

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 55th Legislature (2016)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1411

By: Morrissette and Murphey

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8 COMMITTEE SUBSTITUTE

9 An Act relating to oil and gas; directing the
10 Corporation Commission to implement a certain system
11 of regulations for Class II disposal wells;
12 specifying amount of certain administrative penalty;
13 requiring certain notice and hearing; providing for
14 certain considerations; directing deposit of certain
15 penalties; providing for codification; and declaring
16 an emergency.

17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 139.1 of Title 52, unless there
20 is created a duplication in numbering, reads as follows:

21 A. In exercising jurisdiction over Class II disposal wells as
22 provided for in Section 139 of Title 52 of the Oklahoma Statutes,
23 the Corporation Commission shall implement a system of regulations
24 which substantially duplicates the administration, hearing and

1 penalty assessment process outlined in the Oklahoma Storage Tank
2 Regulation Act.

3 B. 1. Any Class II disposal site operator who has been
4 determined by the Commission to have violated any provisions of a
5 disposal well volume cutback plan issued by the Commission shall be
6 liable for an administrative penalty in an amount of not more than
7 three times the penalty established in subsection A of Section 311
8 of Title 17 of the Oklahoma Statutes for each day that violation
9 continues.

10 2. The amount of the penalty shall be assessed by the
11 Commission pursuant to the provisions of paragraph 1 of this
12 subsection, after notice and hearing. In determining the amount of
13 the penalty, the Commission shall include but not be limited to
14 consideration of the nature, circumstances and gravity of the
15 violation and, with respect to the person found to have committed
16 the violation, the degree of culpability, the effect on ability of
17 the person to continue to do business, and any show of good faith in
18 attempting to achieve compliance with the provisions of this
19 section.

20 3. All penalties collected pursuant to the provisions of this
21 section shall be deposited in the Oklahoma Storage Tank Regulation
22 Revolving Fund.

23 SECTION 2. It being immediately necessary for the preservation
24 of the public peace, health and safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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4 COMMITTEE REPORT BY: COMMITTEE ON STATE GOVERNMENT OPERATIONS, dated
5 02/24/2016 - DO PASS, As Amended and Coauthored.

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