

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1238 Session of 2011

INTRODUCED BY BAKER, HANNA, CAUSER, CLYMER, D. COSTA, COX,  
DENLINGER, EVERETT, FLECK, GABLER, GINGRICH, GRELL, GROVE,  
HARRIS, KILLION, KORTZ, MAJOR, MILLER, MILNE, MURT, PICKETT,  
RAPP, REICHLEY, SWANGER, J. TAYLOR AND VULAKOVICH,  
MARCH 31, 2011

REFERRED TO COMMITTEE ON APPROPRIATIONS, MARCH 31, 2011

AN ACT

1 Amending the act of December 15, 1955 (P.L.865, No.256),  
2 entitled "An act requiring rents and royalties from oil and  
3 gas leases of Commonwealth land to be placed in a special  
4 fund to be used for conservation, recreation, dams, and flood  
5 control; authorizing the Secretary of Forests and Waters to  
6 determine the need for and location of such projects and to  
7 acquire the necessary land," further providing for the Oil  
8 and Gas Lease Fund; providing for reallocation of moneys in  
9 fund; and making editorial changes.

10 The General Assembly of the Commonwealth of Pennsylvania  
11 hereby enacts as follows:

12 Section 1. The title of the act of December 15, 1955  
13 (P.L.865, No.256), entitled "An act requiring rents and  
14 royalties from oil and gas leases of Commonwealth land to be  
15 placed in a special fund to be used for conservation,  
16 recreation, dams, and flood control; authorizing the Secretary  
17 of Forests and Waters to determine the need for and location of  
18 such projects and to acquire the necessary land," is amended to  
19 read:

AN ACT

1 Requiring rents and royalties from oil and gas leases of  
2 Commonwealth land to be placed in a special fund to be used  
3 for conservation, recreation, dams, and flood control;  
4 authorizing the Secretary of [Forests and Waters]  
5 Conservation and Natural Resources to determine the need for  
6 and location of such projects and to acquire the necessary  
7 land.

8 Section 2. Sections 1, 2 and 3 of the act are amended to  
9 read:

10 Section 1. Oil and Gas Lease Fund.

11 (a) Establishment.--All rents and royalties from oil and gas  
12 leases of any land owned by the Commonwealth, except rents and  
13 royalties received from game and fish lands and from lands owned  
14 or occupied by the State System of Higher Education, shall be  
15 placed in a special fund to be known as the "Oil and Gas Lease  
16 Fund" which fund shall be exclusively used for conservation,  
17 recreation, dams, or flood control [or to match], for matching  
18 any Federal grants which may be made for any of the  
19 aforementioned purposes or the purposes authorized under  
20 subsection (c).

21 (b) Appropriation.--All rents and royalties received from  
22 lands owned or occupied by the State System of Higher Education  
23 are hereby appropriated on a continuing basis to the State  
24 System of Higher Education.

25 (c) Allocation.--The proceeds from rents and royalties  
26 collected under subsection (a) from lands owned or occupied by  
27 the State System of Higher Education shall be allocated as  
28 follows:

29 (1) Sixty percent shall be retained by the university  
30 which is the host to the well site and shall be used by the

1 host university for deferred maintenance projects or energy  
2 efficiency or energy cost saving improvements.

3 (2) Forty percent shall be allocated to the State System  
4 of Higher Education for distribution among those universities  
5 which may not host a well site. The distribution formula  
6 shall be determined by the Board of Governors of the State  
7 System of Higher Education. The Board of Governors shall only  
8 use the funds for deferred maintenance or energy efficiency  
9 or energy cost saving improvements.

10 Section 2. Duties of the Secretary of Conservation and Natural  
11 Resources.

12 [It shall be within the discretion of the] The Secretary of  
13 [Forests and Waters] Conservation and Natural Resources shall  
14 have the discretion to determine the need for and the location  
15 of any project authorized by this act. The Secretary of [Forests  
16 and Waters] Conservation and Natural Resources shall have the  
17 power to acquire in the name of the Commonwealth by purchase,  
18 condemnation or otherwise such lands as may be needed.

19 Section 3. Use of fund.

20 [All] Except as otherwise provided under section 1(b) and  
21 (c), the moneys from time to time paid into the "Oil and Gas  
22 Lease Fund" are specifically appropriated to the Department of  
23 [Forests and Waters] Conservation and Natural Resources to carry  
24 out the purposes of this act.

25 Section 3. This act shall take effect in 60 days.