Overview

Provides a mechanism under which the propane industry can create a propane education and research council. Provides for the council to place an assessment (initially no greater than one mill per gallon) on sale of odorized propane, in order to fund council activities.

1 Title. Provides the act may be cited as the Minnesota Propane Education and Research Act.

2 Definitions. Defines terms used in this act.

3 Referendum to create or terminate council.

Subd. 1. Creation referendum. Provides that propane industry organization shall conduct, at their own expense, a referendum among producers and retail marketers for creation of a Minnesota propane education and research council. Specifies procedures for conducting the referendum, including weighted voting based on volume of propane produced or sold. The council is established upon approval of representatives of two-thirds of the total volume of propane voted in the retail marketer class and two-thirds in the producer class. Permits the council to levy an assessment.

Subd. 2. Termination referendum. Specifies procedures for the industry to decide to suspend or terminate the council.

4 Council members.

Subd. 1. Selection. Provides for industry organizations to select retail marketer, public, and producer members of the council.

Subd. 2. Representation. In selection council members, requires industry organizations to give due regard to representatives of certain parts of the industry.

Subd. 3. Membership. Provides that the council consists of 12 members, with 7 representing retail marketers, three representing producers and two public members.

Subd. 4. Reimbursement. Provides that council members receive no compensation or expense
reimbursement, except that public members, upon request, may be reimbursed for reasonable expenses.

Subd. 5. Terms. Provides for three-year terms, and provides members may not serve more than two full consecutive terms. Provides for staggering of initial appointments.

Duties. Provides for the council develop programs and projects and enter into contracts for implementing the act. Programs may include consumer and employee safety and training, research and development of propane equipment, and information and education.

Subd. 6. Organization and procedures. Provides for the council to select officers, establish committees and adopt rules and bylaws.

Budget. Requires the council to prepare a budget, and submit it to the commissioner of public safety for review.

Records. Requires the council to keep specified records, and to have books audited.

Assessment.

Subd. 1. Limitations. Requires the council to set an initial assessment of one mill per gallon of odorized propane. Thereafter, annual assessments must be sufficient to cover the council's plans and programs. The assessment may not exceed mills per gallon of odorized propane, unless approved by a majority of those voting in a referendum in the producer and retail marketer classes. In no case may the assessment be raised by more than one mill per gallon of odorized propane annually.

Subd. 2. Collection and payment. The owner of odorized propane, at the time of odorization of the time of import, shall make the assessment, based on volume. The assessment must be listed as a separate item on the bill. Assessments must be paid to the council monthly.

Subd. 3. Alternative collection. Permits the council to establish an alternative means of collecting the assessment, and to establish late charges.

Subd. 4. Investment. Requires the council to invest funds, pending disbursement. Limits investments to specified instruments.

Compliance enforcement. Provides that district courts have jurisdiction to enforce this act and restrain violations.

Pricing. Provides that prices of propane must be determined by market forces. Forbids the council from taking any action to pass along to consumers the price of the assessment.

Relation to other laws. Provides that this act does not preempt or supersede other programs relating to propane education and research. Provides that laws governing advisory councils do not apply to this act.

Revisor. Instructs the Revisor to codify this act if the council is created.