

Union Calendar No. 631

114TH CONGRESS
2^D SESSION

H. R. 4937

[Report No. 114–807, Part I]

To amend title 49, United States Code, to reauthorize pipeline safety programs and enhance pipeline safety, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 14, 2016

Mr. DENHAM (for himself, Mr. CAPUANO, Mr. SHUSTER, and Mr. DEFAZIO) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

NOVEMBER 14, 2016

Reported from the Committee on Transportation and Infrastructure with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

NOVEMBER 14, 2016

The Committee on Energy and Commerce discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on April 14, 2016]

A BILL

To amend title 49, United States Code, to reauthorize pipeline safety programs and enhance pipeline safety, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REF-**
 4 **ERENCES.**

5 (a) *SHORT TITLE.*—*This Act may be cited as the “Pro-*
 6 *tecting our Infrastructure of Pipelines and Enhancing Safe-*
 7 *ty Act of 2016” or the “PIPES Act of 2016”.*

8 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 9 *this Act is as follows:*

- Sec. 1. Short title; table of contents; references.*
- Sec. 2. Authorization of appropriations.*
- Sec. 3. Failure of PHMSA to implement statutory mandates.*
- Sec. 4. Natural gas integrity management review.*
- Sec. 5. Hazardous liquid integrity management review.*
- Sec. 6. Technical safety standards committees.*
- Sec. 7. Inspection report information.*
- Sec. 8. Improving damage prevention technology.*
- Sec. 9. Workforce management.*
- Sec. 10. Information-sharing system.*
- Sec. 11. Nationwide integrated pipeline safety regulatory database.*
- Sec. 12. Underground natural gas storage facilities.*
- Sec. 13. Joint inspection and oversight.*
- Sec. 14. Safety data sheets.*
- Sec. 15. Hazardous materials identification numbers.*
- Sec. 16. Emergency order authority.*
- Sec. 17. State grant funds.*
- Sec. 18. Response plans.*
- Sec. 19. High consequence areas.*
- Sec. 20. Pipeline safety technical assistance grants.*
- Sec. 21. Study of materials and corrosion prevention in pipeline transportation.*
- Sec. 22. Research and development.*
- Sec. 23. Active and abandoned pipelines.*
- Sec. 24. State pipeline safety agreements.*

10 **SEC. 2. AUTHORIZATION OF APPROPRIATIONS.**

11 (a) *GAS AND HAZARDOUS LIQUID.*—*Section 60125(a)*
 12 *of title 49, United States Code is amended—*

13 (1) *in paragraph (1) by striking “there is au-*
 14 *thorized to be appropriated to the Department of*

1 *Transportation for each of fiscal years 2012 through*
2 *2015, from fees collected under section 60301,*
3 *\$90,679,000, of which \$4,746,000 is for carrying out*
4 *such section 12 and \$36,194,000 is for making*
5 *grants.” and inserting the following: “there is author-*
6 *ized to be appropriated to the Department of Trans-*
7 *portation from fees collected under sections 60301 and*
8 *60302—*

9 *“(A) \$124,500,000 for fiscal year 2016, of*
10 *which \$9,000,000 shall be expended for carrying*
11 *out such section 12 and \$39,385,000 shall be ex-*
12 *pended for making grants;*

13 *“(B) \$128,000,000 for fiscal year 2017 of*
14 *which \$9,000,000 shall be expended for carrying*
15 *out such section 12 and \$41,885,000 shall be ex-*
16 *pended for making grants;*

17 *“(C) \$131,000,000 for fiscal year 2018, of*
18 *which \$9,000,000 shall be expended for carrying*
19 *out such section 12 and \$44,885,000 shall be ex-*
20 *pended for making grants; and*

21 *“(D) \$134,000,000 for fiscal year 2019, of*
22 *which \$9,000,000 shall be expended for carrying*
23 *out such section 12 and \$47,885,000 shall be ex-*
24 *pended for making grants.”; and*

1 (2) in paragraph (2) by striking “there is au-
2 thorized to be appropriated for each of fiscal years
3 2012 through 2015 from the Oil Spill Liability Trust
4 Fund to carry out the provisions of this chapter re-
5 lated to hazardous liquid and section 12 of the Pipe-
6 line Safety Improvement Act of 2002 (49 U.S.C.
7 60101 note; Public Law 107–355), \$18,573,000, of
8 which \$2,174,000 is for carrying out such section 12
9 and \$4,558,000 is for making grants.” and inserting
10 the following: “there is authorized to be appropriated
11 from the Oil Spill Liability Trust Fund to carry out
12 the provisions of this chapter related to hazardous liq-
13 uid and section 12 of the Pipeline Safety Improve-
14 ment Act of 2002 (49 U.S.C. 60101 note; Public Law
15 107–355)—

16 “(A) \$22,123,000 for fiscal year 2016, of
17 which \$3,000,000 shall be expended for carrying
18 out such section 12 and \$8,067,000 shall be ex-
19 pended for making grants;

20 “(B) \$22,123,000 for fiscal year 2017, of
21 which \$3,000,000 shall be expended for carrying
22 out such section 12 and \$8,067,000 shall be ex-
23 pended for making grants;

24 “(C) \$23,000,000 for fiscal year 2018, of
25 which \$3,000,000 shall be expended for carrying

1 *out such section 12 and \$8,067,000 shall be ex-*
2 *pended for making grants; and*

3 *“(D) \$23,000,000 for fiscal year 2019, of*
4 *which \$3,000,000 shall be expended for carrying*
5 *out such section 12 and \$8,067,000 shall be ex-*
6 *pended for making grants.”.*

7 ***(b) OPERATIONAL EXPENSES.—****There are authorized*
8 *to be appropriated to the Secretary of Transportation for*
9 *the necessary operational expenses of the Pipeline and Haz-*
10 *ardous Materials Safety Administration the following*
11 *amounts:*

12 ***(1)*** *\$21,000,000 for fiscal year 2016.*

13 ***(2)*** *\$22,000,000 for fiscal year 2017.*

14 ***(3)*** *\$22,000,000 for fiscal year 2018.*

15 ***(4)*** *\$23,000,000 for fiscal year 2019.*

16 ***(c) ONE-CALL NOTIFICATION PROGRAMS.—***

17 ***(1) IN GENERAL.—****Section 6107 of title 49,*
18 *United States Code, is amended to read as follows:*

19 **“§6107. Funding**

20 *“Of the amounts provided under section 60125(a)(1),*
21 *the Secretary shall withhold \$1,058,000 for each of fiscal*
22 *years 2016 through 2019 to carry out section 6106.”.*

23 ***(2) CLERICAL AMENDMENT.—****The analysis for*
24 *chapter 61 of title 49, United States Code, is amended*

1 *by striking the item relating to section 6107 and in-*
2 *serting the following:*

 “6107. *Funding.*”.

3 *(d) PIPELINE SAFETY INFORMATION GRANTS TO COM-*
4 *MUNITIES.—The first sentence of section 60130(c) of title*
5 *49, United States Code, is amended to read as follows: “Of*
6 *the amounts made available under section 2(b) of the*
7 *PIPES Act of 2016, the Secretary shall withhold \$1,500,000*
8 *for each of fiscal years 2016 through 2019 to carry out this*
9 *section.”*

10 *(e) PIPELINE INTEGRITY PROGRAM.—Section 12(f) of*
11 *the Pipeline Safety Improvement Act of 2002 (49 U.S.C.*
12 *60101 note) is amended by striking “2012 through 2015”*
13 *and inserting “2016 through 2019”.*

14 **SEC. 3. FAILURE OF PHMSA TO IMPLEMENT STATUTORY**
15 **MANDATES.**

16 *(a) REPORT BY THE INSPECTOR GENERAL.—Not later*
17 *than 45 days after the date of enactment of this Act, the*
18 *Inspector General of the Department of Transportation*
19 *shall submit to the Secretary of Transportation, the Admin-*
20 *istrator of the Pipeline and Hazardous Materials Safety*
21 *Administration, the Committee on Transportation and In-*
22 *frastructure and the Committee on Energy and Commerce*
23 *of the House of Representatives, and the Committee on Com-*
24 *merce, Science, and Transportation of the Senate a report*
25 *containing the following:*

1 (1) *A list of each statutory mandate contained in*
2 *the Pipeline Safety, Regulatory Certainty, and Job*
3 *Creation Act of 2011 (Public Law 112–90) that has*
4 *not been implemented.*

5 (2) *A list of each statutory mandate regarding*
6 *pipeline safety from this Act and all other Acts en-*
7 *acted prior to the date of enactment of this Act, other*
8 *than those contained in the Pipeline Safety, Regu-*
9 *latory Certainty, and Job Creation Act of 2011 (Pub-*
10 *lic Law 112–90), that has not been implemented.*

11 **(b) REPORTS BY THE SECRETARY.—**

12 (1) *STATUTORY MANDATES.—Not later than 90*
13 *days after the date of enactment of this Act, and every*
14 *90 days thereafter until each of the mandates listed*
15 *pursuant to subsection (a) has been implemented, the*
16 *Secretary shall submit to the Committee on Transpor-*
17 *tation and Infrastructure and the Committee on En-*
18 *ergy and Commerce of the House of Representatives*
19 *and the Committee on Commerce, Science, and Trans-*
20 *portation of the Senate a report on the specific ac-*
21 *tions taken to implement such mandates.*

22 (2) *PUBLIC AVAILABILITY.—The Secretary shall*
23 *make the report referred to in paragraph (1) publicly*
24 *available on the Department of Transportation’s*
25 *Internet Web site.*

1 (3) *CONTENTS OF REPORTS.*—*The reports shall*
2 *provide, for each mandate listed pursuant to sub-*
3 *section (a)—*

4 (A) *a description of the mandate;*

5 (B) *the deadline imposed for the mandate;*

6 (C) *the status of the implementation of the*
7 *mandate;*

8 (D) *a detailed explanation of the reasons*
9 *the mandate has not been implemented, includ-*
10 *ing a description of any actions taken by the Ad-*
11 *ministrator of the Pipeline and Hazardous Ma-*
12 *terials Safety Administration, the Office of the*
13 *Secretary, or the Office of Management and*
14 *Budget that delayed implementation of the man-*
15 *date;*

16 (E) *an estimated completion date for the*
17 *mandate;*

18 (F) *the specific date on which any draft, in-*
19 *terim, or final guidance, advisory, report, ad-*
20 *vance notice of proposed rulemaking, notice of*
21 *proposed rulemaking, final rule, or other docu-*
22 *ment required to implement the mandate was*
23 *sent to the Secretary by the Administrator for re-*
24 *view and subsequently transmitted by the Sec-*

1 *retary or the Administrator to the Office of Man-*
2 *agement and Budget;*

3 *(G) a description of each concern with a*
4 *document described under subparagraph (F)*
5 *raised by the Secretary or the Office of Manage-*
6 *ment and Budget; and*

7 *(H) the date and reasons the Secretary or*
8 *the Office of Management and Budget requested*
9 *any extension on acting on the mandate, includ-*
10 *ing an extension authorized by Executive Order*
11 *12866.*

12 **SEC. 4. NATURAL GAS INTEGRITY MANAGEMENT REVIEW.**

13 *(a) REPORT.—Not later than 18 months after the pub-*
14 *lication of a final rule regarding the safety of gas trans-*
15 *mission pipelines related to the notice of proposed rule-*
16 *making issued on April 8, 2016, titled “Pipeline Safety:*
17 *Safety of Gas Transmission and Gathering Pipelines” (81*
18 *Fed. Reg. 20721), the Comptroller General of the United*
19 *States shall submit to the Committee on Transportation*
20 *and Infrastructure and the Committee on Energy and Com-*
21 *merce of the House of Representatives and the Committee*
22 *on Commerce, Science, and Transportation of the Senate*
23 *a report regarding the natural gas integrity management*
24 *programs required under section 60109(c) of title 49,*
25 *United States Code.*

1 (b) *CONTENTS.*—*The report required under subsection*

2 (a) *shall include—*

3 (1) *an analysis of the extent to which the nat-*
4 *ural gas integrity management programs required*
5 *under section 60109(c) of title 49, United States Code,*
6 *have improved the safety of natural gas transmission*
7 *pipeline facilities;*

8 (2) *an analysis and recommendations, taking*
9 *into consideration technical, operational, and eco-*
10 *nomical feasibility, regarding changes to the programs*
11 *to improve safety, prevent inadvertent releases from*
12 *pipelines, and mitigate any adverse consequences of*
13 *an inadvertent release, including changes to the defi-*
14 *inition of high consequence area, or expanding integ-*
15 *riety management beyond high consequence areas;*

16 (3) *a review of the benefits, including safety ben-*
17 *efits, and cost effectiveness of the legacy class location*
18 *regulations;*

19 (4) *an analysis of, and recommendations regard-*
20 *ing, what impact pipeline features and conditions,*
21 *including the age, condition, materials, and construc-*
22 *tion of a pipeline, have on safety and risk analysis*
23 *of a particular pipeline;*

24 (5) *a description of any challenges affecting Fed-*
25 *eral or State regulators in the oversight of natural gas*

1 *transmission pipeline facilities and how the chal-*
2 *lenges are being addressed; and*

3 *(6) a description of any challenges affecting the*
4 *natural gas industry in complying with the pro-*
5 *grams, and how the challenges are being addressed,*
6 *including any challenges faced by publicly owned nat-*
7 *ural gas distribution systems.*

8 *(c) DEFINITION OF HIGH CONSEQUENCE AREA.—In*
9 *this section, the term “high consequence area” has the*
10 *meaning given the term in section 192.903 of title 49, Code*
11 *of Federal Regulations (as in effect on the date of enactment*
12 *of this Act).*

13 **SEC. 5. HAZARDOUS LIQUID INTEGRITY MANAGEMENT RE-**
14 **VIEW.**

15 *(a) SAFETY STUDY.—Not later than 18 months after*
16 *the publication of a final rule regarding the safety of haz-*
17 *ardous liquid pipeline facilities related to the notice of pro-*
18 *posed rulemaking issued on October 13, 2015, titled “Pipe-*
19 *line Safety: Safety of Hazardous Liquid Pipelines” (80*
20 *Fed. Reg. 61610), the Comptroller General of the United*
21 *States shall submit to the Committee on Transportation*
22 *and Infrastructure and the Committee on Energy and Com-*
23 *merce of the House of Representatives and the Committee*
24 *on Commerce, Science, and Transportation of the Senate*
25 *a report regarding the hazardous liquid integrity manage-*

1 *ment programs, as regulated under sections 195.450 and*
2 *195.452 of title 49, Code of Federal Regulations.*

3 *(b) CONTENTS.—The report required under subsection*
4 *(a) shall include—*

5 *(1) an analysis of the extent to which hazardous*
6 *liquid pipeline facility integrity management in high*
7 *consequence areas, as regulated under sections*
8 *195.450 and 195.452 of title 49, Code of Federal Reg-*
9 *ulations, has improved the safety of hazardous liquid*
10 *pipeline facilities;*

11 *(2) an analysis and recommendations, taking*
12 *into consideration technical, operational, and eco-*
13 *nomical feasibility, regarding changes to the programs*
14 *to improve safety, prevent inadvertent releases from*
15 *pipelines, and mitigate any adverse consequences of*
16 *an inadvertent release, including changes to the defi-*
17 *inition of high consequence area;*

18 *(3) an analysis of how surveying, assessment,*
19 *mitigation, and monitoring activities, including real-*
20 *time hazardous liquid pipeline monitoring during*
21 *significant flood events and information sharing with*
22 *Federal agencies, are being used to address risks asso-*
23 *ciated with the dynamic and unique nature of rivers,*
24 *flood plains, lakes, and coastal areas;*

1 (4) *an analysis of, and recommendations regard-*
2 *ing, what impact pipeline features and conditions,*
3 *including the age, condition, materials, and construc-*
4 *tion of a pipeline, have on safety and risk analysis*
5 *of a particular pipeline and what changes to the defi-*
6 *inition of high consequence area could be made to im-*
7 *prove pipeline safety; and*

8 (5) *a description of any challenges affecting Fed-*
9 *eral or State regulators in the oversight of hazardous*
10 *liquid pipeline facilities and how those challenges are*
11 *being addressed.*

12 (c) *DEFINITION OF HIGH CONSEQUENCE AREA.—In*
13 *this section, the term “high consequence area” has the*
14 *meaning given the term in section 195.450 of title 49, Code*
15 *of Federal Regulations.*

16 **SEC. 6. TECHNICAL SAFETY STANDARDS COMMITTEES.**

17 (a) *APPOINTMENT OF MEMBERS.—Section*
18 *60115(b)(4)(A) of title 49, United States Code, is amended*
19 *by striking “State commissioners. The Secretary shall con-*
20 *sult with the national organization of State commissions*
21 *before selecting those 2 individuals.” and inserting “State*
22 *officials. The Secretary shall consult with national organi-*
23 *zations representing State commissioners or Governors be-*
24 *fore making a selection under this subparagraph.”.*

1 (b) *VACANCIES.*—Section 60115(b) of title 49, United
2 States Code, is amended by adding at the end the following:

3 “(5) Within 90 days of the date of enactment of the
4 PIPES Act of 2016, the Secretary shall fill all vacancies
5 on the Technical Pipeline Safety Standards Committee, the
6 Technical Hazardous Liquid Pipeline Safety Standards
7 Committee, and any other committee established pursuant
8 to this section. After that period, the Secretary shall fill a
9 vacancy on any such committee not later than 60 days after
10 the vacancy occurs.”.

11 **SEC. 7. INSPECTION REPORT INFORMATION.**

12 (a) *IN GENERAL.*—Not later than 90 days after the
13 completion of a Pipeline and Hazardous Materials Safety
14 Administration pipeline safety inspection, the Adminis-
15 trator of such Administration, or the State authority cer-
16 tified under section 60105 of title 49, United States Code,
17 to conduct such inspection, shall—

18 (1) conduct a post-inspection briefing with the
19 owner or operator of the gas or hazardous liquid pipe-
20 line facility inspected outlining any concerns; and

21 (2) to the extent practicable, provide the owner
22 or operator with written preliminary findings of the
23 inspection.

24 (b) *REPORT.*—Not later than 1 year after the date of
25 enactment of this Act, and annually thereafter for 2 years,

1 *the Administrator shall submit to the Committee on Trans-*
2 *portation and Infrastructure and the Committee on Energy*
3 *and Commerce of the House of Representatives and the*
4 *Committee on Commerce, Science, and Transportation of*
5 *the Senate a report that includes—*

6 (1) *a description of the actions that the Pipeline*
7 *and Hazardous Materials Safety Administration has*
8 *taken to ensure that inspections by State authorities*
9 *provide effective and timely oversight; and*

10 (2) *statistics relating to the timeliness of the ac-*
11 *tions described in paragraphs (1) and (2) of sub-*
12 *section (a).*

13 **SEC. 8. IMPROVING DAMAGE PREVENTION TECHNOLOGY.**

14 (a) *STUDY.—The Comptroller General of the United*
15 *States shall conduct a study on improving existing damage*
16 *prevention programs through technological improvements*
17 *in location, mapping, excavation, and communications*
18 *practices to prevent excavation damage to a pipe or its*
19 *coating.*

20 (b) *CONTENTS.—The study under subsection (a) shall*
21 *include—*

22 (1) *an identification of any methods to improve*
23 *existing damage prevention programs through loca-*
24 *tion and mapping practices or technologies in an ef-*
25 *fort to reduce releases caused by excavation;*

1 (2) *an analysis of how increased use of global*
2 *positioning system digital mapping technologies, pre-*
3 *dictive analytic tools, public awareness initiatives in-*
4 *cluding one-call initiatives, the use of mobile devices,*
5 *and other advanced technologies could supplement ex-*
6 *isting one-call notification and damage prevention*
7 *programs to reduce the frequency and severity of inci-*
8 *dents caused by excavation damage;*

9 (3) *an identification of any methods to improve*
10 *excavation practices or technologies in an effort to re-*
11 *duce pipeline damage;*

12 (4) *an analysis of the feasibility of a national*
13 *data repository for pipeline excavation accident data*
14 *that creates standardized data models for storing and*
15 *sharing pipeline accident information;*

16 (5) *an identification of opportunities for stake-*
17 *holder engagement in preventing excavation damage;*
18 *and*

19 (6) *recommendations, taking into consideration*
20 *technical, operational, and economic feasibility, on*
21 *how to incorporate technological improvements and*
22 *practices that help prevent excavation damage into*
23 *existing damage prevention programs.*

24 (c) *REPORT.—Not later than 1 year after the date of*
25 *the enactment of this Act, the Comptroller General shall*

1 *submit to the Committee on Commerce, Science, and Trans-*
2 *portation of the Senate and the Committee on Transpor-*
3 *tation and Infrastructure and the Committee on Energy*
4 *and Commerce of the House of Representatives a report con-*
5 *taining the results of the study conducted under subsection*
6 *(a).*

7 **SEC. 9. WORKFORCE MANAGEMENT.**

8 *Not later than 1 year after the date of the enactment*
9 *of this Act, the Inspector General of the Department of*
10 *Transportation shall submit to the Committee on Transpor-*
11 *tation and Infrastructure and the Committee on Energy*
12 *and Commerce of the House of Representatives and the*
13 *Committee on Commerce, Science, and Transportation of*
14 *the Senate, a review of Pipeline and Hazardous Materials*
15 *Safety Administration staff resource management, includ-*
16 *ing geographic allocation plans, hiring challenges, and ex-*
17 *pected retirement rates and strategies. The review shall in-*
18 *clude recommendations to address hiring challenges, train-*
19 *ing needs, and any other identified staff resource challenges.*

20 **SEC. 10. INFORMATION-SHARING SYSTEM.**

21 *(a) IN GENERAL.—Not later than 180 days after the*
22 *date of the enactment of this Act, the Secretary of Transpor-*
23 *tation shall convene a working group to consider the devel-*
24 *opment of a voluntary information-sharing system to en-*
25 *courage collaborative efforts to improve inspection informa-*

1 *tion feedback and information sharing with the purpose of*
2 *improving natural gas transmission and hazardous liquid*
3 *pipeline facility integrity risk analysis.*

4 (b) *MEMBERSHIP.*—*The working group convened pur-*
5 *suant to subsection (a) shall include representatives from—*

6 (1) *the Pipeline and Hazardous Materials Safety*
7 *Administration;*

8 (2) *industry stakeholders, including operators of*
9 *pipeline facilities, inspection technology vendors, and*
10 *pipeline inspection organizations;*

11 (3) *safety advocacy groups;*

12 (4) *research institutions;*

13 (5) *State public utility commissions or State of-*
14 *ficials responsible for pipeline safety oversight;*

15 (6) *State pipeline safety inspectors; and*

16 (7) *labor representatives.*

17 (c) *CONSIDERATIONS.*—*The working group convened*
18 *pursuant to subsection (a) shall consider and provide rec-*
19 *ommendations to the Secretary on—*

20 (1) *the need for, and the identification of, a sys-*
21 *tem to ensure that dig verification data are shared*
22 *with in-line inspection operators to the extent con-*
23 *sistent with the need to maintain proprietary and se-*
24 *curity sensitive data in a confidential manner to im-*
25 *prove pipeline safety and inspection technology;*

1 (2) ways to encourage the exchange of pipeline
2 inspection information and the development of ad-
3 vanced pipeline inspection technologies and enhanced
4 risk analysis;

5 (3) opportunities to share data, including dig-
6 verification data between operators of pipeline facili-
7 ties and in-line inspector vendors to expand knowl-
8 edge of the advantages and disadvantages of the dif-
9 ferent types of in-line inspection technology and
10 methodologies;

11 (4) options to create a secure system that pro-
12 tects proprietary data while encouraging the exchange
13 of pipeline inspection information and the develop-
14 ment of advanced pipeline inspection technologies and
15 enhanced risk analysis; and

16 (5) regulatory, funding, and legal barriers to
17 sharing the information described in paragraphs (1)
18 through (4).

19 (d) *PUBLICATION*.—The Secretary shall publish the
20 recommendations provided under subsection (c) on a pub-
21 licly available Web site of the Department of Transpor-
22 tation.

1 **SEC. 11. NATIONWIDE INTEGRATED PIPELINE SAFETY REG-**
2 **ULATORY DATABASE.**

3 (a) *ESTABLISHMENT.*—Not later than 18 months after
4 the date of enactment of this Act, the Secretary of Transpor-
5 tation shall establish a national integrated pipeline safety
6 regulatory inspection database to improve communication
7 and collaboration between the Pipeline and Hazardous Ma-
8 terials Safety Administration and State pipeline regu-
9 lators.

10 (b) *CONSIDERATIONS.*—In developing the database, the
11 Secretary shall consider—

12 (1) any efforts underway to test a secure infor-
13 mation-sharing system for the purpose described in
14 subsection (a);

15 (2) any progress in establishing common stand-
16 ards for maintaining, collecting, and presenting pipe-
17 line safety regulatory inspection data, and a method-
18 ology for the sharing of the data;

19 (3) any existing inadequacies or gaps in State
20 and Federal inspection, enforcement, geospatial, or
21 other pipeline safety regulatory inspection data;

22 (4) the potential safety benefits of a national in-
23 tegrated pipeline database; and

24 (5) recommendations of stakeholders for how to
25 implement a secure information-sharing system that
26 protects proprietary and security sensitive informa-

1 “(C) a solution-mined salt cavern res-
2 ervoir.”.

3 (b) *STANDARDS FOR UNDERGROUND NATURAL GAS*
4 *STORAGE FACILITIES.*—Chapter 601 of title 49, United
5 States Code, is amended by adding at the end the following:

6 **“§60141. Standards for underground natural gas**
7 ***storage facilities***

8 “(a) *MINIMUM SAFETY STANDARDS.*—Not later than
9 2 years after the date of enactment of the PIPES Act of
10 2016, the Secretary, in consultation with the heads of other
11 relevant Federal agencies, shall issue minimum safety
12 standards for underground natural gas storage facilities.

13 “(b) *CONSIDERATIONS.*—In developing the safety
14 standards required under subsection (a), the Secretary
15 shall, to the extent practicable—

16 “(1) consider consensus standards for the oper-
17 ation, environmental protection, and integrity man-
18 agement of underground natural gas storage facilities;

19 “(2) consider the economic impacts of the regula-
20 tions on individual gas customers; and

21 “(3) ensure that the regulations do not have a
22 significant economic impact on end users.

23 “(c) *RULES OF CONSTRUCTION.*—

24 “(1) *IN GENERAL.*—Nothing in this section may
25 be construed to affect any Federal regulation relating

1 to gas pipeline facilities that is in effect on the day
2 before the date of enactment of the PIPES Act of
3 2016.

4 “(2) *LIMITATIONS.*—Nothing in this section may
5 be construed to authorize the Secretary—

6 “(A) to prescribe the location of an under-
7 ground natural gas storage facility; or

8 “(B) to require the Secretary’s permission
9 to construct a facility referred to in subpara-
10 graph (A).

11 “(d) *PREEMPTION.*—A State authority may adopt ad-
12 ditional or more stringent safety standards for intrastate
13 underground natural gas storage facilities if such standards
14 are compatible with the minimum standards prescribed
15 under this section.”.

16 “(c) *USER FEES.*—Chapter 603 of title 49, United
17 States Code, is amended by inserting after section 60301
18 the following:

19 **“§ 60302. User fees for underground natural gas stor-**
20 **age facilities**

21 “(a) *IN GENERAL.*—A fee shall be imposed on an enti-
22 ty operating an underground natural gas storage facility
23 pursuant to section 60141. Any such fee imposed shall be
24 collected before the end of the fiscal year to which it applies.

1 “(b) *MEANS OF COLLECTION.*—*The Secretary of*
2 *Transportation shall prescribe procedures to collect fees*
3 *under this section. The Secretary may use a department,*
4 *agency, or instrumentality of the United States Government*
5 *or of a State or local government to collect the fee and may*
6 *reimburse the department, agency, or instrumentality a*
7 *reasonable amount for its services.*

8 “(c) *USE OF FEES.*—

9 “(1) *ACCOUNT.*—*There is established an Under-*
10 *ground Natural Gas Storage Facility Safety Account*
11 *in the Pipeline Safety Fund established in the Treas-*
12 *ury of the United States under section 60301.*

13 “(2) *USE OF FEES.*—*A fee collected under this*
14 *section—*

15 “(A) *shall be deposited in the Underground*
16 *Natural Gas Storage Facility Safety Account;*
17 *and*

18 “(B) *if the fee is related to an underground*
19 *natural gas storage facility pursuant to section*
20 *60141, the amount of the fee may be used only*
21 *for an activity related to underground natural*
22 *gas storage safety.*

23 “(3) *LIMITATION.*—*Amounts collected under this*
24 *section shall be made available only to the extent pro-*
25 *vided in advance in an appropriations Act for an ac-*

1 *tivity related to underground natural gas storage*
 2 *safety.”.*

3 *(d) CLERICAL AMENDMENTS.—*

4 *(1) CHAPTER 601.—The table of sections for*
 5 *chapter 601 of title 49, United States Code, is amend-*
 6 *ed by adding at the end the following:*

“60141. Standards for underground natural gas storage facilities.”.

7 *(2) CHAPTER 603.—The table of sections for*
 8 *chapter 603 of title 49, United States Code, is amend-*
 9 *ed by inserting after the item relating to section*
 10 *60301 the following:*

“60302. User fees for underground natural gas storage facilities.”.

11 **SEC. 13. JOINT INSPECTION AND OVERSIGHT.**

12 *Section 60105 of title 49, United States Code, is*
 13 *amended by adding at the end the following:*

14 *“(g) JOINT INSPECTORS.—At the request of a State au-*
 15 *thority, the Secretary shall allow for a certified State au-*
 16 *thority under this section to participate in the inspection*
 17 *of an interstate pipeline facility.”.*

18 **SEC. 14. SAFETY DATA SHEETS.**

19 *(a) IN GENERAL.—Each owner or operator of a haz-*
 20 *ardous liquid pipeline facility, following an accident or in-*
 21 *cident involving such pipeline facility, shall provide safety*
 22 *data sheets on any spilled oil to the designated Federal On-*
 23 *Scene Coordinator and appropriate State officials within*

1 6 hours of a telephonic or electronic notice of the accident
2 or incident to the National Response Center.

3 (b) *DEFINITIONS.*—*In this section:*

4 (1) *FEDERAL ON-SCENE COORDINATOR.*—*The*
5 *term “Federal On-Scene Coordinator” has the mean-*
6 *ing given such term in section 311(a) of the Federal*
7 *Water Pollution Control Act (33 U.S.C. 1321(a)).*

8 (2) *NATIONAL RESPONSE CENTER.*—*The term*
9 *“National Response Center” means the center de-*
10 *scribed under section 300.125(a) of title 40, Code of*
11 *Federal Regulations.*

12 (3) *SAFETY DATA SHEET.*—*The term “safety*
13 *data sheet” means a safety data sheet required under*
14 *section 1910.1200 of title 29, Code of Federal Regula-*
15 *tions.*

16 **SEC. 15. HAZARDOUS MATERIALS IDENTIFICATION NUM-**
17 **BERS.**

18 *Not later than 90 days after the date of enactment of*
19 *this Act, the Secretary of Transportation shall issue an ad-*
20 *vanced notice of proposed rulemaking to take public com-*
21 *ment on the petition for rulemaking dated October 28, 2015,*
22 *titled “Corrections to Title 49 C.F.R. §172.336 Identifica-*
23 *tion numbers; special provisions” (P–1667).*

1 **SEC. 16. EMERGENCY ORDER AUTHORITY.**

2 *Section 60117 of title 49, United States Code, is*
3 *amended by adding at the end the following:*

4 *“(o) EMERGENCY ORDER AUTHORITY.—*

5 *“(1) IN GENERAL.—If the Secretary determines*
6 *that an unsafe condition or practice, or a combina-*
7 *tion of unsafe conditions and practices, constitutes or*
8 *is causing an imminent hazard, the Secretary may*
9 *issue an emergency order described in paragraph (3)*
10 *imposing emergency restrictions, prohibitions, and*
11 *safety measures on owners and operators of gas or*
12 *hazardous liquid pipeline facilities without prior no-*
13 *tice or an opportunity for a hearing, but only to the*
14 *extent necessary to abate the imminent hazard.*

15 *“(2) CONSIDERATIONS.—Before issuing an emer-*
16 *gency order under paragraph (1), the Secretary shall*
17 *consider, after consultation with appropriate Federal*
18 *agencies, State agencies, or other entities, the fol-*
19 *lowing, as appropriate:*

20 *“(A) The impact of the emergency order on*
21 *public health and safety.*

22 *“(B) The impact, if any, of the emergency*
23 *order on the national or regional economy or na-*
24 *tional security.*

25 *“(C) The impact of the emergency order on*
26 *owners and operators of pipeline facilities.*

1 “(3) *WRITTEN ORDER.*—*An emergency order*
2 *issued by the Secretary pursuant to paragraph (1)*
3 *with respect to an imminent hazard shall contain a*
4 *written description of—*

5 “(A) *the violation, condition, or practice*
6 *that constitutes or is causing the imminent haz-*
7 *ard;*

8 “(B) *the entities subject to the order;*

9 “(C) *the restrictions, prohibitions, or safety*
10 *measures imposed;*

11 “(D) *the standards and procedures for ob-*
12 *taining relief from the order;*

13 “(E) *how the order is tailored to abate the*
14 *imminent hazard and the reasons the authorities*
15 *under section 60112 and 60117(l) are insuffi-*
16 *cient to do so; and*

17 “(F) *how the considerations were taken into*
18 *account pursuant to subsection (2).*

19 “(4) *OPPORTUNITY FOR REVIEW.*—*Upon receipt*
20 *of a petition for review from an entity subject to, and*
21 *adversely affected by, an emergency order issued*
22 *under this subsection, the Secretary shall provide an*
23 *opportunity for a review of the order under section*
24 *554 of title 5 to determine whether the order should*
25 *remain in effect, be modified, or be terminated.*

1 “(5) *EXPIRATION OF EFFECTIVENESS ORDER.*—
2 *If a petition for review of an emergency order is filed*
3 *under paragraph (4) and an agency decision with re-*
4 *spect to the petition is not issued on or before the last*
5 *day of the 30-day period beginning on the date on*
6 *which the petition is filed, the order shall cease to be*
7 *effective on such day, unless the Secretary determines*
8 *in writing on or before the last day of such period*
9 *that the imminent hazard still exists.*

10 “(6) *JUDICIAL REVIEW OF ORDERS.*—*After a*
11 *final agency action under the review process described*
12 *in paragraph (4), or the issuance of a written deter-*
13 *mination by the Secretary pursuant to paragraph*
14 *(5), an entity subject to, and adversely affected by, an*
15 *emergency order issued under this subsection may*
16 *seek judicial review of the order in a district court of*
17 *the United States and shall be given expedited consid-*
18 *eration.*

19 “(7) *REGULATIONS.*—

20 “(A) *TEMPORARY REGULATIONS.*—*Not later*
21 *than 60 days after the date of enactment of the*
22 *PIPES Act of 2016, the Secretary shall issue*
23 *such temporary regulations as are necessary to*
24 *carry out this subsection. The temporary regula-*
25 *tions shall expire on the date of issuance of the*

1 *final regulations required under subparagraph*
2 *(B).*

3 “(B) *FINAL REGULATIONS.*—Not later than
4 *270 days after such date of enactment, the Sec-*
5 *retary shall issue such regulations as are nec-*
6 *essary to carry out this subsection. Such regula-*
7 *tions shall ensure that the review process de-*
8 *scribed in paragraph (4) contains the same pro-*
9 *cedures as subsections (d) and (g) of section*
10 *109.19 of title 49, Code of Federal Regulations,*
11 *and is otherwise consistent with the review proc-*
12 *ess developed under such section, to the greatest*
13 *extent practicable and not inconsistent with this*
14 *section.*

15 “(8) *IMMINENT HAZARD DEFINED.*—In this sub-
16 *section, the term ‘imminent hazard’ means the exist-*
17 *ence of a condition relating to a gas or hazardous liq-*
18 *uid pipeline facility that presents a substantial likeli-*
19 *hood that death, serious illness, severe personal in-*
20 *jury, or a substantial endangerment to health, prop-*
21 *erty, or the environment may occur before the reason-*
22 *ably foreseeable completion date of a formal pro-*
23 *ceeding begun to lessen the risk of such death, illness,*
24 *injury, or endangerment.*

1 “(9) *LIMITATION AND SAVINGS CLAUSE.*—An
2 *emergency order issued under this subsection may not*
3 *be construed to—*

4 “(A) *alter, amend, or limit the Secretary’s*
5 *obligations under, or the applicability of, section*
6 *553 of title 5; or*

7 “(B) *provide the authority to amend the*
8 *Code of Federal Regulations.*”.

9 **SEC. 17. STATE GRANT FUNDS.**

10 (a) *PAYMENTS.*—Section 60107(b) of title 49, United
11 *States Code, is amended to read as follows:*

12 “(b) *PAYMENTS.*—*After notifying and consulting with*
13 *a State authority, the Secretary may withhold any part*
14 *of a payment when the Secretary decides that the authority*
15 *is not carrying out satisfactorily a safety program or not*
16 *acting satisfactorily as an agent. The Secretary may pay*
17 *an authority under this section only when the authority*
18 *ensures the Secretary that it will provide the remaining*
19 *costs of a safety program, unless the Secretary waives the*
20 *requirement to provide such remaining costs.*”.

21 (b) *REPURPOSING OF FUNDS.*—Section 60107 is
22 *amended by adding at the end the following:*

23 “(e) *REPURPOSING OF FUNDS.*—*If a State program’s*
24 *certification is rejected under section 60105(f) or such pro-*
25 *gram is otherwise suspended or interrupted, the Secretary*

1 *may use any undistributed, deobligated, or recovered funds*
2 *authorized under this section to carry out pipeline safety*
3 *activities for that State within the period of availability*
4 *for such funds.”.*

5 **SEC. 18. RESPONSE PLANS.**

6 *Each owner or operator of a hazardous liquid pipeline*
7 *facility required to prepare a response plan pursuant to*
8 *part 194 of title 49, Code of Federal Regulations, shall con-*
9 *sider the impact of a discharge into or on navigable waters*
10 *or adjoining shorelines, including those that may be covered*
11 *in whole or in part by ice.*

12 **SEC. 19. HIGH CONSEQUENCE AREAS.**

13 *The Secretary of Transportation shall revise section*
14 *195.6(b) of title 49, Code of Federal Regulations, to explic-*
15 *itly state that the Great Lakes and any marine coastal*
16 *waters (including coastal estuaries) are USA ecological re-*
17 *sources for purposes of determining whether a pipeline is*
18 *in a high consequence area (as defined in section 195.450*
19 *of such title).*

20 **SEC. 20. PIPELINE SAFETY TECHNICAL ASSISTANCE**
21 **GRANTS.**

22 *(a) PUBLIC PARTICIPATION LIMITATION.—Section*
23 *60130(a)(4) of title 49, United States Code, is amended by*
24 *inserting “on technical pipeline safety issues” after “public*
25 *participation”.*

1 (b) *REPORT.*—Not later than 180 days after the date
2 of enactment of this Act, the Inspector General of the De-
3 partment of Transportation shall submit to the Secretary
4 of Transportation and the Committee on Transportation
5 and Infrastructure and the Committee on Energy and Com-
6 merce of the House of Representatives and the Committee
7 on Commerce, Science, and Transportation of the Senate
8 a report evaluating the grant program under section 60130
9 of title 49, United States Code. The report shall include—

10 (1) a list of the recipients of all grant funds dur-
11 ing fiscal years 2010 through 2015;

12 (2) a description of how each grant was used;

13 (3) an analysis of the compliance with the terms
14 of grant agreements, including subsections (a) and (b)
15 of such section;

16 (4) an evaluation of the competitive process used
17 to award the grant funds; and

18 (5) an evaluation of—

19 (A) the ability of the Pipeline and Haz-
20 arduous Materials Safety Administration to over-
21 see grant funds and usage; and

22 (B) the procedures used for such oversight.

1 **SEC. 21. STUDY OF MATERIALS AND CORROSION PREVEN-**
2 **TION IN PIPELINE TRANSPORTATION.**

3 (a) *IN GENERAL.*—Not later than 2 years after the
4 date of enactment of the PIPES Act of 2016, the Comp-
5 troller General of the United States shall submit to the Com-
6 mittee on Transportation and Infrastructure and the Com-
7 mittee on Energy and Commerce of the House of Represent-
8 atives and the Committee on Commerce, Science, and
9 Transportation of the Senate a study on materials, train-
10 ing, and corrosion prevention technologies used in pipeline
11 transportation.

12 (b) *REQUIREMENTS.*—The study required under sub-
13 section (a) shall include—

14 (1) the range of piping materials, including
15 plastic materials, used to transport hazardous liquids
16 and natural gas in the United States and in other de-
17 veloped countries around the world;

18 (2) the types of technologies used for corrosion
19 prevention;

20 (3) an evaluation of the adequacy of training
21 provided to personnel responsible for identifying and
22 preventing corrosion in pipelines, and for repairing
23 such pipelines; and

24 (4) an analysis of the costs and benefits, includ-
25 ing safety benefits, associated with the use of such
26 materials and technologies.

1 **SEC. 22. RESEARCH AND DEVELOPMENT.**

2 (a) *IN GENERAL.*—Not later than 2 years after the
3 date of enactment of this Act, the Comptroller General of
4 the United States shall submit to the Committee on Trans-
5 portation and Infrastructure and the Committee on Energy
6 and Commerce of the House of Representatives and the
7 Committee on Commerce, Science, and Transportation of
8 the Senate a report regarding the Pipeline and Hazardous
9 Materials Safety Administration’s research and develop-
10 ment program established under section 12 of the Pipeline
11 Safety Improvement Act of 2002 (49 U.S.C. 60101 note).
12 The report shall include an evaluation of—

13 (1) *compliance with the consultation requirement*
14 *under subsection (d)(2) of such section;*

15 (2) *the extent to which the Pipeline and Haz-*
16 *ardous Materials Administration enters into joint re-*
17 *search ventures with Federal and non-Federal enti-*
18 *ties, and benefits thereof;*

19 (3) *the policies and procedures the Pipeline and*
20 *Hazardous Materials Safety Administration has put*
21 *in place to ensure there are no conflicts of interest*
22 *with administering grants to grantees under the pro-*
23 *gram, and whether those policies and procedures are*
24 *being followed; and*

25 (4) *an evaluation of the outcomes of research*
26 *conducted with Federal and non-Federal entities and*

1 *the degree to which such outcomes have been adopted*
2 *or utilized.*

3 *(b) COLLABORATIVE SAFETY RESEARCH REPORT.—*

4 *(1) BIENNIAL REPORTS.—Section 60124(a)(6) of*
5 *title 49, United States Code, is amended—*

6 *(A) in subparagraph (A), by striking “and”*
7 *at the end;*

8 *(B) in subparagraph (B), by striking the*
9 *period at the end and inserting “; and”; and*

10 *(C) by adding at the end the following:*

11 *“(C) a summary of each research project*
12 *carried out with Federal and non-Federal enti-*
13 *ties pursuant to section 12 of the Pipeline Safety*
14 *Improvement Act of 2002 and a review of how*
15 *intended improvements impact safety.”.*

16 *(2) PIPELINE SAFETY IMPROVEMENT ACT.—Sec-*
17 *tion 12 of the Pipeline Safety Improvement Act of*
18 *2002 (49 U.S.C. 60101 note) is amended—*

19 *(A) in subsection (d)(3)(C)—*

20 *(i) by striking “program-wide” and*
21 *inserting “technology”;*

22 *(ii) by striking “are” and inserting*
23 *“may be”;*

24 *(iii) by striking “The Secretary” and*
25 *inserting “(i) The Secretary”; and*

1 (iv) by adding at the end the following:

2 “(i) at least 20 percent of the costs of basic
3 research and development with universities may
4 be carried out using non-Federal sources; and

5 “(iii) up to 100 percent of the costs of re-
6 search and development for purely governmental
7 purposes may be carried out using Federal
8 funds.”; and

9 (B) by adding at the end the following:

10 “(h) *INDEPENDENT EXPERTS*.—Not later than 180
11 days after the date of enactment of the *PIPES Act of 2016*,
12 the Secretary shall—

13 “(1) implement processes and procedures to en-
14 sure that projects listed under subsection (c), to the
15 greatest extent practicable, produce results that are
16 factual and peer-reviewed by independent experts and
17 not with persons or entities that have a financial in-
18 terest in the pipeline, petroleum, or natural gas in-
19 dustries, or that would be directly impacted by the re-
20 sults of the projects; and

21 “(2) submit to the Committee on Transportation
22 and Infrastructure and the Committee on Energy and
23 Commerce of the House of Representatives and the
24 Committee on Commerce, Science, and Transpor-
25 tation of the Senate a report on the implementation

1 of the processes and procedures required under para-
2 graph (1).

3 “(i) *CONFLICT OF INTEREST.*—*The Secretary shall*
4 *take all practical steps to ensure that each recipient of an*
5 *agreement under this section discloses in writing to the Sec-*
6 *retary any conflict of interest on a research and develop-*
7 *ment project carried out under this section, and includes*
8 *any such disclosure as part of the final deliverable pursuant*
9 *to such agreement. The Secretary may not make an award*
10 *under this section directly to a pipeline owner or operator*
11 *that is regulated by the Pipeline and Hazardous Materials*
12 *Safety Administration or a State-certified regulatory au-*
13 *thority.”.*

14 **SEC. 23. ACTIVE AND ABANDONED PIPELINES.**

15 *Not later than 90 days after the date of enactment of*
16 *this Act, the Secretary of Transportation shall issue formal*
17 *guidance to owners and operators of gas or hazardous liquid*
18 *pipeline facilities and applicable State regulatory authori-*
19 *ties regarding the actions, including those required by Fed-*
20 *eral regulation, required to change the status of a pipeline*
21 *facility from active to abandoned, including specific guid-*
22 *ance on the definition of each pipeline status referred to*
23 *in such formal guidance.*

1 **SEC. 24. STATE PIPELINE SAFETY AGREEMENTS.**

2 (a) *STUDY.*—Not later than 2 years after the date of
3 enactment of this Act, the Comptroller General of the United
4 States shall complete a study on State pipeline safety agree-
5 ments made pursuant to section 60106 of title 49, United
6 States Code. Such study shall consider the following:

7 (1) *The integration of Federal and State or local*
8 *authorities in carrying out activities pursuant to an*
9 *agreement under such section.*

10 (2) *The overall cost of Federal and State au-*
11 *thorities carrying out inspection activities pursuant*
12 *to agreements under such section.*

13 (3) *The overall cost of the Pipeline and Haz-*
14 *ardous Materials Safety Administration carrying out*
15 *interstate inspections without the existence of inter-*
16 *state agreements with the States pursuant to such sec-*
17 *tion.*

18 (b) *NOTICE REQUIREMENT FOR DENIAL.*—Section
19 60106(b) of title 49, United States Code, is amended by
20 adding at the end the following:

21 “(4) *NOTICE UPON DENIAL.*—If a State author-
22 *ity requests an interstate agreement under this section*
23 *and the Secretary denies such request, the Secretary*
24 *shall provide written notification to the State author-*
25 *ity of the denial that includes an explanation of the*
26 *reasons for such denial.”.*

Union Calendar No. 631

114TH CONGRESS
2^D SESSION

H. R. 4937

[Report No. 114-807, Part I]

A BILL

To amend title 49, United States Code, to reauthorize pipeline safety programs and enhance pipeline safety, and for other purposes.

NOVEMBER 14, 2016

Reported from the Committee on Transportation and
Infrastructure with an amendment

NOVEMBER 14, 2016

The Committee on Energy and Commerce discharged,
committed to the Committee of the Whole House on
the State of the Union and ordered to be printed