

STAND. COM. REP. NO. 279

Honolulu, Hawaii

FEB 18, 2009

RE: H.B. No. 1062

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1062 entitled:

"A BILL FOR AN ACT RELATING TO GAS PIPELINE SYSTEMS,"

begs leave to report as follows:

The purpose of this bill is to repeal the Public Utilities Commission's (PUC) responsibility for gas pipeline safety and inspections, as those functions have been performed by the U.S. Department of Transportation's Office of Pipeline Safety (OPS) since 1993.

PUC testified in support of this bill.

Part IV of Chapter 269, Hawaii Revised Statutes (HRS), requires PUC to establish safety standards consistent with federal regulations for gas pipeline systems, and authorizes PUC to conduct inspections to determine compliance. However, in March 1993, OPS preempted PUC's authority in this area due to a lack of state inspection staff. Because the State has not obtained recertification from the U.S. Department of Transportation, the provisions of Part IV of Chapter 269, HRS, remain supplanted by federal authority over gas pipeline safety.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1062 and recommends that it pass Second Reading and be referred to the Committee on Finance.

HB1062 HSCR CPC HMS 2009-2096



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



