

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1500 Session of
2014

INTRODUCED BY VITALI, FRANKEL, WATERS, FREEMAN, O'BRIEN,
BROWNLEE, BRIGGS, BRADFORD, M. DALEY, MAHONEY, COHEN,
SAMUELSON, MCCARTER, SANTARSIERO, CARROLL, DEAN, ROEBUCK,
MUNDY, KIRKLAND AND WHITE, FEBRUARY 4, 2014

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
FEBRUARY 4, 2014

AN ACT

1 Amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated
2 Statutes, in unconventional gas well fee, further providing
3 for distribution of fee; in Oil and Gas Lease Fund, further
4 providing for definitions; providing for establishment and
5 projects; further providing for appropriation of money and
6 for funds; and making related repeals.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 2314(c.1) of Title 58 of the Pennsylvania
10 Consolidated Statutes is amended by adding paragraphs to read:

11 § 2314. Distribution of fee.

12 * * *

13 (c.1) Additional distributions.--From fees collected under
14 this chapter and deposited in the fund for 2011 and each year
15 thereafter:

16 * * *

17 (7) Thirty-five million dollars to the Environmental
18 Stewardship Fund beginning in 2014 and each year thereafter.

1 (8) Five million dollars to the Hazardous Sites Cleanup
2 Fund for 2015 and \$15,000,000 beginning in 2016 and each year
3 thereafter.

4 * * *

5 Section 2. Sections 2501, 2502, 2503, 2504 and 2505 of Title
6 58 are amended to read:

7 § 2501. Definitions.

8 The following words and phrases when used in this chapter
9 shall have the meanings given to them in this section unless the
10 context clearly indicates otherwise:

11 "Department." The Department of Conservation and Natural
12 Resources of the Commonwealth.

13 "Fund." The Oil and Gas Lease Fund.

14 "Secretary." The Secretary of Conservation and Natural
15 Resources.

16 § 2502. [(Reserved).] Establishment.

17 (a) Rents and royalties.--Rents and royalties from an oil
18 and gas lease of land owned by the Commonwealth, except for
19 rents and royalties received from game and fish lands, shall be
20 placed in a special fund to be known as the Oil and Gas Lease
21 Fund.

22 (b) Use.--The fund shall be used exclusively for specific
23 geographically identifiable conservation, recreation, dams or
24 flood control projects or to match Federal grants which are made
25 for conservation, recreation, dams or flood control projects.
26 The fund may not be used for the general operation or
27 administration of the department.

28 § 2503. [(Reserved).] Projects.

29 The secretary shall determine the need for and the location
30 of any project authorized under this chapter. The secretary

1 shall have the power to acquire, in the name of the
2 Commonwealth, land as needed.

3 § 2504. Appropriation of money.

4 Money in the [Oil and Gas Lease Fund] fund is specifically
5 appropriated to the department as provided in this chapter.

6 [§ 2505. Funds.

7 (a) Priority.--Funds appropriated from the Oil and Gas Lease
8 Fund to the department under the act of April 9, 1929 (P.L.343,
9 No.176), known as The Fiscal Code, or other appropriation act
10 shall be distributed prior to allocations under subsection (b).

11 (b) Allocations.--Money in the Oil and Gas Lease Fund shall
12 be allocated on an annual basis as follows:

13 (1) The following amounts shall be transferred from the
14 Oil and Gas Lease Fund to the Marcellus Legacy Fund for
15 distribution to the Environmental Stewardship Fund:

16 (i) For 2013, \$20,000,000.

17 (ii) For 2014 and each year thereafter, \$35,000,000.

18 (2) The following amounts shall be transferred from the
19 Oil and Gas Lease Fund to the Marcellus Legacy Fund for
20 distribution to the Hazardous Sites Cleanup Fund:

21 (i) For 2015, \$5,000,000.

22 (ii) For 2016 and each year thereafter,
23 \$15,000,000.]

24 Section 3. Repeals are as follows:

25 (1) The General Assembly declares that the repeals under
26 paragraphs (2) and (3) are necessary to effectuate the
27 amendment or addition of 58 Pa.C.S. §§ 2314(c.1)(7) and (8),
28 2502, 2503, 2504 and 2505.

29 (2) The act of December 15, 1955 (P.L.865, No.256),
30 entitled, "An act requiring rents and royalties from oil and

1 gas leases of Commonwealth land to be placed in a special
2 fund to be used for conservation, recreation, dams, and flood
3 control; authorizing the Secretary of Forests and Waters to
4 determine the need for and location of such projects and to
5 acquire the necessary land," is repealed.

6 (3) Sections 1602-E and 1603-E of the act of April 9,
7 1929 (P.L.343, No.176), known as The Fiscal Code, are
8 repealed.

9 Section 4. The amendment of 58 Pa.C.S. §§ 2502 and 2503 is a
10 continuation of the act of December 15, 1955 (P.L.865, No.256),
11 entitled, "An act requiring rents and royalties from oil and gas
12 leases of Commonwealth land to be placed in a special fund to be
13 used for conservation, recreation, dams, and flood control;
14 authorizing the Secretary of Forests and Waters to determine the
15 need for and location of such projects and to acquire the
16 necessary land." Except as otherwise provided in 58 Pa.C.S. §§
17 2502 and 2503, all activities initiated under Act 256 of 1955
18 shall continue and remain in full force and effect and may be
19 completed under 58 Pa.C.S. §§ 2502 and 2503. Orders,
20 regulations, rules and decisions which were made under Act 256
21 of 1955 and which are in effect on the effective date of section
22 3(2) of this act shall remain in full force and effect until
23 revoked, vacated or modified under 58 Pa.C.S. §§ 2502 and 2503.
24 Contracts, obligations and collective bargaining agreements
25 entered into under Act 256 of 1955 are not affected nor impaired
26 by the repeal of Act 256 of 1955.

27 Section 5. This act shall take effect in 60 days.