

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1159 Session of
2009

INTRODUCED BY D. WHITE, GREENLEAF, M. WHITE, EARLL, BROWNE,
TOMLINSON AND SCARNATI, DECEMBER 14, 2009

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, DECEMBER 14,
2009

AN ACT

1 Providing for indigenous mineral resource development; and
2 imposing powers and duties on the Department of General
3 Services.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Indigenous
8 Mineral Resources Development Act.

9 Section 2. Definitions.

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

13 "Department." The Department of General Services of the
14 Commonwealth.

15 "Mineral resources." Coal, oil, natural gas, coal bed
16 methane, limestone and other valuable minerals.

17 "Right-of-way." Includes:

18 (1) a right of passage and haulage for a lawful purpose;

1 (2) a right of flowage or transmission for a lawful
2 purpose; and

3 (3) the construction, operation and maintenance of
4 infrastructure necessary to facilitate a lawful purpose.

5 "State-owned land." Land owned by the Commonwealth. The term
6 does not include land owned and administered by the Department
7 of Conservation and Natural Resources or the Pennsylvania Game
8 Commission.

9 Section 3. Development of mineral resources on State-owned
10 land.

11 (a) Authority.--The department has the following powers:

12 (1) To make and execute contracts or leases in the name
13 of the Commonwealth for the mining or removal of valuable
14 mineral resources which may be found in State-owned land or
15 under waters of this Commonwealth.

16 (2) To grant a right-of-way through a State forest to
17 any individual or corporation that applies if the department
18 determines that:

19 (i) the grant will not so adversely affect the land
20 as to interfere with its usual and orderly
21 administration; and

22 (ii) the interests of the Commonwealth or its
23 citizens will be promoted by the grant.

24 (b) Advertising.--A proposed contract or lease of mineral
25 resources exceeding \$1,000 in value must be advertised once a
26 week for three weeks, in at least two newspapers of general
27 circulation published nearest the locality indicated, in advance
28 of awarding the contract or lease.

29 (c) Bidding.--

30 (1) Except as set forth in paragraph (2), contracts and

1 leases shall be awarded to the highest and best bidder.

2 (2) The requirement for competitive bidding may be
3 waived if the Commonwealth owns a fractional interest in the
4 mineral resources under State-owned land or the waters of
5 this Commonwealth; and the department may enter into a
6 contract to lease that fractional interest, with the approval
7 of the Governor and upon terms and conditions the department
8 deems to be in the best interest of the Commonwealth.

9 (d) Bond.--A party that enters into a contract or lease
10 under this section must provide a bond satisfactory to the
11 department for the proper performance of the contract or lease.

12 Section 4. Deposit of revenue.

13 Payments or royalties received by the department pursuant to
14 a contract or lease under this act shall be deposited into the
15 Environmental Stewardship Fund.

16 Section 10. Effective date.

17 This act shall take effect immediately.