Fact Sheet: H.R. 2576 – To amend title 49, United States Code, to modify requirements relating to the availability of pipeline safety regulatory documents, and for other purposes

Background Information

- 2011 Pipeline Safety Act included a provision (Section 24) that required all technological standards incorporated by reference guidelines and regulation to be available free of charge on the internet.
- There are a variety of different Standards Development Organizations (SDOs), who are usually nonprofits, that create technical industry standards for things like welding, boiler and pressure code, etc., and charge industry for the standards as a source of revenue.
- Section 24 could infringe upon SDOs' intellectual property rights because if their standards are incorporated by reference in PHMSA guidelines or regulations, those standards must be made available free of charge on the internet.
- SDOs fear this would allow oversees competitors free access to valuable intellectual property, and no one would need to purchase their standards.
- Section 24 could ruin the biggest Standard's organization (American Society of Mechanical Engineers "ASME") business model, as they do not have another income stream.

<u>Summary</u>

- H.R. 2576 would protect intellectual property rights while allowing for more flexibility in making documents transparent by changing the following:
- Extend the effective date for making standards available from 1 to 3 years from enactment so the industry and PHMSA can properly implement the mandate.
- Delete the term "guidance" from the provision to lessen the number of PHMSA documents that this provision applies too.
- Delete the term "on an internet Web site", which will protect copyright and intellectual property from being released to the public on the internet, but allow access free of charge by other means.

Committee Action

The Committee on Transportation and Infrastructure reported the bill favorably by voice vote at a full Committee mark-up on July 10, 2013.

Amendments

No amendments were offered during Committee consideration.

Statement of Administration Policy

None.