

IMPLEMENTATION PLAN

Bill Number: SB 117 – Pipeline Safety

Chapter: 35, OR Laws 2021

Effective Date: Jan. 1, 2022

Amends natural gas pipeline safety penalty provisions in ORS 757.911

<i>Rulemaking Required?</i>	<i>Report Required?</i>	<i>Other</i>
Yes	No	

Sponsor:

Project Manager:

Support Team:

Bill Summary <https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/SB0117/Enrolled>

SB 117 amends ORS 757.991 to allow the PUC to set by rule the state of Oregon’s maximum civil penalties related to the enforcement of pipeline safety regulations. The purpose of the bill is to ensure Oregon’s maximum penalties are aligned with federal maximum civil penalties found in Title 49 CFR part 190.223 “Maximum Penalties.” Currently, maximum civil penalties allowed by Oregon under ORS 757.991 do not align with federal maximum penalties found under 49 CFR part 190.223 “Maximum Penalties.” They are set in statute at \$200,000 and \$2,000,000 respectively.

The bill authorizes the PUC to set state maximum civil penalties at amounts up to those set at the federal level. PHMSA periodically increases the maximum civil penalties, and when a state’s civil penalty isn’t in alignment with the federal maximum the state could face a loss of revenue, or in a worst case scenario the USDOT could revoke the state’s certification.

Major Tasks

The PUC will need to adopt rules setting the maximum penalties for pipeline safety violations equal to the maximum set forth in 49 C.F.R. 190.223

Fiscal Impacts

The PUC reported no fiscal impact for SB 117. Implementation of this measure requires new work to be done within the scope of existing positions at the PUC.

Implementation Considerations and Information

The federal penalties were recently updated.

Implementation

To implement SB 117, the PUC will open a rulemaking in the first quarter of 2022 to adopt rules in [OAR 860-024](#) to set Oregon maximum penalties for pipeline safety violations equal to the federal maximum amounts set forth in 49 C.F.R. 190.223