewal] within 30 calendar days of receipt of the denial with all deficiencies corrected, <u>AFS</u> [LP-Gas Operations] shall issue the license <u>certificate</u>, or [license] renewal as applicable.

Section (§)	Previous § number	New text
9.16(b)-(b)(2)		 (b) Hearing regarding denial of license, certificate or associated renewals [license renewal]. (1) An applicant receiving a notice of denial [of a license or license renewal] may request a hearing to determine whether the applicant did comply in all respects with the requirements for the category [or categories of] license or certificate sought. The request for hearing shall be in writing, shall refer to the specific requirements the applicant claims were met, and shall be submitted to <u>AFS</u> [LP Gas Operations] within 30 calendar days of the applicant's receipt of the notification of denial. (2) Upon receipt of a request complying with paragraph (1) of this subsection, <u>AFS</u> [LP Gas Operations] shall forward the request for a hearing to the <u>Hearings Division</u> [Office of General Counsel] for the purpose of scheduling a hearing within 30 calendar days following the receipt of the request for hearing to determine the applicant's compliance or noncompliance with applicable requirements [the licensing requirements for the category or categories of license sought].
9.16(b)(3)-(4)		 (3) If, after hearing, the Commission finds the applicant's claim has been supported, <u>the Commission may issue an order</u> <u>approving the license or certificate and AFS shall issue the license, certificate, or associated renewal if applicable [it shall enter</u> an order in its records to that effect, noting the category or categories of license for which the applicant is entitled to be licensed, and the license or renewal shall be issued]. (4) If, after hearing, the Commission finds that the applicant <u>does not comply with the requirements of this chapter, the Commission may issue an order denying the application or renewal [is not qualified for the license or license renewal in the category or category or categories of that effect, and no license or renewal shall be issued shall be issued to the applicant].</u>
9.16(c)-(c)(1)		 (c) Suspension or revocation of licenses or <u>certificates</u> certifications. (1) If <u>AFS</u> [LP Gas Operations] finds by means including but not limited to inspection, review of required documents submitted, or complaint by a member of the general public or any other person, a probable or actual violation of or noncompliance with the Texas Natural Resources Code, Chapter 113, or the <u>rules in this chapter, AFS</u> [LP Gas Safety Rules, LP Gas Operations] shall notify the licensee or <u>certificate holder</u> [certified person] of the alleged violation or noncompliance in writing.
9.16(c)(2)		2) The notice shall specify the acts, omissions, or conduct constituting the alleged violation or noncompliance and shall designate a date not less than 30 calendar days or more than 45 calendar days after the licensee or <u>certificate holder</u> [certified person] receives the notice by which the violation or noncompliance shall be corrected or discontinued. If <u>AFS</u> [LP-Gas Operations] determines the violation or noncompliance may pose imminent peril to the health, safety, or welfare of the general public, <u>AFS</u> [LP-Gas Operations] may notify the licensee or <u>certificate holder</u> [certified person] orally with instruction to immediately cease the violation or noncompliance. When oral notice is given, <u>AFS</u> [LP-Gas Operations] shall follow it with written notification no later than five business days after the oral notification.
9.16(c)(3)		(3) The license or <u>certificate holder</u> [certified person] shall either report the correction or discontinuance of the violation or noncompliance within the time frame specified in the notice or shall request an extension of time in which to comply. The request for extension of the time to comply shall be received by LP-Gas Operations within the same time frame specified in the notice for correction or discontinuance.

Section (§)	Previous § number	New text
9.16(d)-(d)(1)		(d) Hearing regarding suspension or revocation of licenses and <u>certificates</u> [certifications]. [(1)] If a licensee or <u>certificate holder</u> [certified person] disagrees with the determination of <u>AFS</u> [LP Gas Operations] under this section, that person may request a public hearing on the matter to be conducted <u>as specified in Chapter 1 of this title (relating</u> <u>to Practice and Procedure</u>) [in compliance with the Texas Government Code, Chapter 2001, et seq., Chapter 1 of this title (relating to Practice and Procedure), and this chapter]. The request shall be in writing, shall refer to the specific rules or statutes the [licensee or certified] person claims to have complied with, and shall be received by <u>AFS</u> [LP Gas Operations] within 30 calendar days of the [licensee's or certified] person's receipt of the notice of violation or noncompliance. <u>AFS</u> [LP Gas Operations] shall forward the request for hearing to the Hearings Division [Office of General Counsel].
9.21(a)		(a) An applicant for an original or renewal license that is a corporation, <u>limited partnership</u> , or limited liability company shall be <u>approved to transact business in Texas by</u> [in good standing with] the <u>Texas</u> Comptroller of Public Accounts [of the State of Texas]. The licensee shall provide a copy of the <u>current Certificate of Account Status</u> [Franchise Tax Statement] from the <u>Texas</u> Comptroller of Public Accounts [showing "In Good Standing"].
9.21(b)		(b) All applicants for license <u>or their corresponding renewals</u> , shall list on LPG Form 1 <u>or LPG Form 1M</u> all names under which LP-gas related activities requiring licensing are to be conducted. Any company performing LP-gas activities under an assumed name ("DBA" or "doing business as" [name]) shall file <u>with AFS</u> copies of the assumed name certificates which are required to be filed with the respective county clerk's office and/or the <u>Secretary of State's Office</u> [secretary of state's office with LP-Gas Operations].
9.22(a)-(a)(1)		 (a) Changes in ownership which require a new license. (1) Transfer of dealership or outlet by sale, lease, or gift. The purchaser, lessee, or donee of any dealership or outlet shall have a current and valid license authorizing the LP-gas activities to be performed at the dealership or outlet or shall apply for and be issued an LP-gas license prior to engaging in any LP-gas activities which require a license. The purchaser, lessee, or donee shall notify <u>AFS</u> [LP-Gas Operations] by filing a properly completed LPG Form 1 prior to engaging in any LP-gas activities at that dealership or outlet which require an LP-gas license <u>or manufacturer registration, respectively</u>.
9.22(a)(2)		(2) Other changes in ownership. A change in members of a partnership occurs upon the death, withdrawal, expulsion, or addition of a partner. Upon the death of a sole proprietor or partner, [or] the dissolution of a corporation or partnership, [or] any change in the members of a partnership, or other change in ownership not specifically provided for in this section, an authorized representative of the previously existing dealership or of the successor in interest shall notify <u>AFS</u> [LP-Gas Operations] in writing and shall immediately cease all LP-gas activities of the previously existing dealership which require an LP-gas license and shall not resume until LP-Gas Operations issues an LP-gas license to the successor in interest.
9.22(b)		(b) Change in dealership business entity. When a dealership converts from one business entity into a different kind of business entity, the resulting entity shall have a current and valid license authorizing the LP-gas activities to be performed or shall apply for and be issued a license before engaging in any LP-gas activities which require an LP-gas license and shall immediately notify <u>AFS</u> [LP-Gas Operations] in writing of the change in business entity.

Section (§)	Previous § number	New text
9.22(c)		 (c) Dealership name change. A licensee which changes its name shall not be required to obtain a new license but shall immediately notify <u>AFS</u> [LP Gas Operations] as follows prior to engaging in any LP-gas activities under the new name. The licensee shall file: (1) an amended LPG Form 1; [and, if applicable,] (2) an amended Form 1A if outlet names will change; (3) [(2)] a copy of the licensee's business documents reflecting the name change, such as amendments to the articles of incorporation or assumed name filings; (4) [(3)] (certificates of insurance or affidavits in lieu of insurance if [(where] permitted by §9.26 of this title (relating to Insurance and Self-Insurance Requirements) or both; and (5) any other forms required by AFS. [(4) an amended LPG Form 7 to transfer any LP-gas transport or container delivery unit, including any fees specified in §9.202 of this title (relating to Registration and Transfer of LP Gas Transports or Container Delivery Units); and] [(5) an amended LPG Form 19, if applicable, to specify storage container inventory.]
9.26(a)		 (a) <u>A licensee shall not perform any activity authorized by its license or registration under §9.6 of this title (relating to License Categories, Container Manufacturer Registration, and Fees) unless insurance coverage required by this section is in effect. LP-gas licensees or applicants for license shall comply with the minimum amounts of insurance specified in Table 1 of this section or with the self-insurance requirements in subsection (i) of this section, if applicable. Before <u>AFS</u> [LP Gas Operations] grants or renews a license, an applicant for a license shall submit either:</u> (2) properly completed documents demonstrating the applicant's compliance with the self-insurance requirements set forth in subsection.
9.26(b)		(b) Each licensee shall file LPG Form 999 or other written notice with <u>AFS</u> [LP-Gas Operations] at least 30 calendar days before the cancellation of any insurance coverage. The 30-day period commences on the date the notice is actually received by <u>AFS</u> [LP-Gas Operations].
9.26(e)		(e) A licensee or applicant for a license that does not engage in or contemplate engaging in any LP-gas <u>activities [operations]</u> that would be covered by completed operations or products liability insurance, or both, may file LPG Form 998B in lieu of a completed operations and/or products liability insurance form. The licensee, or applicant for a license shall file the required insurance form with <u>AFS</u> [LP-Gas Operations] before engaging in any operations that require completed operations and/or products liability insurance form before engaging in any operations that require completed operations and/or products liability insurance.
9.26(f)		(f) A licensee or applicant for a license that does not engage in or contemplate engaging in any operations that would be covered by general liability insurance may file LPG Form 998B in lieu of filing a general liability insurance form. The licensee or applicant for a license shall file the required insurance form with <u>AFS</u> [LP-Gas Operations] before engaging in any operations that require general liability insurance.

Section (§)	Previous § number	New text
9.26(j)		(j) Each licensee shall promptly notify <u>AFS</u> [LP Gas Operations] of any change in insurance coverage or insurance carrier by filing a properly completed [revised] Acord [™] form; other form approved by the Texas Department of Insurance that has been prepared and signed by the insurance carrier containing all required information; or documents demonstrating the applicant's compliance with the self-insurance requirements set forth in subsection (i) of this section. Failure to promptly notify <u>AFS</u> [LP-Gas Operations] of a change in the status of insurance coverage or insurance carrier may result in an enforcement action and an administrative penalty.

September 1, 2020

- The section number listed in column one is from the 2020 edition of the LP-Gas Safety Rules.
- The second column shows the section text from the 2016 edition; this section did not have changes effective January 6, 2020.

Section	Text
	(a) In addition to NFPA 58 §14.4.9.1, each licensee shall maintain a written procedure to be followed when any employee receives notification of a possible leak. The licensee shall ensure that all employees are familiar with the procedure and shall authorize employees to implement the procedure without management oversight. The written procedure shall be available to emergency response agencies as specified in NFPA 58, §6.25.2 and as stated in Table 1 of §9.403 of this title, (relating to Sections in NFPA 58 Not Adopted by Reference, and Adopted with Changes or
9.35(a)	Additional Requirements.