

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2528 Session of 2022

INTRODUCED BY STRUZZI, JAMES, PICKETT, CAUSER, SMITH, BERNSTINE, SAYLOR, OBERLANDER, NEILSON, ROWE AND ARMANINI, APRIL 20, 2022

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, JUNE 15, 2022

AN ACT

1 Amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated
2 Statutes, in development, providing for well plugging
3 contracts.

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

6 Section 1. Title 58 of the Pennsylvania Consolidated
7 Statutes is amended by adding a section to read:

8 § 3271.1. Well plugging contracts.

9 (a) General rule.--Notwithstanding any other provision of
10 law:

11 (1) The department shall allow any Pennsylvania company
12 to bid for a contract that the department plans to award for
13 plugging oil or gas wells, regardless of the size of the
14 company.

15 (2) The department shall award a contract for plugging
16 oil or gas wells to an eligible Pennsylvania company before
17 considering the bid of a company which is not a Pennsylvania

1 company.

2 (3) If no eligible Pennsylvania company bids for the
3 contract, the department may consider bids from a company
4 that is not a Pennsylvania company.

5 (b) Definition.--As used in this section, the term
6 "Pennsylvania company" means a business entity which:

7 ~~(1) Has its main offices or headquarters located within~~ <--
8 ~~this Commonwealth.~~

9 ~~(2) Conducts at least 50% of its business activities~~
10 ~~within this Commonwealth.~~

11 (1) HAS ITS MAIN OFFICES OR HEADQUARTERS LOCATED WITHIN <--
12 THIS COMMONWEALTH AND CONDUCTS AT LEAST 50% OF ITS BUSINESS
13 ACTIVITIES WITHIN THIS COMMONWEALTH; OR

14 (2) WILL BID FOR STATE CONTRACTS FOR PLUGGING OIL OR GAS
15 WELLS AND SUBCONTRACT THE WORK TO SUBCONTRACTORS SELECTED
16 THROUGH A COMPETITIVE BIDDING PROCESS THAT GIVES PRIORITY TO
17 SUBCONTRACTORS THAT SATISFY THE CRITERIA SPECIFIED UNDER
18 PARAGRAPH (1) WHEN POSSIBLE.

19 Section 2. This act shall take effect in 60 days.