

**HOUSE BILL NO. 1064**

Introduced by

Energy and Natural Resources Committee

(At the request of the Public Service Commission)

1 A BILL for an Act to amend and reenact section 49-07-05.1 of the North Dakota Century Code,  
2 relating to the maximum penalty for a violation of pipeline safety standards.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 49-07-05.1 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **49-07-05.1. Violations of pipeline safety standards - Penalties.**

7 Any person who violates ~~any~~a rule or order issued ~~by~~of the commission pursuant to section  
8 49-02-01.2 is subject to a civil penalty to be imposed by the commission of not to exceed ~~ten~~two  
9 hundred thousand dollars for each ~~such~~ violation for each day that ~~such~~the violation  
10 ~~persists~~continues, except that the maximum penalty may not exceed ~~five hundred thousand~~two  
11 million dollars for any related series of violations. ~~Any such~~A civil penalty may be compromised  
12 by the commission. In determining the amount of ~~such~~a civil penalty, or the amount agreed  
13 upon in compromise, the commission shall consider the appropriateness of ~~such~~the penalty to  
14 the size of the business of the person charged, the nature, circumstances, and gravity of the  
15 violation, the degree of culpability, any history of prior violations, the effect on ability to continue  
16 to do business, ~~the ability to pay the penalty~~, the good faith of the person charged in attempting  
17 to achieve compliance, after notification of a violation, and such other matters as justice may  
18 require ~~must be considered~~. The amount of ~~such~~the penalty, when finally determined, or the  
19 amount agreed upon in compromise, may be deducted from any sums owing by the state of  
20 North Dakota to the person charged or may be recovered in a civil action in the district court of  
21 Burleigh County.