

AN ACT

1 Providing for oil and gas leases on lands owned and managed by
2 the Department of Conservation and Natural Resources;
3 dedicating royalties from certain leases to be used for
4 repair of weight restricted bridges.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Weight
9 Restricted Bridge Repair Act.

10 Section 2. Definitions.

11 The following words and phrases when used in this act shall
12 have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 "Account." The Highway Bridge Improvement Restricted Account
15 within the Motor License Fund.

16 "Department." The Department of Conservation and Natural
17 Resources of the Commonwealth.

18 "Oil and gas lease." A lease entered into by the Department

1 of Conservation and Natural Resources and a private party after
2 the effective date of this section for the extraction and
3 development of oil or gas, or both, on lands owned or managed by
4 the department.

5 "Weight restricted bridge." A bridge that has been
6 designated as weight restricted by the Department of
7 Transportation.

8 Section 3. Duties of department.

9 (a) General rule.--All lands owned or managed by the
10 department shall be subject to oil and gas extraction and
11 development pursuant to lease with the department. The
12 department shall enter into oil and gas leases that provide for
13 payment of royalties to the Commonwealth in such amount as
14 agreed to by the department and the private parties, subject to
15 the provisions of this act.

16 (b) Annual royalty goal for leasing activity.--

17 (1) For fiscal years 2014-2015, 2015-2016 and 2016-2017,
18 the department shall conduct a competitive public auction
19 each fiscal year of no less than 100,000 acres of State
20 forest land for a total of at least 300,000 acres. The
21 department shall advertise the auction once a week for three
22 weeks in at least two newspapers of general circulation
23 published nearest the locality and in the Pennsylvania
24 Bulletin, and may not accept a bid for the rights to explore
25 and develop Marcellus Shale gas reserves unless the bid is in
26 an amount greater than \$3,500 per acre.

27 (2) A lease contract shall be awarded to the highest
28 responsible bidder and shall require the posting of a bond
29 and carry a primary term of ten years, which may be extended.

30 (3) Each lease contract shall reserve as royalty payable

1 to the Commonwealth 16% of the market value of all marketable
2 gas produced at each wellhead.

3 (c) Deposit.--Notwithstanding any provision of the act of
4 December 15, 1955 (P.L.865, No.256), entitled "An act requiring
5 rents and royalties from oil and gas leases of Commonwealth land
6 to be placed in a special fund to be used for conservation,
7 recreation, dams, and flood control; authorizing the Secretary
8 of Forests and Waters to determine the need for and location of
9 such projects and to acquire the necessary land," to the
10 contrary, all royalty and other payments received by the
11 department from oil and gas leases under this act shall be
12 deposited into the account.

13 (d) Use of fund.--The moneys deposited into the account
14 under this act shall be used by the Department of Transportation
15 for the sole purpose of repairing weight restricted bridges.

16 Section 4. Effective date.

17 This act shall take effect in 60 days.