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March 3, 2021

SENATE BILL NO. 536

By: Bergstrom of the Senate

and

Lepak of the House

An Act relating to oil and gas; amending 52 O.S. 2011, Section 47.6, as amended by Section 2, Chapter 185, O.S.L. 2016 (52 O.S. Supp. 2020, Section 47.6), which relates to pipeline safety; increasing maximum daily and administrative penalty amount; updating statutory language; and providing an effective date.

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

SECTION 1. AMENDATORY 52 O.S. 2011, Section 47.6, as amended by Section 2, Chapter 185, O.S.L. 2016 (52 O.S. Supp. 2020, Section 47.6), is amended to read as follows:

Section 47.6. A. Any person who has been determined by the Commission to have violated any provisions of the Hazardous Liquid Transportation System Safety Act or any rule, regulation, or order issued pursuant to the provisions of the Hazardous Liquid Transportation System Safety Act shall be liable for an administrative penalty of not more than ~~One Hundred Thousand Dollars (\$100,000.00)~~ Two Hundred Thousand Dollars (\$200,000.00) for each day that ~~said~~ the violation continues. The maximum administrative

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

4 B. 1. 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
13 Hazardous Liquid Transportation System Safety Act.

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

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

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

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
March 3, 2021 - DO PASS