

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Committee Substitute

for

Senate Bill 592

BY SENATOR HALL

[Originating in the Committee on Government

Organization; reported on February 20, 2016.]

1 A BILL to amend and reenact §24B-5-3 of the Code of West Virginia, 1931, as amended, relating
2 to the method of calculating the amount of special license fees paid by pipeline companies
3 to the Public Service Commission.

Be it enacted by the Legislature of West Virginia:

1 That §24B-5-3 of the Code of West Virginia, 1931, as amended, be amended and
2 reenacted to read as follows:

ARTICLE 5. EMPLOYEES OF COMMISSION; FUNDING.

'24B-5-3. Funding; property and revenue license fees.

3 (a) Every pipeline company shall pay a special license fee in addition to those now
4 required by law. The amount of such fees shall be fixed by the Public Service Commission and
5 levied by it ~~upon each of such pipeline companies according to the number~~ annually on each
6 pipeline company at a rate of \$18.60 per mile of three-inch equivalent pipeline ~~miles~~ included in
7 its a company's pipeline facilities, ~~and shall be apportioned among such pipeline companies upon~~
8 The calculation of a company's number of miles of three-inch equivalent pipeline for the purposes
9 of assessing fees shall be determined on the basis of the pipeline companies= company's reports
10 submitted to the commission in such form as the commission may prescribe, ~~so as to produce a~~
11 ~~revenue of not more than \$385,000 per annum, which~~ All fees assessed pursuant to this section
12 shall be paid on or before July 1 in each year.

13 (b) Such sums collected under subsection (a) of this section shall be paid into the State
14 Treasury and kept as a special fund, designated the Public Service Commission Pipeline Safety
15 Fund, to be appropriated as provided by law for the purpose of paying the salaries, compensation,
16 costs and expenses of its employees to the extent of the employees= direct involvement in the
17 enforcement of the provisions of this article. Any balance in said fund at the end of any fiscal year
18 shall not revert to the Treasury, but shall remain in said fund and may be appropriated as provided
19 in this subsection. All funds which heretofore were in the Public Service Commission Gas Pipeline

20 Safety Fund shall be transferred to the Public Service Commission Pipeline Safety Fund.

NOTE: The purpose of this bill is to change the method used to calculate the amount of special license fees paid by pipeline companies to the Public Service Commission, both to make the amount of the annual fee easier for pipeline companies to determine, and to reflect the growth in pipeline mileage within the state that will be subject to the safety standards and practices of the West Virginia Gas Pipeline Safety Act. The bill is revenue neutral for pipeline mileage existing at the time of passage. New pipeline mileage added after passage of the bill will be subject to the stated charge per mile. The total amount to be collected annually will no longer be capped (currently \$385,000.), and the cap instead will apply to the charge per mile in order to accomplish the two goals stated above.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.