

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 58th Legislature (2021)

4 ENGROSSED SENATE
5 BILL NO. 535

By: Bergstrom of the Senate

and

Lepak of the House

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9 An Act relating to the Corporation Commission;
10 amending 17 O.S. 2011, Section 6.1, as amended by
11 Section 1, Chapter 185, O.S.L. 2016 (17 O.S. Supp.
12 2020, Section 6.1), which relates to pipeline safety;
13 increasing maximum daily and administrative penalty
14 amount; updating statutory language; and providing an
15 effective date.

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

17 SECTION 1. AMENDATORY 17 O.S. 2011, Section 6.1, as
18 amended by Section 1, Chapter 185, O.S.L. 2016 (17 O.S. Supp. 2020,
19 Section 6.1), is amended to read as follows:

20 A. Any person who has been determined by the Commission to have
21 violated any provision of any rule, regulation, or order issued
22 pursuant to the provisions of the Commission related to pipeline
23 safety shall be liable for a civil penalty of not more than ~~One~~
24 ~~Hundred Thousand Dollars (\$100,000.00)~~ Two Hundred Thousand Dollars
 (\$200,000.00) for each day that ~~said~~ the violation continues. The

1 maximum civil penalty shall not exceed ~~One Million Dollars~~
2 ~~(\$1,000,000.00)~~ Two Million Dollars (\$2,000,000.00) for any related
3 series of violations.

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

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

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

22 SECTION 2. This act shall become effective November 1, 2021.

23 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND NATURAL RESOURCES,
24 dated 04/01/2021 - DO PASS.