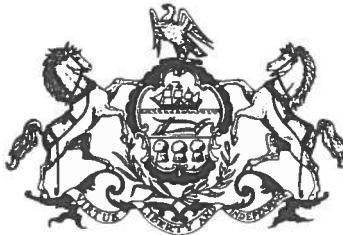


TONY PAYTON, JR., MEMBER

308 IRVIS OFFICE BUILDING
P.O. BOX 202179
HARRISBURG, PENNSYLVANIA 17120-2179
(717) 787-1354
FAX: (717) 780-4789

4509 FRANKFORD AVENUE
PHILADELPHIA, PENNSYLVANIA 19124
(215) 744-7901
FAX: (215) 744-7906

627 WEST ERIE AVENUE
PHILADELPHIA, PENNSYLVANIA 19140
(215) 227-2360
FAX: (215) 227-2364



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

HUMAN SERVICES
SUBCOMMITTEE CHAIRMAN MENTAL HEALTH
TRANSPORTATION
SUBCOMMITTEE CHAIRMAN RAILROADS
SUBCOMMITTEE MASS TRANSIT
STATE GOVERNMENT
SECRETARY
PROFESSIONAL LICENSURE
ATHLETIC OVERSIGHT
POLICY COMMITTEE
VICE CHAIR

CAUCUSES

PA LEGISLATIVE BLACK CAUCUS
COMMUNITY COLLEGE CAUCUS
PHILADELPHIA DELEGATION
URBAN SUSTAINABILITY CAUCUS
ASTHMA CAUCUS

MEMORANDUM

DATE: May 15, 2012
TO: All House Members
FROM: Representative Tony Payton
SUBJECT: Legislation Providing for a Marcellus Shale Resident Rebate

In the near future, I plan to introduce legislation that would amend Title 58 (Oil and Gas) of the Pennsylvania Consolidated Statutes to provide for an annual rebate to each resident of the Commonwealth from fees collected on the production of natural gas.

This legislation would provide for the creation of the Marcellus Shale Resident Rebate Account, into which 25 percent of the total revenue generated from fees on the production of natural gas would be deposited. The Pennsylvania State Treasury would manage this restricted account and be responsible for the annual distribution of revenue to each resident of the Commonwealth. Rebate amounts would be calculated by allocating each county a pro-rata share of the total amount of the revenue in the account based upon each county's population. The county would then distribute an equal share of the allocation to each resident of the county.

This legislation would take effect 60 days following the approval by the electorate of a constitutional amendment to Section 29 of Article III of the Constitution of Pennsylvania. The constitutional amendment would authorize the distribution of revenues from fees imposed on the production of natural gas to residents of the Commonwealth.

If you would like to co-sponsor this measure, please contact Tajuanna Franklin at 717-787-1354 or TFranklin@pahouse.net.