

1-1 By: Hegar S.B. No. 1293  
1-2 (In the Senate - Filed March 8, 2011; March 16, 2011, read  
1-3 first time and referred to Committee on Natural Resources;  
1-4 April 14, 2011, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 10, Nays 0; April 14, 2011,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1293 By: Hegar

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the amounts of administrative, civil, and criminal  
1-11 penalties for violations relating to certain pipelines.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 81.0531, Natural Resources Code, is  
1-14 amended by amending Subsection (b) and adding Subsection (b-1) to  
1-15 read as follows:

1-16 (b) The penalty may not exceed:

1-17 (1) \$25,000 [~~\$10,000~~] a day for each violation that is  
1-18 not related to pipeline safety; or

1-19 (2) \$100,000 a day for each violation that is related  
1-20 to pipeline safety.

1-21 (b-1) Each day a violation continues may be considered a  
1-22 separate violation for purposes of penalty assessments.

1-23 SECTION 2. Section 117.051, Natural Resources Code, is  
1-24 amended to read as follows:

1-25 Sec. 117.051. CIVIL PENALTY. A person who violates this  
1-26 chapter or a rule adopted by the commission under this chapter is  
1-27 subject to a civil penalty of not less than \$50 or [~~not~~] more than  
1-28 \$100,000 [~~\$25,000~~] for each act of violation and for each day of  
1-29 violation, provided that the maximum civil penalty that may be  
1-30 assessed for any related series of violations may not exceed \$1  
1-31 million [~~\$500,000~~].

1-32 SECTION 3. Subsection (b), Section 117.053, Natural  
1-33 Resources Code, is amended to read as follows:

1-34 (b) An offense under this section is punishable by a fine of  
1-35 not more than \$1 million [~~\$25,000~~], confinement in the Texas  
1-36 Department of Criminal Justice for a term of not more than five  
1-37 years, or both such fine and imprisonment.

1-38 SECTION 4. Subsection (b), Section 117.054, Natural  
1-39 Resources Code, is amended to read as follows:

1-40 (b) An offense under this section is punishable by a fine of  
1-41 not more than \$1 million [~~\$25,000~~], confinement in the Texas  
1-42 Department of Criminal Justice for a term of not more than 15 years,  
1-43 or both such fine and imprisonment.

1-44 SECTION 5. Section 121.204, Utilities Code, is amended to  
1-45 read as follows:

1-46 Sec. 121.204. CIVIL PENALTY. Each day of each violation of  
1-47 a safety standard adopted under this subchapter is subject to a  
1-48 civil penalty of not more than \$100,000 [~~\$25,000~~], except that the  
1-49 maximum penalty that may be assessed for any related series of  
1-50 violations may not exceed \$1 million [~~\$500,000~~]. The penalty is  
1-51 payable to the state.

1-52 SECTION 6. Subsection (b), Section 121.206, Utilities Code,  
1-53 is amended to read as follows:

1-54 (b) The penalty for each violation may not exceed \$100,000  
1-55 [~~\$10,000~~]. Each day a violation continues may be considered a  
1-56 separate violation for the purpose of penalty assessment.

1-57 SECTION 7. Section 121.302, Utilities Code, is amended by  
1-58 amending Subsection (a) and adding Subsection (a-1) to read as  
1-59 follows:

1-60 (a) A gas utility is subject to a civil penalty if the gas  
1-61 utility:

1-62 (1) violates this chapter;

1-63 (2) fails to perform a duty imposed by this chapter; or

2-1 (3) fails to comply with an order of the railroad  
2-2 commission if the order is not stayed or suspended by a court order.

2-3 (a-1) A penalty under this section is payable to the state  
2-4 and shall be not less than \$1,000 [~~\$100~~] and not more than \$100,000  
2-5 [~~\$1,000~~] for each violation or failure.

2-6 SECTION 8. Subsection (b), Section 121.304, Utilities Code,  
2-7 is amended to read as follows:

2-8 (b) The penalty for each violation or failure may not exceed  
2-9 \$100,000 [~~\$10,000~~] a day. Each day a violation continues may be  
2-10 considered a separate violation for purposes of penalty assessment.

2-11 SECTION 9. Subsection (b), Section 121.310, Utilities Code,  
2-12 is amended to read as follows:

2-13 (b) An offense under this section is punishable by a fine of  
2-14 not less than \$500 [~~\$50~~] and not more than \$1 million [~~\$1,000~~]. In  
2-15 addition to the fine, the offense may be punishable by confinement  
2-16 in jail for not less than 10 days nor more than six months.

2-17 SECTION 10. The changes in law made by this Act apply only  
2-18 to a violation committed on or after the effective date of this Act.  
2-19 A violation committed before the effective date of this Act is  
2-20 governed by the law in effect when the violation was committed, and  
2-21 the former law is continued in effect for that purpose. For  
2-22 purposes of this section, a violation was committed before the  
2-23 effective date of this Act if any element of the violation was  
2-24 committed before that date.

2-25 SECTION 11. This Act takes effect September 1, 2011.

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