

AN ACT

1 Providing for the leasing of State forest and park land for oil
2 and natural gas development to fund school districts.

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

5 Section 1. Short title.

6 This act shall be known and may be cited as the Education
7 Reinvestment Act.

8 Section 2. Definitions.

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

12 "Company." An entity doing business within this Commonwealth
13 and subject to tax under Article III, IV or VI of the act of
14 March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
15 1971.

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

1 "Horizontal directional drilling." As defined in section 1
2 of the act of December 10, 1974 (P.L.852, No.287), referred to
3 as the Underground Utility Line Protection Law.

4 "Restricted fund account." The Education Reinvestment Fund
5 Account established under section 4.

6 "Secretary." The Secretary of Conservation and Natural
7 Resources of the Commonwealth.

8 Section 3. Horizontal drilling under State lands.

9 (a) Program established.--The department shall establish a
10 program for the leasing of subsurface rights under State forest
11 and park property for oil and gas development from horizontal
12 directional drilling originating from well sites outside the
13 State forest or park property.

14 (b) Lease approval.--The secretary shall have exclusive
15 authority to approve or disapprove any lease under this act. The
16 secretary shall provide in writing to the company the reason for
17 the disapproval of a lease.

18 (c) Resubmission upon disapproval.--The following shall
19 apply:

20 (1) A company may resubmit a lease to the department
21 after the company has reasonably attempted to meet the
22 conditions for the secretary's approval.

23 (2) A lease shall be considered approved upon the
24 company's fourth resubmission and subsequent disapproval,
25 unless the secretary provides clear and convincing evidence
26 that the company has failed to make reasonable attempts to
27 meet the secretary's concerns.

28 Section 4. Education Reinvestment Fund Account.

29 (a) Establishment.--The Education Reinvestment Account is
30 established as a restricted account in the General Fund.

1 (b) Sources.--The following shall be deposited into the
2 restricted fund account:

3 (1) Payments collected from a lease under this act.

4 (2) Any money appropriated by the General Assembly for
5 purposes of this act.

6 (3) Any interest accumulated by money in the restricted
7 fund account.

8 (c) Nonlapse.--The money in the restricted fund account is
9 hereby appropriated on a continuing basis to the department for
10 distribution to school districts under section 5. This
11 appropriation shall not lapse at the end of the year.

12 (d) Certification.--The secretary shall certify the amount
13 in the restricted fund account by May 1 of each year.

14 Section 5. Distribution of account.

15 The Department of Education shall distribute an amount to
16 each school district using the following formula:

17 (1) Divide:

18 (i) the total payments collected under section 4 in
19 the account;

20 (ii) by the aggregate real estate property tax
21 collected by school districts from the 2012-2013 fiscal
22 year.

23 (2) Multiply:

24 (i) the quotient under paragraph (1); by

25 (ii) the total aggregate real estate tax collection
26 by each individual school district from the 2012-2013
27 fiscal year.

28 Section 6. Construction.

29 Nothing in this act shall be construed to prohibit oil and
30 gas drilling on State forest and park property in accordance

1 with the laws of this Commonwealth.

2 Section 7. Effective date.

3 This act shall take effect in 60 days.