

FIRST REGULAR SESSION

# SENATE BILL NO. 543

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHATZ.

Read 1st time March 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

2251S.011

## AN ACT

To repeal section 386.572, RSMo, and to enact in lieu thereof one new section relating to civil penalties for violating federally mandated natural gas safety standards, with penalty provisions.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 386.572, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 386.572, to read as follows:

386.572. 1. No corporation, person, public utility, or municipality that  
2 owns any gas plant shall violate any law or any order, decision, decree, rule,  
3 direction, demand, or requirement of the commission or any part or portion  
4 thereof relating to federally mandated natural gas safety  
5 standards. Notwithstanding the above, a municipality that owns any gas plant  
6 shall be subject to the provisions of this section only for violations of natural gas  
7 safety laws, rules, or orders.

8 2. The maximum penalties for violations of federally mandated natural  
9 gas safety standards, or such stricter natural gas safety standards or rules as  
10 may be approved by the commission, shall [not be greater than fifteen thousand  
11 dollars for each violation with a maximum penalty for a continuing violation or  
12 a multiple series of violations of the same standard or rule provision not to exceed  
13 one hundred fifty thousand dollars,] **be subject to a civil penalty not to**  
14 **exceed an amount as determined by the United States Secretary of**  
15 **Transportation pursuant to 49 CFR Part 190.223(a)** notwithstanding any  
16 provisions of subsection 1 of section 386.570 to the contrary. [The maximum  
17 penalty for each violation shall increase to twenty thousand dollars, effective  
18 January 1, 2015, twenty-five thousand dollars, effective January 1, 2025, thirty

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

19 thousand dollars, effective January 1, 2035, and forty thousand dollars, effective  
20 January 1, 2040. The maximum penalty for a continuing violation or a multiple  
21 series of violations of the same standard or rule provision shall increase to two  
22 hundred thousand dollars, effective January 1, 2015, two hundred fifty thousand  
23 dollars, effective January 1, 2025, three hundred thousand dollars, effective  
24 January 1, 2035, and four hundred thousand dollars, effective January 1, 2040.]  
25 In determining the amount of the penalty, the commission shall consider the  
26 nature, circumstances, and gravity of the violation, and also shall consider, with  
27 respect to the entity found to have committed the violation:

- 28 (1) The degree of culpability;
- 29 (2) Any history of prior violations;
- 30 (3) The effect of the penalty on the entity's ability to continue operation;
- 31 (4) Any good faith effort in attempting to achieve compliance;
- 32 (5) Ability to pay the penalty; and
- 33 (6) Such other matters as are relevant in the case.

34 3. Every violation of a specific natural gas safety standard or rule by any  
35 corporation, person, public utility, or municipality that owns any gas plant is a  
36 separate and distinct offense, regardless of whether such violations relate to the  
37 same incident. In case of a continuing violation, each day's continuance thereof  
38 shall be a separate and distinct offense.

39 4. In construing and enforcing the provisions of this section, the act,  
40 omission, or failure of any officer, agent, or employee of any corporation, person,  
41 public utility, or municipality that owns any gas plant acting within the scope of  
42 official duties of employment shall in every case be considered the act, omission,  
43 or failure of such corporation, person, public utility, or municipality that owns  
44 any gas plant.