

SESSION OF 2021

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2329**

As Recommended by House Committee on  
Energy, Utilities and Telecommunications

**Brief\***

HB 2329 would modify the list of entities that are subject to Kansas Corporation Commission (KCC) rules and regulations adopted to ensure conformity with the federal Natural Gas Pipeline Safety Act (Act). The bill would make subject to such rules and regulations operators of “gathering lines,” or pipelines transporting gas from a current production facility to a transmission line or main, provided that such operators are regulated by the Act, and would remove an exclusion for farming or activities associated with the production of oil or gas.

The bill would increase the daily penalty for violating rules or regulations adopted pursuant to the Act from \$25,000 to \$200,000 and would increase the maximum penalty from \$1 million to \$2 million.

The bill would also make technical changes.

**Background**

The bill was introduced by the House Committee on Energy, Utilities, and Telecommunications.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

***House Committee on Energy, Utilities, and  
Telecommunications***

In the House Committee hearing, **proponent** testimony was provided by a representative of the KCC, who stated the bill would improve safety and help clarify the division between Kansas and federal pipeline safety jurisdictions.

No additional testimony was provided.

**Fiscal Information**

According to the fiscal note prepared by the Division of the Budget, KCC indicates enactment of the bill would result in an approximately \$15,000 annual increase in revenue for the agency due to the increase in civil penalties. Any fiscal effect associated with the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Pipeline safety; civil penalties; Kansas Corporation Commission