



*House of Representatives*

COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG

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# MEMO

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TO: All House Members

FROM: Rep. Scott E. Hutchinson

SUBJECT: Co-Sponsorship: Oil & Gas Lease Fund Act

Former HB 2015

DATE: January 5, 2011

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I plan to re-introduce legislation that will amend the Oil and Gas Lease Fund Act (P.L. 865, No. 256) and invite your co-sponsorship.

Currently, all state agencies, with the exception of the Fish and Boat and Game Commissions are required to deposit revenue from oil and gas leases into the Oil and Gas Lease Fund. This includes all other independent state agencies, as well as, agencies under the Governor's jurisdiction. This effectively removes any control over these funds that an independent agency may have, and acts as a disincentive, for an agency to develop oil and gas reserves under property they administer.

The legislation I am proposing would permit an independent agency, to retain all rents and royalties from oil and gas leases on lands owned by that agency. The agency would be required to establish a special account for these funds which could be used to fund their specific activities.

Given the interest in the Marcellus Shale formation, this legislation could very well provide additional sources of revenues for our independent agencies to continue important programs, while helping to relieve the fiscal pressures on an already strained state budget.

If you are interested in co-sponsoring this legislation, please call Jessica Guyer in my office at 783-8188, or email her at [jguyer@pahousegop.com](mailto:jguyer@pahousegop.com) at your earliest convenience. Thank you for your consideration.

**PREVIOUS CO-SPONSORS: BAKER, BARRAR, BENNINGHOFF, CAUSER, CLYMER, CREIGHTON, EVERETT, FLECK, GABLER, GEIST, GINGRICH, GOODMAN, GROVE, HENNESSEY, HESS, MILLER, MURT, OBERLANDER, PEIFER, PYLE, RAPP, REED, REICHLEY, SCAVELLO, STERN, STEVENSON, TALLMAN and VULAKOVICH**