

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 55th Legislature (2016)

4 HOUSE BILL 2444

 By: O'Donnell of the House

5 and

6 Smalley of the Senate

7
8
9 AS INTRODUCED

10 An Act relating to pipeline safety; amending 17 O.S.
11 2011, Section 6.1, which relates to penalties for
12 violations of pipeline safety rules, regulations and
13 orders; modifying civil penalty for violations;
14 amending 52 O.S. 2011, Section 47.6, which relates to
15 the Hazardous Liquid Transportation System Safety
16 Act; modifying administrative penalties for
17 violations; providing an effective date; and
18 declaring an emergency.

19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

20 SECTION 1. AMENDATORY 17 O.S. 2011, Section 6.1, is
21 amended to read as follows:

22 Section 6.1 A. Any person who has been determined by the
23 Commission to have violated any provision of any rule, regulation,
24 or order issued pursuant to the provisions of the Commission related
25 to pipeline safety shall be liable for a civil penalty of not more
26 than ~~Ten Thousand Dollars (\$10,000.00)~~ One Hundred Thousand Dollars

1 (\$100,000.00) for each day that said violation continues. The
2 maximum civil penalty shall not exceed ~~Five Hundred Thousand Dollars~~
3 ~~(\$500,000.00)~~ One Million Dollars (\$1,000,000.00) for any related
4 series of violations.

5 B. The amount of the penalty shall be assessed by the
6 Commission pursuant to the provisions of subsection A of this
7 section, after notice and hearing. In determining the amount of the
8 penalty, the Commission shall include but not be limited to
9 consideration of the nature, circumstances, and gravity of the
10 violation and, with respect to the person found to have committed
11 the violation, the degree of culpability, the effect on ability of
12 the person to continue to do business, and any show of good faith in
13 attempting to achieve compliance with the provisions of the rules
14 and regulations of the Commission.

15 All penalties collected pursuant to the provisions of this
16 section shall be deposited into the Pipeline Enforcement Fund.

17 C. Any person who willfully and knowingly injures or destroys,
18 or attempts to injure or destroy, any pipeline transportation
19 system, upon conviction, shall be guilty of a felony and shall be
20 subject for each offense to a fine of not more than Twenty-five
21 Thousand Dollars (\$25,000.00) or imprisonment for a term not to
22 exceed fifteen (15) years or both such fine and imprisonment.

23 SECTION 2. AMENDATORY 52 O.S. 2011, Section 47.6, is
24 amended to read as follows:

1 Section 47.6 A. Any person who has been determined by the
2 Commission to have violated any provisions of the Hazardous Liquid
3 Transportation System Safety Act or any rule, regulation, or order
4 issued pursuant to the provisions of the Hazardous Liquid
5 Transportation System Safety Act shall be liable for an
6 administrative penalty of not more than ~~Ten Thousand Dollars~~
7 ~~(\$10,000.00)~~ One Hundred Thousand Dollars (\$100,000.00) for each day
8 that said violation continues. The maximum administrative penalty
9 shall not exceed ~~Five Hundred Thousand Dollars (\$500,000.00)~~ One
10 Million Dollars (\$1,000,000.00) for any related series of
11 violations.

12 B. 1. The amount of the penalty shall be assessed by the
13 Commission pursuant to the provisions of subsection A of this
14 section, after notice and hearing. In determining the amount of the
15 penalty, the Commission shall include but not be limited to
16 consideration of the nature, circumstances, and gravity of the
17 violation and, with respect to the person found to have committed
18 the violation, the degree of culpability, the effect on ability of
19 the person to continue to do business, and any show of good faith in
20 attempting to achieve compliance with the provisions of the
21 Hazardous Liquid Transportation System Safety Act.

22 2. All penalties collected pursuant to the provisions of this
23 subsection shall be deposited in the Pipeline Enforcement Fund.
24

1 C. Any person who willfully and knowingly injures or destroys,
2 or attempts to injure or destroy, any hazardous liquid
3 transportation system, upon conviction thereof, shall be guilty of a
4 felony and shall be subject for each offense to a fine of not more
5 than Twenty-five Thousand Dollars (\$25,000.00), imprisonment for a
6 term not less than five (5) years and not to exceed fifteen (15)
7 years, or by both such fine and imprisonment.

8 SECTION 3. This act shall become effective July 1, 2016.

9 SECTION 4. It being immediately necessary for the preservation
10 of the public peace, health and safety, an emergency is hereby
11 declared to exist, by reason whereof this act shall take effect and
12 be in full force from and after its passage and approval.

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14 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND NATURAL RESOURCES,
15 dated 02/16/2016 - DO PASS, As Coauthored.
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