

1 SB435
2 151437-1
3 By Senators Whatley and Ward
4 RFD: Commerce, Transportation, and Utilities
5 First Read: 11-APR-13

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8 SYNOPSIS: Under existing law, the Public Service
9 Commission may inspect gas pipeline systems and
10 hazardous liquid pipeline facilities in the state
11 and assess penalties for violations of safety
12 standards.

13 Under existing law, federal regulations also
14 provide safety standards for such systems and for
15 penalties for violations of safety standards.

16 This bill would increase the state penalties
17 for violations of the gas pipeline safety standards
18 and hazardous liquid pipeline facilities so that
19 they conform with the federal penalties.
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21 A BILL
22 TO BE ENTITLED
23 AN ACT
24

25 To amend Sections 37-4-87 and 37-4-96 of the Code of
26 Alabama 1975; to increase the penalties for violations of gas
27 pipeline systems and hazardous liquid pipeline facilities.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Sections 37-4-87 and 37-4-96 of the Code
3 of Alabama 1975, are amended to read as follows:

4 "§37-4-87.

5 "(a) Any person who violates any provision of this
6 article or of any regulation issued hereunder shall be subject
7 to a civil penalty ~~of not to exceed \$10,000.00~~ two hundred
8 thousand dollars (\$200,000) for each violation for each day
9 that the violation persists. However, the maximum civil
10 penalty shall not exceed ~~\$500,000.00~~ two million dollars
11 (\$2,000,000) for any related series of violations.

12 "(b) Any civil penalty may be compromised by the
13 commission. In determining the amount of the penalty, or the
14 amount agreed upon in compromise, the appropriateness of the
15 penalty to the size of the business of the person charged, the
16 gravity of the violation, and the good faith of the person
17 charged in attempting to achieve compliance, after
18 notification of a violation, shall be considered. The amount
19 of the penalty, when finally determined, or the amount agreed
20 upon in compromise, may be deducted from any sums owing by the
21 State of Alabama to the person charged, or may be recovered in
22 a civil action brought by the commission in the circuit court
23 of any county in which a violation exists.

24 "§37-4-96.

25 "(a) Any person who violates any provision of this
26 article or any regulation issued hereunder shall be subject to
27 a civil penalty not to exceed ~~\$10,000.00~~ two hundred thousand

1 dollars (\$200,000) for each violation for each day that the
2 violation persists. However, the maximum civil penalty shall
3 not exceed ~~\$500,000.00~~ two million dollars (\$2,000,000) for
4 any related series of violations.

5 "(b) In determining the amount of the penalty, the
6 appropriateness of the penalty to the size of the business of
7 the person charged, the gravity of the violation, and the good
8 faith of the person charged in attempting to achieve
9 compliance, after notification of a violation, shall be
10 considered. The amount of the penalty, when finally
11 determined, or the amount agreed upon in compromise, may be
12 deducted from any sums owing by the State of Alabama to the
13 person charged, or may be recovered in a civil action brought
14 by the commission in the circuit court of any county in which
15 a violation exists."

16 Section 2. This act shall become effective
17 immediately following its passage and approval by the
18 Governor, or its otherwise becoming law.