

1 **SENATE FLOOR VERSION**

2 April 7, 2016

3 ENGROSSED HOUSE
4 BILL NO. 2444

By: O'Donnell of the House

5 and

6 Smalley of the Senate

7
8 An Act relating to pipeline safety; amending 17 O.S.
9 2011, Section 6.1, which relates to penalties for
10 violations of pipeline safety rules, regulations and
11 orders; modifying civil penalty for violations;
12 amending 52 O.S. 2011, Section 47.6, which relates to
the Hazardous Liquid Transportation System Safety
Act; modifying administrative penalties for
violations; providing an effective date; and
declaring an emergency.

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

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

18 Section 6.1 A. Any person who has been determined by the
19 Commission to have violated any provision of any rule, regulation,
20 or order issued pursuant to the provisions of the Commission related
21 to pipeline safety shall be liable for a civil penalty of not more
22 than ~~Ten Thousand Dollars (\$10,000.00)~~ One Hundred Thousand Dollars
23 (\$100,000.00) for each day that said violation continues. The
24 maximum civil penalty shall not exceed ~~Five Hundred Thousand Dollars~~

1 ~~(\$500,000.00)~~ One Million Dollars (\$1,000,000.00) for any related
2 series of violations.

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

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

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

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

23 Section 47.6 A. Any person who has been determined by the
24 Commission to have violated any provisions of the Hazardous Liquid

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

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

20 2. All penalties collected pursuant to the provisions of this
21 subsection shall be deposited in the Pipeline Enforcement Fund.

22 C. Any person who willfully and knowingly injures or destroys,
23 or attempts to injure or destroy, any hazardous liquid
24 transportation system, upon conviction thereof, shall be guilty of a

1 felony and shall be subject for each offense to a fine of not more
2 than Twenty-five Thousand Dollars (\$25,000.00), imprisonment for a
3 term not less than five (5) years and not to exceed fifteen (15)
4 years, or by both such fine and imprisonment.

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

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

10 COMMITTEE REPORT BY: COMMITTEE ON ENERGY
11 April 7, 2016 - DO PASS
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