SB0692/803997/1

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL 692 (Third Reading File Bill)

AMENDMENT NO. 1

On page 2, in line 2, strike "<u>a</u>"; in line 3, strike "<u>penalty</u>" and substitute "<u>penalties on or after a certain date</u>"; in line 4, strike "<u>a</u>"; in line 5, strike "<u>provision</u>" and substitute "<u>provisions</u>"; in the same line, strike "<u>penalties imposed</u>" and substitute "<u>corrective action taken</u>"; in line 14, before "declaring" insert "<u>altering the maximum</u> daily civil penalty that may be imposed on a public service company for certain safety violations; removing a certain cap on the total civil penalty that may be imposed for a <u>related series of safety violations</u>;"; strike beginning with "<u>requiring</u>" in line 22 down through "<u>date</u>;" in line 24; and after line 36, insert:

"BY repealing and reenacting, with amendments,

<u>Article - Public Utilities</u> <u>Section 13-201 and 13-202</u> <u>Annotated Code of Maryland</u> (2010 Replacement Volume)".

AMENDMENT NO. 2

On page 7, in line 4, after "**OUTAGE**;" insert "<u>AND</u>"; in line 6, strike "<u>; AND</u>" and substitute a period; and strike in their entirety lines 7 through 9, inclusive.

On page 9, strike in their entirety lines 13 through 27, inclusive; in line 28, strike "<u>3.</u>" and substitute "<u>2.</u>"; and in line 31, strike "<u>4.</u>" and substitute "<u>3.</u>".

AMENDMENT NO. 3

On page 5, in line 26, strike "<u>MAY IMPOSE A PENALTY</u>" and substitute "<u>SHALL</u> <u>TAKE APPROPRIATE CORRECTIVE ACTION</u>".

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On pages 5 and 6, strike beginning with "<u>IN</u>" in line 30 on page 5 down through "<u>YEAR</u>" in line 1 on page 6 and substitute "<u>, INCLUDING, ON OR AFTER JULY 1</u>, 2014, THE IMPOSITION OF APPROPRIATE CIVIL PENALTIES FOR NONCOMPLIANCE AS PROVIDED IN § 13-201 OF THIS ARTICLE".

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On page 9, after line 12, insert:

"<u>13–201.</u>

(a) This section does not apply to a violation of the following provisions of this article:

- (1) <u>Title 5, Subtitle 4;</u>
- (2) <u>Title 7, Subtitle 1;</u>
- (3) § 7-213 AS IT APPLIES TO ELECTRIC COOPERATIVES;
- (4) <u>Title 8, Subtitles 1 and 3;</u>
- [(4)] (5) <u>Title 9, Subtitle 3; and</u>
- [(5)] (6) <u>Title 8, Subtitle 4.</u>

(b) (1) Except as provided in paragraph (2) of this subsection, the Commission may impose a civil penalty not exceeding \$10,000 against a person who violates a provision of this division, or an effective and outstanding direction, ruling, order, rule, or regulation of the Commission.

(2) <u>The civil penalty that the Commission may impose on a common</u> <u>carrier for each violation may not exceed \$2,500.</u>

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(c) (1) <u>A civil penalty may be imposed in addition to any other penalty</u> <u>authorized by this division.</u>

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(2) Each violation is a separate offense.

(3) Each day or part of a day the violation continues is a separate offense.

(d) <u>The Commission shall determine the amount of any civil penalty after</u> considering:

- (1) the number of previous violations of any provision of this article;
- (2) the gravity of the current violation;

(3) the good faith efforts of the violator in attempting to achieve compliance after notification of the violation; and

(4) any other matter that the Commission considers appropriate and relevant.

(e) <u>A civil penalty collected under this section shall be paid into the General</u> <u>Fund of the State.</u>

<u>13–202.</u>

(a) In this section, "safety violation" means a condition or activity likely to cause injury or harm to an individual or property.

(b) This section does not apply to a safety violation by a gas company that is subject to § 13–203 of this subtitle.

(Over)

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(c) (1) Subject to paragraph (2) of this subsection, a public service company that violates a provision of this division that relates to safety is subject to a civil penalty not exceeding [\$500] **\$10,000** for each violation for each day that the violation persists.

(2) [The maximum civil penalty may not exceed:

(i) <u>\$50,000 for a related series of violations; or</u>

(ii) for] FOR a common carrier, THE MAXIMUM CIVIL PENALTY MAY NOT EXCEED \$500 for each violation or related series of violations stemming from a single safety inspection.

(d) In determining the amount of a civil penalty imposed under this section, the Commission shall consider the:

(1) appropriateness of the penalty to the size of the public service company;

(2) <u>number of previous violations of this article by the public service</u> <u>company;</u>

(3) gravity of the current violation; and

(4) good faith of the public service company in attempting to achieve compliance after notification of the violation.

(e) The public service company involved may request reconsideration of a penalty imposed under this section within 30 days after the date of notification of the determination.".

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