### SESSION OF 2021

### SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2329

#### <u>As Amended by House Committee on Energy.</u> <u>Utilities and Telecommunications</u>

### **Brief\***

HB 2329, as amended, 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.

### Background

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

On March 5, 2021, the bill was withdrawn from the House Calendar and referred to the House Committee on Appropriations. The bill was referred back to the House Committee on March 10, 2021. The House Committee then amended the bill.

<sup>\*</sup>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.

The House Committee amended the bill to remove provisions to increase civil penalties for violations pursuant to the bill.

# **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, 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. [*Note:* The House Committee removed increases in civil penalties.] Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Pipeline safety; Kansas Corporation Commission