SECOND REGULAR SESSION

HOUSE BILL NO. 1636

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JONES (117) (Sponsor), ROORDA, GRISAMORE, BRUNS, WALTON, BROWN (30), ONDER AND BIVINS (Co-sponsors).

Read 1st time January 14, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

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AN ACT

To amend chapter 386, RSMo, by adding thereto one new section relating to natural gas safety penalties, with penalty provisions.

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

Section A. Chapter 386, RSMo, is amended by adding thereto one new section, to be known as section 386.572, to read as follows:

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

2. The maximum penalties for violations of federally mandated natural gas safety standards, or such stricter natural gas safety standards or rules as may be approved by the commission, shall not be greater than twenty-five thousand dollars for each violation with a maximum penalty for a continuing violation or a multiple series of violations of the same standard or rule provision not to exceed two hundred fifty thousand dollars, notwithstanding any provisions of subsection 1 of section 386.570 to the contrary. The maximum penalty for each violation shall increase to thirty thousand dollars, effective January 1, 2015, thirty-five thousand dollars, effective January 1, 2025, forty thousand

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- dollars, effective January 1, 2035, and fifty thousand dollars, effective January 1, 2040.
- 16 The maximum penalty for a continuing violation or a multiple series of violations of the
- 17 same standard or rule provision shall increase to three hundred thousand dollars, effective
- 18 January 1, 2015, three hundred fifty thousand dollars, effective January 1, 2025, four
- 19 hundred thousand dollars, effective January 1, 2035, and five hundred thousand dollars,
- 20 effective January 1, 2040. In determining the amount of the penalty, the commission shall
- 21 consider the nature, circumstances, and gravity of the violation, and also shall consider,
- 22 with respect to the entity found to have committed the violation:
 - (1) The degree of culpability;

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- (2) Any history of prior violations;
- (3) The effect of the penalty on the entity's ability to continue operation;
- (4) Any good faith effort in attempting to achieve compliance;
 - (5) Ability to pay the penalty; and
 - (6) Such other matters as are relevant in the case.
- 3. Every violation of a specific natural gas safety standard or rule by any corporation, person, public utility, or municipality that owns any gas plant is a separate and distinct offense, regardless of whether such violations relate to the same incident. In case of a continuing violation, each day's continuance thereof shall be a separate and distinct offense.
- 4. In construing and enforcing the provisions of this section, the act, omission, or failure of any officer, agent, or employee of any corporation, person, public utility, or municipality that owns any gas plant acting within the scope of official duties of employment shall in every case be considered the act, omission, or failure of such corporation, person, public utility, or municipality that owns any gas plant.

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