

HOUSE BILL 499

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9lr1424
CF SB 100

By: **Delegates Fraser–Hidalgo, Korman, Lierman, Moon, and Wilkins**

Introduced and read first time: February 1, 2019

Assigned to: Judiciary and Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Civil Actions – Interstate Pipeline Liability Act**

3 FOR the purpose of establishing that the operation of an interstate pipeline facility is an
4 ultrahazardous and abnormally dangerous activity; establishing that a pipeline
5 operator is strictly liable for certain damages resulting from or occurring in
6 connection with the operation of an interstate pipeline facility in the State;
7 establishing that a pipeline operator is not liable for damages resulting from certain
8 acts; voiding as against public policy a provision of any contract or agreement that
9 attempts or purports to waive certain rights or reduce certain liability for injury,
10 death, or loss to person or property resulting from or occurring in connection with
11 the operation of an interstate pipeline facility in the State; establishing that certain
12 provisions concerning a certain bond do not apply to a judgment in a civil action for
13 damages relating to an interstate pipeline facility; defining certain terms; providing
14 for the application of this Act; and generally relating to civil liability for causes of
15 action arising out of the operation of interstate oil or gas pipeline facilities.

16 BY adding to

17 Article – Courts and Judicial Proceedings

18 Section 3–2201 through 3–2204 to be under the new subtitle “Subtitle 22. Interstate
19 Pipeline Liability Act”

20 Annotated Code of Maryland

21 (2013 Replacement Volume and 2018 Supplement)

22 BY repealing and reenacting, with amendments,

23 Article – Courts and Judicial Proceedings

24 Section 12–301.1(a)

25 Annotated Code of Maryland

26 (2013 Replacement Volume and 2018 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
28 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Courts and Judicial Proceedings

2 SUBTITLE 22. INTERSTATE PIPELINE LIABILITY ACT.

3 3–2201.

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (B) (1) “GAS” MEANS ANY NATURAL GAS OR OTHER FLUID
7 HYDROCARBON THAT IS PRODUCED FROM A NATURAL RESERVOIR.

8 (2) “GAS” INCLUDES:

9 (I) CARBON DIOXIDE; AND

10 (II) HYDROGEN SULFIDE.

11 (C) “INTERSTATE PIPELINE” MEANS A PIPELINE, OR PART OF A PIPELINE,
12 REGULATED UNDER 49 U.S.C. CHAPTER 601 THAT IS USED IN THE
13 TRANSPORTATION OF OIL OR GAS IN INTERSTATE OR FOREIGN COMMERCE.

14 (D) “INTERSTATE PIPELINE FACILITY” MEANS NEW AND EXISTING PIPE,
15 RIGHTS-OF-WAY, AND ANY EQUIPMENT, FACILITY, OR BUILDING USED IN THE
16 TRANSPORTATION OF OIL OR GAS IN INTERSTATE OR FOREIGN COMMERCE.

17 (E) “OIL” MEANS OIL OF ANY KIND OR IN ANY FORM, INCLUDING
18 PETROLEUM, PETROLEUM BY-PRODUCTS, FUEL OIL, SLUDGE, CRUDE OIL, OIL
19 REFUSE, AND OIL MIXED WITH WASTES.

20 (F) “PIPELINE OPERATOR” MEANS A PERSON WHO OWNS OR OPERATES AN
21 INTERSTATE PIPELINE FACILITY.

22 3–2202.

23 (A) THE OPERATION OF AN INTERSTATE PIPELINE FACILITY IS AN
24 ULTRAHAZARDOUS AND ABNORMALLY DANGEROUS ACTIVITY.

25 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A PIPELINE
26 OPERATOR IS STRICTLY LIABLE FOR DAMAGES FOR ANY INJURY, DEATH, OR LOSS TO
27 PERSON OR PROPERTY RESULTING FROM OR OCCURRING IN CONNECTION WITH THE
28 OPERATION OF AN INTERSTATE PIPELINE FACILITY IN THE STATE.

1 (C) A PIPELINE OPERATOR IS NOT LIABLE FOR DAMAGES RESULTING FROM:

2 (1) DELIBERATE SABOTAGE BY A PERSON OTHER THAN THE PIPELINE
3 OPERATOR;

4 (2) AN ACT OF TERRORISM; OR

5 (3) AN ACT OF WAR.

6 **3-2203.**

7 A PROVISION IN ANY CONTRACT OR AGREEMENT THAT ATTEMPTS OR
8 PURPORTS TO WAIVE THE RIGHT TO BRING AN ACTION UNDER THIS SUBTITLE OR
9 REDUCE ANY LIABILITY FOR INJURY, DEATH, OR LOSS TO PERSON OR PROPERTY
10 RESULTING FROM OR OCCURRING IN CONNECTION WITH THE OPERATION OF AN
11 INTERSTATE PIPELINE FACILITY IN THE STATE IS VOID AS AGAINST PUBLIC POLICY.

12 **3-2204.**

13 THIS SUBTITLE MAY BE CITED AS THE INTERSTATE PIPELINE LIABILITY ACT.

14 12-301.1.

15 (a) (1) This section does not apply to a judgment in an action for damages
16 under § 3-2102 OR § **3-2202** of this article.

17 (2) Except as provided in subsection (d) of this section and notwithstanding
18 any other law or court rule, in a civil action the amount of the supersedeas bond necessary
19 to obtain a stay of enforcement of a judgment granting any type of relief during the entire
20 course of all appeals or discretionary reviews may not exceed the lesser of \$100,000,000 or
21 the amount of the judgment for each appellant, regardless of the amount of the judgment
22 appealed.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
24 apply only prospectively and may not be applied or interpreted to have any effect on or
25 application to any cause of action arising before the effective date of this Act.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2019.