

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 535</b>
<b>Version:</b>	<b>Engrossed Senate</b>
<b>Request Number:</b>	<b>N/A</b>
<b>Author:</b>	<b>Rep. Lepak</b>
<b>Date:</b>	<b>3/24/2021</b>
<b>Impact:</b>	<b>\$0</b>

**Research Analysis**

Engrossed SB535 doubles the cap on a penalty pursuant to provisions of the Corporation Commission related to pipeline safety. The amount of administrative penalty per day of violation would be capped at \$200,000, up from \$100,000. The maximum penalty increases from \$1,000,000 to \$2,000,000.

Prepared By: Sean Webster

**Fiscal Analysis**

SB 535 raises the maximum penalty that the Corporation Commission can levy for violations of pipeline safety from \$100,000 to \$200,000. According to officials at the Commission, the maximum penalty is only considered or levied in the most extreme cases of negligence, and has actually only been levied once out of thousands of cases heard on pipeline safety. Therefore, officials do not believe raising the fine will have any fiscal or revenue impact for the Commission. Accordingly, there should be no fiscal or revenue impact for the State.

Prepared By: Mariah Searock

**Other Considerations**

None.