
SENATE BILL NO. 3—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE PUBLIC UTILITIES COMMISSION)

PREFILED JANUARY 26, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Revises certain provisions relating to regulation of public utilities. (BDR 58-656)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public utilities; revising civil penalties for violations involving certain pipelines; repealing certain provisions relating to railroads; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law provides for a civil penalty to be imposed upon a person who
2 violates any regulation of the Public Utilities Commission which was adopted to
3 conform with the federal Natural Gas Pipeline Safety Act of 1968. (NRS 704.595)
4 The federal Natural Gas Pipeline Safety Act of 1968, as amended, allows the Public
5 Utilities Commission to receive federal funding to regulate pipeline safety.
6 However, such funding is conditioned upon the State imposing civil penalties for a
7 violation of any state or federal regulation adopted in conformity with the Act
8 which are substantially the same as those provided in the federal Act. (49 U.S.C. §§
9 60101 et seq.) In 2002, Congress amended the federal Act to increase the maximum
10 civil penalties. (49 U.S.C. § 60122)

11 To comply with the federal Act, this bill increases the maximum amount of
12 civil penalties which the State may impose for violating a regulation of the Public
13 Utilities Commission which was adopted to conform with the federal Natural Gas
14 Pipeline Safety Act.

15 Under existing law, the Public Utilities Commission has the power to regulate
16 certain aspects of railroad operations. (NRS 704.050, 704.060, 704.140, 704.150,
17 704.160, 704.170, 705.030-705.080, 705.210, 705.230, 705.240, 705.360, 705.380-
18 705.420 and 705.440)

19 This bill repeals these existing laws.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 704.595 is hereby amended to read as follows:
2 704.595 1. Any person who violates any provision of any
3 regulation adopted by the Commission in conformity with the
4 Natural Gas Pipeline Safety Act of 1968 ~~§~~, *as amended*, 49 U.S.C.
5 §§ ~~§§ 60101~~ *60101* et seq. , ~~§~~ *or* with a federal regulation adopted
6 pursuant thereto , shall be subject to a civil penalty not to exceed
7 ~~[\$10,000]~~ *\$100,000* for each violation for each day that the violation
8 persists, but the maximum civil penalty must not exceed ~~[\$500,000]~~
9 *\$1,000,000* for any related series of violations. Unless
10 compromised, the amount of any such civil penalty must be
11 determined by a court of competent jurisdiction.
12 2. Any civil penalty may be compromised by the Commission.
13 In determining the amount of the penalty, or the amount agreed
14 upon in compromise, the appropriateness of the penalty to the size
15 of the business of the person charged, the gravity of the violation,
16 and the good faith of the person charged in attempting to achieve
17 compliance, after notification of a violation, must be considered.
18 3. The amount of the penalty, when finally determined, or the
19 amount agreed upon in compromise, may be deducted from any sum
20 owing by the State to the person charged or may be recovered in a
21 civil action in any court of competent jurisdiction.
22 **Sec. 2.** NRS 704.050, 704.060, 704.140, 704.150, 704.160,
23 704.170, 705.030, 705.040, 705.050, 705.060, 705.070, 705.080,
24 705.210, 705.230, 705.240, 705.360, 705.380, 705.390, 705.420 and
25 705.440 are hereby repealed.

LEADLINES OF REPEALED SECTIONS

704.050 Special contract rates.
704.060 Charge for shorter haul included within longer haul.
704.140 Free or reduced rates for transportation unlawful;
exceptions; penalty.
704.150 Duty of connecting railroad to transfer car for just and
reasonable charge.
704.160 Duty of railroad to provide and maintain depots, stations
and other facilities.
704.170 Duty of railroad to furnish freight cars to shippers;
regulations.
705.030 Contract reserving title or lien as security for full
payment.



705.040 Lease containing stipulation for conditional sale of equipment at termination of lease.

705.050 Validity of contract for conditional sale.

705.060 Contract recorded with Secretary of State; recording of declaration of full payment; fees.

705.070 NRS 705.030 to 705.060, inclusive, not to invalidate contracts made before March 27, 1913.

705.080 Sale, transfer or lease of property and franchises to corporation: Consent of stockholders; operation by buyer or lessee.

705.210 Employees' hours of employment limited; penalties.

705.230 Unlawful compulsion or requirement of purchase of uniform or apparel as condition of continued employment; penalty.

705.240 Engineer required to be able to read timetables and ordinary handwriting; penalty.

705.360 Headlights on locomotive; penalty.

705.380 Windshield made of safety glass, electric head lamps, wiper and other equipment required on motor car used for transporting employees; penalty.

705.390 Protection of flagman and trainman employed on certain dates from discharge or loss of employment.

705.420 Penalty.

705.440 Illegal rates and charges; penalty.

