



NARUC

National Association of Regulatory Utility Commissioners

June 2, 2026

The Honorable Sam Graves
Chairman
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington D.C. 20515

The Honorable Rick Larsen
Ranking Member
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington D.C. 20515

The Honorable Brett Guthrie
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

RE: Pipeline Safety/PHMSA Reauthorization Legislation

Dear Chairmen Graves and Guthrie and Ranking Members Larsen and Pallone:

On behalf of the National Association of Regulatory Utility Commissioners (NARUC), I am writing to you today regarding legislation to reauthorize the Natural Gas Pipeline Safety Act, which includes funding and direction for the Pipeline and Hazardous Materials Safety Administration (PHMSA) and its pipeline safety programs. NARUC members are the public utility commissioners in all 50 states and U.S. territories. Currently, state utility commissions and state pipeline inspectors have direct safety authority and oversight of: more than 2.3 million miles of gas distribution main and service pipelines (which is over 99% of the U.S. total); almost 105,000 miles of gas transmission pipelines (35% of the U.S. total); and over 109,000 miles of jurisdictional gas gathering pipelines (over 96% of the U.S. total), through cooperative agreements with and certification by PHMSA.

This federal/state partnership is vital to keeping the nation's pipeline system safe and operational. In fact, this partnership is unique among all federal/state partnerships in that: the federal government certifies the state programs; the federal government cedes authority to the state programs so the states may inspect pipeline systems, enforce federal and state laws/regulations, and levy fines; and the federal government reimburses the state programs a portion of the costs incurred by the states by providing grants to the states that are not funded by taxpayers. As the federal government's primary partner in enforcing pipeline safety laws and regulations, we have identified two priorities that we respectfully request Congress address as it considers legislation to reauthorize PHMSA and the nation's pipeline safety programs.

NARUC's first priority is the authorization of the amounts for the state pipeline safety grants that are included in the legislation. Under current law, PHMSA may reimburse states up to 78.5% of what the states spend on their respective programs. Unfortunately, Congress and the federal government have not provided reimbursement funding to the states that come near to reaching the 78.5% threshold. According to PHMSA's numbers, in FY 2022 the states received 63.36% reimbursement, in FY 2023 53.13%, in FY 2024 68.39%, and in FY 2025 (the most recent actual number) 63.56%. Congress continues to place increased mandates upon the state pipeline safety programs which cost more in employees and indirect expenses, while at the same time we continue to see shrinking reimbursement levels. These lower than authorized reimbursement levels, coupled with increasing mandates, make it nearly impossible for the states to maintain their respective programs and have resources in place to successfully meet and accomplish any future changes or challenges in our mission of increasing pipeline safety and protecting the public. The House Committees on Transportation and Infrastructure and Energy and Commerce can help reduce the level of unfunded federal mandates within the federal/state pipeline safety partnership by not only authorizing the amounts in the current bill draft, but by ensuring that the actual appropriation amounts meet the 78.5% reimbursement limit currently found in law. The estimates of what the states will collectively spend on their respective pipeline safety programs to continue to meet current federal mandates and remain certified by PHMSA are: ¹

FY 2026: \$131.3 million (78.5% = \$103.1 million)

FY 2027: \$140.9 million (78.5% = \$110.6 million)

FY 2028: \$151.2 million (78.5% = \$118.7 million)

FY 2029: \$162.2 million (78.5% = \$127.4 million)

FY 2030: \$174.1 million (78.5% = \$136.7 million)

Therefore, we respectfully request that any Natural Gas Pipeline Safety Act include funding levels greater or equal to 78.5% of the total estimated state expenditures, found above, for FY 2026-2030.

NARUC's second priority for pipeline safety reauthorization legislation is to ensure that the "savings clause" language included in section 18(f) of H.R.5301, the Pipes Act of 2025, and section 9(f) of the Energy and Commerce Committee's Pipeline Safety Authorization Act of 2026 is included in any final reauthorization bill passed by Congress. Specifically, the savings clause language in Section 18(f) of H.R.5301 reads as follows:

(f) Savings Clause. - Nothing in this section shall make a grant award to a State by the Secretary pursuant to section 60107 or section 60134 for a State program certified under section 60105 or

¹ Due to overall performance scoring, maximum funding is achieved at approximately 78.5% of actual costs.

section 60106 contingent on compliance by the State with all leading practices described in subsection (b).

Unfortunately, the Senate's companion legislation as passed on April 29, 2026, failed to include a similar savings clause. It is critical that such language is included in any bill that emerges through negotiations for a final bill between the House and Senate. The reason for inclusion of this "savings clause" language is that pipeline safety programs do not have jurisdiction over the damage prevention laws and thus do not have enforcement authority in many states. A number of other stakeholders (telecom, water, electric, sewer, etc.) are involved in excavation and therefore have a shared responsibility for damage prevention. The "savings clause" included in H.R.5301 ensures that the state pipeline safety program base grants (whose primary intent are to support the inspection of operators for compliance and enforce the pipeline safety regulations) are not affected by an overall lack of compliance by a state under these proposed statutes. Further, this bill will be codified in CFR 49, Part 198, which means it can only be enforced against the state pipeline safety programs, and not other stakeholders. If the "savings clause" is not in the bill, this section could unjustly penalize the state pipeline safety programs and potentially affect the grant money that is purposed for enforcing pipeline safety regulations. We request that you preserve the "savings clause" language in the House's version of pipeline safety reauthorization legislation.

In conclusion, we are pleased that the House Committee on Transportation and Infrastructure is making progress in reauthorizing the Natural Gas Pipeline Safety Act. We look forward to working with you and your staff in continuing these discussions to produce legislation that strengthens the existing federal/state partnership by providing the states with the resources that are necessary to improve pipeline safety. Thank you for your time and consideration.

Sincerely,



Tony Clark
Executive Director