

# 48:2-86

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2007      **CHAPTER:** 118

**NJSA:** 48:2-86      (Increases civil penalties for safety violations in respect to natural gas or hazardous liquid facilities)

**BILL NO:** A792      (Substituted for S2609)

**SPONSOR(S):** Caraballo and others

**DATE INTRODUCED:** January 10, 2006

**COMMITTEE:**      **ASSEMBLY:** Telecommunications and Utilities  
                      **SENATE:** Economic Growth

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**      **ASSEMBLY:** June 21, 2007  
                                  **SENATE:** June 18, 2007

**DATE OF APPROVAL:** July 27, 2007

### FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (First reprint enacted)

#### A792

[SPONSOR'S STATEMENT:](#) (Begins on page 3 of original bill)      [Yes](#)

**COMMITTEE STATEMENT:**      [ASSEMBLY:](#)      [Yes](#)

[SENATE:](#)      [Yes](#)

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:**      No

**LEGISLATIVE FISCAL ESTIMATE:**      No

#### S2609

[SPONSOR'S STATEMENT:](#) (Begins on page 5 of original bill)      [Yes](#)

**COMMITTEE STATEMENT:**      **ASSEMBLY:**      No

[SENATE:](#)      [Yes](#)

**FLOOR AMENDMENT STATEMENT:**      No

**LEGISLATIVE FISCAL ESTIMATE:**      No

**VETO MESSAGE:**      No

**GOVERNOR'S PRESS RELEASE ON SIGNING:**      No

**FOLLOWING WERE PRINTED:**

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

IS 4/16/08

P.L. 2007, CHAPTER 118, *approved July 27, 2007*  
Assembly, No. 792 (*First Reprint*)

1 AN ACT concerning 'safety violations with respect to certain'  
2 natural gas **'[pipeline safety] or hazardous liquid facilities'** and  
3 amending **'[P.L.1989, c.80] various parts of the statutory law'**.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 <sup>1</sup>1. Section 14 of P.L.1994, c.118 (C.48:2-86) is amended to  
9 read as follows:

10 14. a. Whenever it appears to the board that a person has  
11 violated any provision of **[this act] P.L.1994, c.118 (C.48:2-73 et**  
12 **seq.)**, or any rule, regulation or order adopted pursuant thereto, it  
13 may issue an order specifying the provision or provisions of **[this**  
14 **act] P.L.1994, c.118**, or the rule, regulation or order of which the  
15 person is in violation, citing the action which constituted the  
16 violation, ordering abatement of the violation, and giving notice to  
17 the person of his right to a hearing on the matters contained in the  
18 order. Such order shall be effective upon receipt and any person to  
19 whom such order is directed shall comply with the order  
20 immediately.

21 b. The board may institute an action or proceeding in the  
22 Superior Court for injunctive and other relief for any violation of  
23 **[this act] P.L.1994, c.118 (C.48:2-73 et seq.)**, or of any rule or  
24 regulation adopted pursuant to **[this act] P.L.1994, c.118** and the  
25 court may proceed in the action in a summary manner. In any such  
26 proceeding the court may grant temporary or interlocutory relief,  
27 notwithstanding the provisions of R.S.48:2-24.

28 Such relief may include, singly or in combination:

29 (1) A temporary or permanent injunction; and

30 (2) Assessment of the violator for the costs of any investigation,  
31 inspection, or monitoring survey which led to the establishment of  
32 the violation, and for the reasonable costs of preparing and  
33 litigating the case under this subsection. Assessments under this  
34 subsection shall be paid to the State Treasurer.

35 The board or an affected operator may institute an action in the  
36 Superior Court to enjoin a person whose repeated failure to comply  
37 with the provisions of **[this act] P.L.1994, c.118** constitutes a threat  
38 to public safety from engaging in any further excavation or  
39 demolition work within the State, except under such terms and  
40 conditions as the Superior Court may prescribe to ensure the safety  
41 of the public.

42 c. The provisions of section 16 of **[this act] P.L.1994, c.118**  
43 **(C.48:2-88)** to the contrary notwithstanding, a person who is

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SEG committee amendments adopted May 14, 2007.

1 determined by the board, after notice and opportunity to be heard,  
2 to have violated any provision of **[this act]** P.L.1994, c.118  
3 (C.48:2-73 et seq.) or any rule, regulation, or order adopted  
4 pursuant thereto with respect to a natural gas underground pipeline  
5 or distribution facility, or a hazardous liquid underground pipeline  
6 or distribution facility, shall be liable to a civil penalty not to  
7 exceed **[\$25,000]** \$100,000 for each violation for each day the  
8 violation continues, except that the maximum civil penalty may not  
9 exceed **[\$500,000]** \$1,000,000 for any related series of violations.

10 Any civil penalty imposed pursuant to this subsection may be  
11 compromised by the board. In determining the amount of the  
12 penalty, or the amount agreed upon in compromise, the board shall  
13 consider the nature, circumstances, and gravity of the violation; the  
14 degree of the violator's culpability; any history of prior violations;  
15 the prospective effect of the penalty on the ability of the violator to  
16 conduct business; any good faith effort on the part of the violator in  
17 attempting to achieve compliance; the violator's ability to pay the  
18 penalty; and other factors the board determines to be appropriate.

19 The amount of the penalty when finally determined, or the  
20 amount agreed upon in compromise, may be deducted from any  
21 sums owing by the State to the person charged, or may be  
22 recovered, if necessary, in a summary proceeding pursuant to **["the**  
23 **penalty enforcement law,"** (N.J.S.2A:58-1 et seq.)] the "Penalty  
24 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).  
25 The Superior Court shall have jurisdiction to enforce the provisions  
26 of **["the penalty enforcement law"]** the "Penalty Enforcement Law  
27 of 1999" in connection with **[this act]** P.L.1994, c.118.

28 d. Pursuit of any remedy specified in this section shall not  
29 preclude the pursuit of any other remedy, including any civil  
30 remedy for damage to an operator's underground facilities or for  
31 damage to a person's property, provided by any other law.  
32 Administrative and judicial remedies provided in this section may  
33 be pursued simultaneously.<sup>1</sup>

34 (cf: P.L.1994, c.118, s.14)

35

36 <sup>1</sup>**[1.] 2.**<sup>1</sup> Section 1 of P.L.1989, c.80 (C.48:9-33) is amended to  
37 read as follows:

38 1. a. Any person who is determined by the Board of Public  
39 Utilities, after notice and opportunity to be heard, to have violated  
40 the provisions of any law, rule, regulation, or order relating to  
41 natural gas pipeline safety shall be subject to a civil penalty of not  
42 more than **[\$25,000]** \$100,000 for each such violation for each day  
43 that the violation persists, except that the maximum civil penalty  
44 shall not exceed **[\$500,000]** \$1,000,000 for any related series of  
45 violations.

46 b. Any civil penalty imposed pursuant to subsection a. of this

1 section may be compromised by the board. In determining the  
2 amount of the penalty, or the amount agreed upon in compromise,  
3 the board shall consider the nature, circumstances, and gravity of  
4 the violation; the degree of the violator's culpability; any history of  
5 prior violations; the prospective effect of the penalty on the ability  
6 of the violator to conduct business; any good faith on the part of the  
7 violator in attempting to achieve compliance; his ability to pay the  
8 penalty; and any other factors justice may require. The amount of  
9 the penalty, when finally determined, or the amount agreed upon in  
10 compromise, may be deducted from any sums owing by the State to  
11 the person charged, or may be recovered in a summary proceeding  
12 instituted by the board in Superior Court in accordance with ["the  
13 penalty enforcement law," N.J.S.2A:58-1 et seq] the "Penalty  
14 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

15 c. Whenever it shall appear to the board that a person has  
16 violated, intends to violate, or will violate any provision of any law,  
17 rule, regulation, or order relating to natural gas pipeline safety, the  
18 board may institute a civil action in Superior Court for injunctive  
19 relief or for any other appropriate relief under the circumstances,  
20 and the court may proceed on any such action in a summary  
21 manner.

22 (cf: P.L.1994, c.118, s.20)

23

24 '3. Section 1 of P.L.1971, c.62 (C.48:10-11) is amended to read  
25 as follows:

26 1. Any person who violates any provision of the Natural Gas  
27 Safety Act, (P.L.1952, c.166, C.48:10-2 et seq.) as amended and  
28 supplemented or any order, rule or regulation issued thereunder,  
29 shall be subject to a civil penalty of not more than **[\$2,500.00]**  
30 \$100,000 for each violation for each day that the violation persists;  
31 however, the maximum civil penalty shall not exceed  
32 **[\$200,000.00]** \$1,000,000 for any related series of violations.

33 Any civil penalty may be compromised by the Board of Public  
34 Utility Commissioners. In determining the amount of the penalty,  
35 or the amount agreed upon in compromise, the appropriateness of  
36 the penalty to the size of the business of the person charged, the  
37 gravity of the violation, and the good faith of the person charged in  
38 attempting to achieve compliance, after notification of a violation,  
39 shall be considered. The amount of the penalty, when finally  
40 determined, or the amount agreed upon in compromise, may be  
41 deducted from any sums owing by the State to the person charged  
42 or may be recovered in a summary proceeding in accordance with  
43 ["the penalty enforcement law" (N.J.S.2A:58-1 et seq.)] the  
44 "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10  
45 et seq.). The Superior Court and the municipal court shall have  
46 jurisdiction to enforce the provisions of **[this act]** P.L.1952, c.166

1 (C.48:10-2 et seq.).<sup>1</sup>  
2 (cf: P.L.1991, c.91, s.473)

3

4 <sup>1</sup>**[2.]** 4.<sup>1</sup> This act shall take effect immediately.

5

6

7

8

9 Increases civil penalties for safety violations with respect to  
10 certain natural gas or hazardous liquid facilities.

**ASSEMBLY, No. 792**

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**STATE OF NEW JERSEY**

**212th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

**Sponsored by:**

**Assemblyman WILFREDO CARABALLO**

**District 29 (Essex and Union)**

**Assemblyman PETER J. BARNES, JR.**

**District 18 (Middlesex)**

**Assemblyman JOHN J. BURZICHELLI**

**District 3 (Salem, Cumberland and Gloucester)**

**SYNOPSIS**

Increases penalties for natural gas pipeline safety violations.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



**(Sponsorship Updated As Of: 3/3/2006)**

1 AN ACT concerning natural gas pipeline safety and amending  
2 P.L.1989, c.80.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 1 of P.L.1989, c.80 (C.48:9-33) is amended to read as  
8 follows:

9 1. a. Any person who is determined by the Board of Public  
10 Utilities, after notice and opportunity to be heard, to have violated  
11 the provisions of any law, rule, regulation, or order relating to  
12 natural gas pipeline safety shall be subject to a civil penalty of not  
13 more than **[\$25,000]** \$100,000 for each such violation for each day  
14 that the violation persists, except that the maximum civil penalty  
15 shall not exceed **[\$500,000]** \$1,000,000 for any related series of  
16 violations.

17 b. Any civil penalty imposed pursuant to subsection a. of this  
18 section may be compromised by the board. In determining the  
19 amount of the penalty, or the amount agreed upon in compromise,  
20 the board shall consider the nature, circumstances, and gravity of  
21 the violation; the degree of the violator's culpability; any history of  
22 prior violations; the prospective effect of the penalty on the ability  
23 of the violator to conduct business; any good faith on the part of the  
24 violator in attempting to achieve compliance; his ability to pay the  
25 penalty; and any other factors justice may require. The amount of  
26 the penalty, when finally determined, or the amount agreed upon in  
27 compromise, may be deducted from any sums owing by the State to  
28 the person charged, or may be recovered in a summary proceeding  
29 instituted by the board in Superior Court in accordance with **["the**  
30 **penalty enforcement law," N.J.S.2A:58-1 et seq]** the "Penalty  
31 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

32 c. Whenever it shall appear to the board that a person has  
33 violated, intends to violate, or will violate any provision of any law,  
34 rule, regulation, or order relating to natural gas pipeline safety, the  
35 board may institute a civil action in Superior Court for injunctive  
36 relief or for any other appropriate relief under the circumstances,  
37 and the court may proceed on any such action in a summary  
38 manner.

39 (cf: P.L.1994, c.118, s.20)

40

41 2. This act shall take effect immediately.

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**



1 STATEMENT

2

3 This bill changes the maximum civil penalty for natural gas  
4 pipeline safety violations from \$25,000 to \$100,000 for each day of  
5 violation and the maximum civil penalty for any related series of  
6 violations from \$500,000 to \$1,000,000.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 792**

**STATE OF NEW JERSEY**

DATED: MARCH 6, 2006

The Assembly Telecommunications and Utilities Committee reports favorably Assembly Bill No. 792.

As reported, this bill changes the maximum civil penalty for natural gas pipeline safety violations from \$25,000 to \$100,000 for each day of violation and the maximum civil penalty for any related series of violations from \$500,000 to \$1,000,000.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 792**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MAY 14, 2007

The Senate Economic Growth Committee reports favorably Assembly Bill No. 792 with committee amendments.

As amended, this bill amends the “Underground Facility Protection Act,” P.L.1994, c.118 (C.48:2-73 et seq.), by changing the maximum civil penalty violation provisions concerning a natural gas underground pipeline or distribution facility or a hazardous liquid underground pipeline or distribution facility from \$25,000 to \$100,000 for each violation for each day the violation continues and from \$500,000 to \$1 million for any related series of violations. The bill amends P.L.1989, c.80 (C.48:9-33), which concerns natural gas pipeline safety, by changing the maximum civil penalty violation provisions from \$25,000 to \$100,000 for each violation for each day the violation persists and from \$500,000 to \$1 million for any related series of violations. Further, the bill amends the provisions of the Natural Gas Safety Act, P.L.1952, c.166 (C.48:10-2 et seq.) by changing the maximum civil penalties for violations of that act from \$2,500 to \$100,000 for each violation for each day the violation persists and from \$200,000 to \$1 million for any related series of violations.

The increases in such maximum civil penalties allow the State to be in compliance with the federal pipeline safety program established under both the “Natural Gas Pipeline Safety Act of 1968” (49 U.S.C. s.1671 et seq.) and the “Hazardous Liquid Pipeline Safety Act of 1979” (49 U.S.C. s.2001 et seq.), and allow the State to continue to receive federal funding under that program. Federal law, in 49 U.S.C. s.60122(a)(1), establishes maximum civil penalties for violations of certain natural gas or hazardous liquid pipeline facility safety rules of \$100,000 for each day a violation continues and \$1 million for any related series of violations.

The committee amended the bill to increase the penalty provisions applied to the maximum civil penalty violation provisions of the Underground Facility Protection Act and the Natural Gas Safety Act.

As amended and reported by the committee, Assembly Bill, No. 792 is identical to Senate Bill, No. 2609 which was also reported by the committee on this date.

# SENATE, No. 2609

## STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED MARCH 15, 2007

**Sponsored by:**

**Senator RAYMOND J. LESNIAK**

**District 20 (Union)**

**Senator JOSEPH M. KYRILLOS, JR.**

**District 13 (Middlesex and Monmouth)**

**SYNOPSIS**

Increases civil penalties for safety violations with respect to certain natural gas or hazardous liquid facilities.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 5/11/2007)**

1 AN ACT concerning safety violations with respect to certain natural  
2 gas or hazardous liquid facilities and amending various parts of  
3 the statutory law.

4  
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*

7  
8 1. Section 14 of P.L.1994, c.118 (C.48:2-86) is amended to read  
9 as follows:

10 14. a. Whenever it appears to the board that a person has  
11 violated any provision of **[this act] P.L.1994, c.118 (C.48:2-73 et**  
12 **seq.)**, or any rule, regulation or order adopted pursuant thereto, it  
13 may issue an order specifying the provision or provisions of **[this**  
14 **act] P.L.1994, c.118**, or the rule, regulation or order of which the  
15 person is in violation, citing the action which constituted the  
16 violation, ordering abatement of the violation, and giving notice to  
17 the person of his right to a hearing on the matters contained in the  
18 order. Such order shall be effective upon receipt and any person to  
19 whom such order is directed shall comply with the order  
20 immediately.

21 b. The board may institute an action or proceeding in the  
22 Superior Court for injunctive and other relief for any violation of  
23 **[this act] P.L.1994, c.118 (C.48:2-73 et seq.)**, or of any rule or  
24 regulation adopted pursuant to **[this act] P.L.1994, c.118** and the  
25 court may proceed in the action in a summary manner. In any such  
26 proceeding the court may grant temporary or interlocutory relief,  
27 notwithstanding the provisions of R.S.48:2-24.

28 Such relief may include, singly or in combination:

29 (1) A temporary or permanent injunction; and

30 (2) Assessment of the violator for the costs of any investigation,  
31 inspection, or monitoring survey which led to the establishment of  
32 the violation, and for the reasonable costs of preparing and  
33 litigating the case under this subsection. Assessments under this  
34 subsection shall be paid to the State Treasurer.

35 The board or an affected operator may institute an action in the  
36 Superior Court to enjoin a person whose repeated failure to comply  
37 with the provisions of **[this act] P.L.1994, c.118** constitutes a threat  
38 to public safety from engaging in any further excavation or  
39 demolition work within the State, except under such terms and  
40 conditions as the Superior Court may prescribe to ensure the safety  
41 of the public.

42 c. The provisions of section 16 of **[this act] P.L.1994, c.118**  
43 **(C.48:2-88)** to the contrary notwithstanding, a person who is  
44 determined by the board, after notice and opportunity to be heard,  
45 to have violated any provision of **[this act] P.L.1994, c.118**

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 (C.48:2-73 et seq.) or any rule, regulation, or order adopted  
2 pursuant thereto with respect to a natural gas underground pipeline  
3 or distribution facility, or a hazardous liquid underground pipeline  
4 or distribution facility, shall be liable to a civil penalty not to  
5 exceed **[\$25,000]** \$100,000 for each violation for each day the  
6 violation continues, except that the maximum civil penalty may not  
7 exceed **[\$500,000]** \$1,000,000 for any related series of violations.

8 Any civil penalty imposed pursuant to this subsection may be  
9 compromised by the board. In determining the amount of the  
10 penalty, or the amount agreed upon in compromise, the board shall  
11 consider the nature, circumstances, and gravity of the violation; the  
12 degree of the violator's culpability; any history of prior violations;  
13 the prospective effect of the penalty on the ability of the violator to  
14 conduct business; any good faith effort on the part of the violator in  
15 attempting to achieve compliance; the violator's ability to pay the  
16 penalty; and other factors the board determines to be appropriate.

17 The amount of the penalty when finally determined, or the  
18 amount agreed upon in compromise, may be deducted from any  
19 sums owing by the State to the person charged, or may be  
20 recovered, if necessary, in a summary proceeding pursuant to **["the**  
21 **penalty enforcement law," (N.J.S.2A:58-1 et seq.)]** the "Penalty  
22 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).  
23 The Superior Court shall have jurisdiction to enforce the provisions  
24 of **["the penalty enforcement law"]** the "Penalty Enforcement Law  
25 of 1999" in connection with **[this act]** P.L.1994, c.118.

26 d. Pursuit of any remedy specified in this section shall not  
27 preclude the pursuit of any other remedy, including any civil  
28 remedy for damage to an operator's underground facilities or for  
29 damage to a person's property, provided by any other law.  
30 Administrative and judicial remedies provided in this section may  
31 be pursued simultaneously.  
32 (cf: P.L.1994, c.118, s.14)

33  
34 2. Section 1 of P.L.1989, c.80 (C.48:9-33) is amended to read as  
35 follows:

36 1. a. Any person who is determined by the Board of Public  
37 Utilities, after notice and opportunity to be heard, to have violated  
38 the provisions of any law, rule, regulation, or order relating to  
39 natural gas pipeline safety shall be subject to a civil penalty of not  
40 more than **[\$25,000]** \$100,000 for each such violation for each day  
41 that the violation persists, except that the maximum civil penalty  
42 shall not exceed **[\$500,000]** \$1,000,000 for any related series of  
43 violations.

44 b. Any civil penalty imposed pursuant to subsection a. of this  
45 section may be compromised by the board. In determining the  
46 amount of the penalty, or the amount agreed upon in compromise,  
47 the board shall consider the nature, circumstances, and gravity of

1 the violation; the degree of the violator's culpability; any history of  
2 prior violations; the prospective effect of the penalty on the ability  
3 of the violator to conduct business; any good faith on the part of the  
4 violator in attempting to achieve compliance; **[his]** the violator's  
5 ability to pay the penalty; and any other factors justice may require.  
6 The amount of the penalty, when finally determined, or the amount  
7 agreed upon in compromise, may be deducted from any sums owing  
8 by the State to the person charged, or may be recovered in a  
9 summary proceeding instituted by the board in Superior Court in  
10 accordance with **[**"the penalty enforcement law," N.J.S.2A:58-1 et  
11 seq**]** the "Penalty Enforcement Law of 1999," P.L.1999, c.274  
12 (C.2A:58-10 et seq.).

13 c. Whenever it shall appear to the board that a person has  
14 violated, intends to violate, or will violate any provision of any law,  
15 rule, regulation, or order relating to natural gas pipeline safety, the  
16 board may institute a civil action in Superior Court for injunctive  
17 relief or for any other appropriate relief under the circumstances,  
18 and the court may proceed on any such action in a summary  
19 manner.

20 (cf: P.L.1994, c.118, s.20)

21

22 3. Section 1 of P.L.1971, c.62 (C.48:10-11) is amended to read  
23 as follows:

24 1. Any person who violates any provision of the Natural Gas  
25 Safety Act, (P.L.1952, c.166, C.48:10-2 et seq.) as amended and  
26 supplemented or any order, rule or regulation issued thereunder,  
27 shall be subject to a civil penalty of not more than **[\$2,500.00]**  
28 \$100,000 for each violation for each day that the violation persists;  
29 however, the maximum civil penalty shall not exceed  
30 **[\$200,000.00]** \$1,000,000 for any related series of violations.

31 Any civil penalty may be compromised by the Board of Public  
32 Utility Commissioners. In determining the amount of the penalty,  
33 or the amount agreed upon in compromise, the appropriateness of  
34 the penalty to the size of the business of the person charged, the  
35 gravity of the violation, and the good faith of the person charged in  
36 attempting to achieve compliance, after notification of a violation,  
37 shall be considered. The amount of the penalty, when finally  
38 determined, or the amount agreed upon in compromise, may be  
39 deducted from any sums owing by the State to the person charged  
40 or may be recovered in a summary proceeding in accordance with  
41 **[**"the penalty enforcement law" (N.J.S.2A:58-1 et seq.)**]** the  
42 "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10  
43 et seq.). The Superior Court and the municipal court shall have  
44 jurisdiction to enforce the provisions of **[this act]** P.L.1952, c.166  
45 (C.48:10-2 et seq.).

46 (cf: P.L.1991, c.91, s.473)

1       4. This act shall take effect immediately.

2

3

4

STATEMENT

5

6       This bill amends the “Underground Facility Protection Act,”  
7 P.L.1994, c.118 (C.48:2-73 et seq.), by changing the maximum civil  
8 penalty violation provisions concerning a natural gas underground  
9 pipeline or distribution facility or a hazardous liquid underground  
10 pipeline or distribution facility from \$25,000 to \$100,000 for each  
11 violation for each day the violation continues and from \$500,000 to  
12 \$1 million for any related series of violations. The bill amends  
13 P.L.1989, c.80 (C.48:9-33) et seq., which concerns natural gas  
14 pipeline safety, by changing the maximum civil penalty violation  
15 provisions from \$25,000 to \$100,000 for each violation for each day  
16 the violation persists and from \$500,000 to \$1 million for any  
17 related series of violations. Further, the bill amends the provisions  
18 of the “Natural Gas Safety Act,” P.L.1952, c.166 (C.48:10-2 et seq.)  
19 by changing the maximum civil penalties for violations of that act  
20 from \$2,500 to \$100,000 for each violation for each day the  
21 violation persists and from \$200,000 to \$1 million for any related  
22 series of violations.

23       The increases in such maximum civil penalties allow the State to  
24 be in compliance with the federal pipeline safety program  
25 established under both the “Natural Gas Pipeline Safety Act of  
26 1968” (49 U.S.C. 1671 et seq.) and the “Hazardous Liquid Pipeline  
27 Safety Act of 1979” (49 U.S.C. 2001, et seq.), and allow the State  
28 to continue to receive federal funding under that program. Federal  
29 law, in 49 U.S.C. s.60122(a)(1), establishes maximum civil  
30 penalties for violations of certain natural gas or hazardous liquid  
31 pipeline facility safety rules of \$100,000 for each day a violation  
32 continues and \$1 million for any related series of violations.



# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### SENATE, No. 2609

# STATE OF NEW JERSEY

DATED: MAY 14, 2007

The Senate Economic Growth Committee reports favorably Senate Bill No. 2609.

This bill amends the "Underground Facility Protection Act," P.L.1994, c.118 (C.48:2-73 et seq.), by changing the maximum civil penalty violation provisions concerning a natural gas underground pipeline or distribution facility or a hazardous liquid underground pipeline or distribution facility from \$25,000 to \$100,000 for each violation for each day the violation continues and from \$500,000 to \$1 million for any related series of violations. The bill amends P.L.1989, c.80 (C.48:9-33), which concerns natural gas pipeline safety, by changing the maximum civil penalty violation provisions from \$25,000 to \$100,000 for each violation for each day the violation persists and from \$500,000 to \$1 million for any related series of violations. Further, the bill amends the provisions of the Natural Gas Safety Act, P.L.1952, c.166 (C.48:10-2 et seq.) by changing the maximum civil penalties for violations of that act from \$2,500 to \$100,000 for each violation for each day the violation persists and from \$200,000 to \$1 million for any related series of violations.

The increases in such maximum civil penalties allow the State to be in compliance with the federal pipeline safety program established under both the "Natural Gas Pipeline Safety Act of 1968" (49 U.S.C. s.1671 et seq.) and the "Hazardous Liquid Pipeline Safety Act of 1979" (49 U.S.C. s.2001 et seq.), and allow the State to continue to receive federal funding under that program. Federal law, in 49 U.S.C. s.60122(a)(1), establishes maximum civil penalties for violations of certain natural gas or hazardous liquid pipeline facility safety rules of \$100,000 for each day a violation continues and \$1 million for any related series of violations.

As reported by the committee, Senate Bill, No. 2609 is identical to Assembly Bill, No. 792 which was amended and also reported by the committee on this date.