
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1748 Session of
2011

INTRODUCED BY WHITE, CALTAGIRONE, HALUSKA, HORNAMAN, ROEBUCK AND
SCAVELLO, JUNE 28, 2011

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
JUNE 28, 2011

AN ACT

1 Amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated
2 Statutes, imposing a natural gas impact fee.

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

5 Section 1. Title 58 of the Pennsylvania Consolidated
6 Statutes is amended by adding a part to read:

7 PART I

8 UNCONVENTIONAL GAS WELLS

9 Chapter

10 23. Impact Fee

11 CHAPTER 23

12 IMPACT FEE

13 Sec.

14 2301. Definitions.

15 2302. Shale Impact Fee.

16 2303. Administration.

17 2304. Well information.

- 1 2305. Duties of department.
- 2 2306. Meters.
- 3 2307. Commission.
- 4 2308. Enforcement.
- 5 2309. Criminal penalties.
- 6 2310. Criminal grading.
- 7 2311. Enforcement orders.
- 8 2312. Administrative penalties.
- 9 2313. Regulations.
- 10 2314. Recordkeeping.
- 11 2315. Examinations.
- 12 2316. Local distribution of fee.
- 13 2317. Statewide environmental initiatives.
- 14 § 2301. Definitions.

15 The following words and phrases when used in this chapter
16 shall have the meanings given to them in this section unless the
17 context clearly indicates otherwise:

18 "Account." The Shale Impact Account.

19 "Average annual price of natural gas." The arithmetic mean
20 of the New York Mercantile Exchange (NYMEX) Henry Hub settled
21 price on the last trading day of each month of a calendar year
22 as reported by the Wall Street Journal for the 12-month period
23 ending December 31.

24 "Barrel." A barrel of 42 U.S. gallons of natural gas
25 liquids.

26 "Commission." The Pennsylvania Public Utility Commission.

27 "Department." The Department of Environmental Protection of
28 the Commonwealth.

29 "Eligible applicants." A county, municipality, council of
30 governments, watershed organization, institution of higher

1 education, nonprofit organization, Pennsylvania Fish and Boat
2 Commission or an authorized organization as defined in 27
3 Pa.C.S. § 6103 (relating to definitions).

4 "Fee." The Shale Impact Fee imposed under section 2302
5 (relating to Shale Impact Fee).

6 "Highway mileage." The number of miles of public roads and
7 streets most recently certified by the Department of
8 Transportation as eligible for distribution of liquid fuels
9 funds under the act of June 1, 1956 (1955 P.L.1944, No.655),
10 referred to as the Liquid Fuels Tax Municipal Allocation Law.

11 "Marginal gas well." An unconventional gas well capable of
12 severing more than 60,000 cubic feet of gas per day during a
13 calendar month, but incapable of severing more than 90,000 cubic
14 feet of gas per day during a calendar month, including
15 production from the zones and multilateral well bores at a
16 single well, regardless of whether the production is metered
17 separately.

18 "Municipality." A borough, city, town or township.

19 "Natural gas." A fossil fuel consisting of a mixture of
20 hydrocarbon gases, primarily methane, and possibly including
21 ethane, propane, butane, pentane, carbon dioxide, oxygen,
22 nitrogen and hydrogen sulfide and other gas species. The term
23 includes natural gas from oil fields known as associated gas or
24 casing head gas, natural gas fields known as nonassociated gas,
25 coal beds, shale beds and other formations. The term does not
26 include coal bed methane.

27 "Natural gas liquids." Hydrocarbons in natural gas which are
28 separated from the gas as liquids through the process of
29 absorption, condensation, adsorption or other methods in gas
30 processing of cycling plants.

1 "Number of producing unconventional wells." The most recent
2 numerical count of producing unconventional wells on the
3 inventory maintained and provided to the Pennsylvania Public
4 Utility Commission by the Department of Environmental Protection
5 as of the last day of each month.

6 "Price adjustment factor." One of a range of numerical
7 values used to compute the adjusted fee under section 2302
8 (relating to Shale Impact Fee). The price adjustment factor
9 shall be determined as follows:

10 (1) If the average annual price of natural gas is less
11 than \$5.01, the price adjustment factor shall be five.

12 (2) If the average annual price of natural gas is \$5.01
13 to \$6.00, the price adjustment factor shall be equal to the
14 sum of the average annual price plus one.

15 (3) If the average annual price of natural gas is \$6.01
16 to \$7.00, the price adjustment factor shall be equal to the
17 sum of the average annual price plus two.

18 (4) If the average annual price of natural gas is \$7.01
19 to \$8.00, the price adjustment factor shall be equal to the
20 sum of the average annual price plus three.

21 (5) If the average annual price of natural gas is
22 greater than \$8.00, the price adjustment factor shall be
23 equal to the sum of the average annual price plus five.

24 "Producer." A person or its subsidiary, affiliate or holding
25 company that holds a permit or other authorization to engage in
26 the business of severing natural gas for sale, profit or
27 commercial use from an unconventional well in this Commonwealth.
28 The term shall not include a producer that severs natural gas
29 from a site used to store natural gas that did not originate
30 from the site.

1 "Unconventional well." A bore hole drilled or being drilled
2 for the purpose of or to be used for producing oil or gas from a
3 geological formation existing below the base of the Elk
4 Sandstone or its geologic equivalent stratigraphic interval
5 where oil or gas generally cannot be produced at economic flow
6 rates or in economic volumes except by vertical or horizontal
7 well bores stimulated by hydraulic fracture treatments or by
8 using multilateral well bores or other techniques to expose more
9 of the formation of the well bore.

10 "Unit."

11 (1) A thousand cubic feet of natural gas measured at the
12 wellhead at a temperature of 60 degrees Fahrenheit and an
13 absolute pressure of 14.73 pounds per square inch in
14 accordance with American Gas Association Standards and
15 according to Boyle's Law for the measurement of gas under
16 varying pressures with deviations as follows:

17 (i) The average absolute atmospheric pressure shall
18 be assumed to be 14.4 pounds to the square inch,
19 regardless of elevation or location of point of delivery
20 above sea level or variations in atmospheric pressure
21 from time to time.

22 (ii) The temperature of the gas passing the meters
23 shall be determined by the continuous use of a recording
24 thermometer installed to properly record the temperature
25 of gas flowing through the meters. The arithmetic average
26 of the temperature recorded each 24-hour day shall be
27 used in computing gas volumes. If a recording thermometer
28 is not installed, or is installed and not operating
29 properly, an average flowing temperature of 60 degrees
30 Fahrenheit shall be used in computing gas volume.

1 (iii) The specific gravity of the gas shall be
2 determined annually by tests made by the use of an
3 Edwards of Acme gravity balance, or at intervals as
4 necessary. Specific gravity determinations shall be used
5 in computing gas volumes.

6 (iv) The deviation of the natural gas from Boyle's
7 Law shall be determined by annual tests or at other
8 shorter intervals as necessary. The apparatus and method
9 used in making the test shall be in accordance with
10 recommendations of the National Bureau of Standards or
11 Report No. 3 of the Gas Measurement Committee of the
12 American Gas Association. The results of the test shall
13 be used in computing the volume of gas delivered under
14 this chapter.

15 (2) In the case of natural gas produced in liquid form,
16 a unit shall be measured on a 1,000 cubic feet equivalent
17 basis, determined using the ratio of 6,000 cubic feet of
18 natural gas to one barrel of natural gas liquids.

19 "Vertical gas well." An unconventional well which begins as
20 a vertical linear bore and is not intentionally deviated from
21 the vertical.

22 "Volume adjustment factor." One of a range of numerical
23 values used to compute the adjusted fee under section 2302
24 (relating to Shale Impact Fee). The volume adjustment factor
25 shall be determined as follows:

26 (1) If the annual units of production are less than
27 21,901, the volume adjustment factor shall be zero.

28 (2) If the annual units of production are 21,901 to
29 90,000, the volume adjustment factor shall be 0.2.

30 (3) If the annual units of production are 90,001 to

1 180,000, the volume adjustment factor shall be 0.3.

2 (4) If the annual units of production are 180,001 to
3 360,000, the volume adjustment factor is 0.4.

4 (5) If the annual units of production are 360,001 to
5 750,000, the volume adjustment factor is 0.5.

6 (6) If the annual units of production are 750,001 to
7 1,000,000, the volume adjustment factor is 0.6.

8 (7) If the annual units of production are 1,000,001 to
9 1,350,000, the volume adjustment factor is 0.7.

10 (8) If the annual units of production are greater than
11 1,350,001, the volume adjustment factor is 0.8.

12 § 2302. Shale Impact Fee.

13 (a) Imposition.--Beginning January 1, 2009, there shall be
14 imposed a Shale Impact Fee on each unconventional well producing
15 gas in this Commonwealth.

16 (b) Fee.--The fee shall consist of a base fee of \$20,000 for
17 each unconventional well subject to the following adjustments:

18 (1) The fee shall be adjusted by multiplying the base
19 fee amount times the volume adjustment factor times the price
20 adjustment factor rounded to the nearest \$100.

21 (2) If the natural gas severed from more than one
22 unconventional well is measured by a single wellhead meter,
23 the combined volumes of gas produced shall be divided by the
24 number of unconventional wells and each producer of an
25 unconventional well shall use this quotient in determining
26 its volume adjustment factor.

27 (3) The fee for a marginal gas well or vertical gas well
28 shall be \$10,000 and shall not be subject to adjustment under
29 paragraph (1).

30 (4) The annual operation fee shall be \$2,000 in addition

1 to the base fee for each unconventional well and shall not be
2 subject to adjustment under paragraph (1).

3 § 2303. Administration.

4 (a) Commission.--On or before January 31 of each year, the
5 commission shall calculate and determine the average annual
6 price of natural gas for the previous calendar year.

7 (b) Notice.--Notice of the average annual price shall be
8 provided to producers of unconventional wells and shall be
9 published on the commission's Internet website.

10 (c) Method.--If publication of the New York Mercantile
11 Exchange (NYMEX) Henry Hub settled price is discontinued, the
12 average annual price of natural gas then in effect shall not be
13 adjusted until a comparable method to determine the average
14 annual price of natural gas is adopted by commission rule. If
15 the base data of the NYMEX Henry Hub settled price is
16 substantially revised, the commission shall make appropriate
17 changes to ensure that the average annual price of natural gas
18 is reasonably consistent with the result that would have been
19 attained had the substantial revision not been made.

20 (d) Report.--By March 1, 2012, and each March 1 thereafter,
21 each producer shall submit a report and payment of the fee with
22 the commission on a form prescribed by the commission for the
23 previous calendar year. The report shall include the following:

24 (1) Annual units of production severed by the producer
25 for each unconventional well for the reporting period.

26 (2) The number of producing unconventional wells of a
27 producer in each county and municipality.

28 (e) Report and fee for 2009.--For calendar year 2009, a
29 report pursuant to subsection (d)(1) and (2) shall be filed by
30 August 1, 2011, and the fee due shall be paid as follows:

1 (1) Fifty percent of the fee shall be paid by August 1,
2 2011.

3 (2) Fifty percent of the fee shall be paid by November
4 1, 2011.

5 (f) Fee due date.--Except as provided under subsection
6 (e) (2), the fee shall be due on the day the report is required
7 to be filed. The fee shall become delinquent if not remitted to
8 the commission on the reporting date.

9 (g) Cost.--Beginning March 2, 2012, and each March 2
10 thereafter, the commission shall determine the reasonable annual
11 cost to collect and distribute the fee in accordance with this
12 chapter and shall deduct that amount from the total amount of
13 fees collected under this chapter. On August 1, 2011, the amount
14 to collect and distribute the fee may be deducted from the total
15 amount of fees collected for 2009. Fees collected under this
16 section are hereby annually appropriated to the commission to
17 carry out its duties under this chapter.

18 § 2304. Well information.

19 (a) List.--The department shall provide the commission with
20 a list of all unconventional wells that have received a drilling
21 permit from the department. The list shall be updated on a
22 monthly basis.

23 (b) Updates.--A producer subject to the fee shall notify the
24 commission of the following within 30 days after a calendar
25 month in which the change occurs:

26 (1) The initiation of production at a well or the
27 removal of a well from production.

28 (2) The use of a different accredited laboratory to
29 issue a wellhead meter certification.

30 § 2305. Duties of department.

1 (a) Confirmation of payment.--Prior to issuing a permit to
2 drill an unconventional well in this Commonwealth, the
3 department shall determine whether the producer has paid all
4 fees owed under section 2302 (relating to Shale Impact Fee).

5 (b) Prohibition.--The department shall not issue a permit to
6 drill an unconventional well until all fees owed under section
7 2302 that are not in dispute have been paid to the commission.
8 § 2306. Meters.

9 A producer who drills an unconventional well in this
10 Commonwealth shall provide and maintain a wellhead meter at the
11 unconventional well that is tested, calibrated and maintained in
12 accordance with industry standards approved by the commission. A
13 wellhead meter installed after the effective date of this
14 section shall be a digital meter. Wellhead meters shall not be
15 subject to 3 Pa.C.S. Ch. 41 (relating to weights and measures).
16 Multiple wells located on the same drilling pad may utilize the
17 same meter subject to section 2302(b)(2) (relating to Shale
18 Impact Fee).
19 § 2307. Commission.

20 (a) Powers.--The commission shall have the authority to make
21 all inquiries and determinations necessary to calculate and
22 collect the fee imposed under this chapter, including, if
23 applicable, interest and penalties.

24 (b) Notice.--If the commission determines that the fee has
25 not been paid in full, it may issue a notice of the amount due
26 and demand for payment and shall set forth the basis for the
27 determination.

28 (c) Address.--Notice of failure to pay the correct fee shall
29 be sent to the producer at its registered address via certified
30 mail.

1 (d) Time period.--The commission may challenge the amount of
2 a fee paid under this chapter within three years after the date
3 the report under section 2303(d) (relating to administration) is
4 filed.

5 (e) Intent.--If no report is filed or a producer files a
6 false or fraudulent return with the intent to evade the fee, an
7 assessment of the amount owed may be made at any time.

8 § 2308. Enforcement.

9 (a) Assessment.--The commission shall assess interest on any
10 delinquent fee at the rate prescribed under section 806 of the
11 act of April 9, 1929 (P.L.343, No.176), known as The Fiscal
12 Code.

13 (b) Penalty.--In addition to the interest under subsection
14 (a), if a producer fails to make timely payment of the fee,
15 there shall be added to the amount of the fee due a penalty of
16 5% of the amount of the fee if failure to file a timely payment
17 is for not more than one month, with an additional 5% penalty
18 for each additional month, or fraction of a month, during which
19 the failure continues, not to exceed 25% in the aggregate.

20 (c) Timely payment.--If the commission determines that a
21 producer has not made a timely payment of the fee, the
22 commission shall send a written notice of the amount of the
23 deficiency to the producer within 30 days from the date of
24 determining the deficiency. If the producer has not provided a
25 complete and accurate statement of the volume of gas extracted
26 for the payment period, the commission may estimate the volume
27 in its deficiency notice.

28 (d) Remedies.--The remedies provided under this chapter are
29 in addition to any other remedies provided at law or in equity.

30 (e) Lien.--Fines, fees, interest and penalties shall be

1 collectible in the manner provided by law for the collection of
2 debts. If the producer liable to pay any amount neglects or
3 refuses to pay the amount after demand, the amount, together
4 with costs which may accrue, shall be a judgment in favor of the
5 Commonwealth upon the property of the producer, but only after
6 the judgment has been entered and docketed of record by the
7 prothonotary of the county where the property is situated. The
8 Commonwealth may transmit to the prothonotaries of the
9 respective counties certified copies of the judgments, and it
10 shall be the duty of each prothonotary to enter and docket the
11 same of record in his office and to index each judgment, without
12 requiring the payment of costs as a condition precedent to the
13 entry of the judgment.

14 (f) Noncompliance.--If an operator fails to make timely
15 payment of the fee, the department may suspend or refuse to
16 issue any permit of the operator until any balance owed has been
17 paid.

18 § 2309. Criminal penalties.

19 (a) Offense defined.--It shall be unlawful for any producer
20 to:

21 (1) Intentionally make or cause to be made a false or
22 fraudulent report under this chapter with the intent to
23 defraud the Commonwealth.

24 (2) Refuse to permit the commission or its authorized
25 agents to examine books, records or papers or hinder or
26 obstruct the commission in the performance of a duty under
27 this chapter.

28 (3) Violate 18 Pa.C.S. § 4903 (relating to false
29 swearing) or 4904 (relating to unsworn falsification to
30 authorities), including a violation in providing or preparing

1 information required by this chapter.

2 (4) Intentionally fail to make timely payment of the
3 fee.

4 (b) Probable cause.--If the commission believes that
5 probable cause of a violation under this section exists, the
6 commission shall refer the case to the Attorney General for
7 investigation.

8 § 2310. Criminal grading.

9 (a) Summary offense.--Except as set forth in subsection (b),
10 a producer that willfully violates this chapter or an order
11 issued under this chapter commits a summary offense and shall,
12 upon conviction, be sentenced to pay a fine of not less than
13 \$100 nor more than \$1,000 and costs or to a term of imprisonment
14 for not more than 30 days, or both.

15 (b) Misdemeanor offense.--A producer that commits a second
16 or subsequent violation of this chapter or an order of the
17 commission commits a misdemeanor and shall, upon conviction, be
18 sentenced to pay a fine of not less than \$1,000 but not more
19 than \$10,000 per day for each violation or to imprisonment for a
20 period of not more than one year, or both.

21 (c) Violations.--Each violation for each separate day and
22 each violation of this chapter or order issued under this
23 chapter shall constitute a separate offense under subsection (a)
24 or (b).

25 § 2311. Enforcement orders.

26 (a) Issuance.--The commission may issue an order as
27 necessary to enforce this chapter. An order issued under this
28 section shall take effect upon notice, unless the order
29 specifies otherwise. An appeal of the order must be in
30 accordance with 66 Pa.C.S. Ch. 3 Subch. B (relating to

1 investigations and hearings).

2 (b) Compliance.--A producer has the duty to proceed
3 diligently to comply with an order issued under subsection (a).
4 If a producer fails to proceed diligently or to comply with an
5 order within the time required, the producer shall be guilty of
6 contempt and shall be punished by the court in an appropriate
7 manner. The commission shall apply to the Commonwealth Court,
8 which shall have jurisdiction over matters relating to contempt.
9 § 2312. Administrative penalties.

10 (a) Civil penalties.--In addition to any other proceeding
11 authorized by law, the commission may assess a civil penalty
12 upon a producer for the violation of this chapter. In
13 determining the amount of the penalty, the commission shall
14 consider the willfulness of the violation and other relevant
15 factors.

16 (b) Separate offense.--Each violation for each separate day
17 and each violation of this chapter shall constitute a separate
18 offense.

19 (c) Limitation of actions.--Notwithstanding any limitation
20 in 42 Pa.C.S. Ch. 55 Subch. B (relating to civil actions and
21 proceedings), an action under this section must be brought
22 within three years of the violation.

23 (d) Procedure.--A penalty under this chapter is subject to
24 66 Pa.C.S. Ch. 3 Subch. B (relating to investigations and
25 hearings).

26 § 2313. Regulations.

27 The commission shall promulgate regulations necessary to
28 enforce this chapter.

29 § 2314. Recordkeeping.

30 A producer liable for the fee imposed under this chapter

1 shall keep records, make reports and comply with regulations of
2 the commission. If necessary, the commission may require a
3 producer to make reports, render statements or keep records as
4 the commission deems sufficient to determine liability for the
5 fee.

6 § 2315. Examinations.

7 (a) Access.--The commission or its authorized agents or
8 representatives shall:

9 (1) Have access to the books, papers and records of any
10 producer in order to verify the accuracy and completeness of
11 a report filed or fee paid under this chapter.

12 (2) Require the preservation of all books, papers and
13 records for any period deemed proper not to exceed three
14 years from the end of the calendar year to which the records
15 relate.

16 (3) Examine any employee of a producer under oath
17 concerning the severing of natural gas subject to a fee or
18 any matter relating to the enforcement of this chapter.

19 (4) Compel the production of books, papers and records
20 and the attendance of all individuals who the commission
21 believes to have knowledge of relevant matters in accordance
22 with 66 Pa.C.S. (relating to public utilities).

23 (b) Unauthorized disclosure.--Any information obtained by
24 the commission as a result of any report, examination,
25 investigation or hearing under this chapter shall be
26 confidential, except for official purposes, in accordance with
27 judicial order or as otherwise provided by law. An individual
28 unlawfully divulging the information commits a misdemeanor and
29 shall, upon conviction, be sentenced to pay a fine or not more
30 than \$1,000 and costs of prosecution or to imprisonment for not

1 more than one year, or both.

2 § 2316. Local distribution of fee.

3 (a) Establishment.--There is hereby established a restricted
4 receipts account to be known as the Shale Impact Account to be
5 administered by the commission.

6 (b) Deposit.--All fees imposed shall be deposited into the
7 account.

8 (c) Conservation districts.--

9 (1) For 2010, \$2,500,000 from the account shall be
10 distributed to county conservation districts.

11 (2) For 2011, \$5,000,000 from the account shall be
12 distributed to county conservation districts.

13 (3) For 2012, and every year thereafter, \$7,500,000 from
14 the account shall be distributed to county conservation
15 districts.

16 (4) Funds under paragraphs (1), (2) and (3) shall be
17 distributed in accordance with the following:

18 (i) One-half shall be distributed by dividing the
19 amount equally among conservation districts.

20 (ii) One-half shall be distributed using a formula
21 that divides the annual amount appropriated to each
22 county conservation district by the county from the
23 county general fund, special fund and grant sources by
24 the amount appropriated to county conservation districts
25 by counties from the county general fund, special fund
26 and grant sources and multiplying the resulting
27 percentage by the funds available.

28 (d) Distribution.--Following distribution under subsection
29 (c), 60% of the revenues remaining in the account are hereby
30 appropriated for the purposes authorized under this section.

1 Local governments are encouraged, where appropriate, to jointly
2 fund projects that cross jurisdictional lines. The commission
3 shall distribute the funds appropriated under this subsection as
4 follows within 45 days after the date the fee is remitted:

5 (1) Thirty-six percent shall be distributed to school
6 districts located in counties in which producing
7 unconventional gas wells are located. The amount available
8 for distribution in each county shall be determined using a
9 formula that divides the number of producing unconventional
10 gas wells in the county by the number of producing
11 unconventional gas wells in this Commonwealth and multiplies
12 the resulting percentage by the amount available for
13 distribution under this paragraph. The resulting amount
14 available for distribution in each county in which producing
15 unconventional gas wells are located shall be distributed in
16 equal amounts to each school district in the county
17 regardless of whether an unconventional gas well is located
18 in the school district.

19 (2) Thirty-seven percent shall be distributed to
20 municipalities in which producing unconventional gas wells
21 are located. The amount for each municipality shall be
22 determined using a formula that divides the number of
23 producing unconventional gas wells in the municipality by the
24 number of producing unconventional gas wells in this
25 Commonwealth and multiplies the resulting percentage by the
26 amount available for distribution under this paragraph.

27 (3) Twenty-seven percent shall be distributed to
28 municipalities located in a county in which producing
29 unconventional gas wells are located. The amount available
30 for distribution in each county shall be determined by

1 dividing the number of producing unconventional gas wells in
2 the county by the number of producing unconventional gas
3 wells in this Commonwealth and multiplying the resulting
4 percentage by the amount available for distribution under
5 this paragraph. The resulting amount available for
6 distribution in each county in which producing unconventional
7 gas wells are located shall be distributed to each
8 municipality in the county regardless of whether an
9 unconventional gas well is located in the municipality as
10 follows:

11 (i) One-half shall be distributed to each
12 municipality using a formula that divides the population
13 of the municipality within the county by the total
14 population of the county and multiplies the resulting
15 percentage by the amount available for distribution to
16 the county under this subparagraph.

17 (ii) One-half shall be distributed to each
18 municipality using a formula that divides the highway
19 mileage of the municipality within the county by the
20 total highway mileage of the county and multiplies the
21 resulting percentage by the amount available for
22 distribution to the county under this subparagraph.

23 (d.1) Distribution of operation fee revenues.--

24 Notwithstanding the provisions of subsections (c) and (d), all
25 revenues collected under section 2302(b)(4) (relating to Shale
26 Impact Fee) from unconventional gas wells within a municipality
27 shall be distributed to the municipality in which the
28 unconventional gas wells are located.

29 (e) Use of funds.--A county or municipality receiving funds
30 under this section shall make use of funds received only for the

1 following purposes:

2 (1) Construction, reconstruction, maintenance and repair
3 of roadways, bridges and public infrastructure.

4 (2) Water, storm water and sewer systems, including
5 construction, reconstruction, maintenance and repair.

6 (3) Emergency preparedness and public safety, including
7 police and fire services.

8 (4) Environmental programs, including trails, parks and
9 recreation, open space, flood plain management, conservation
10 districts and agricultural preservation.

11 (5) Preservation and reclamation of surface and
12 subsurface waters and water supplies.

13 (6) Tax reductions, including homestead exclusions.

14 (7) Records management, geographic information systems
15 and information technology.

16 § 2317. Statewide environmental initiatives.

17 (a) Deposit and distribution.--Following distribution under
18 section 2316(c) (relating to local distribution of fee), 40% of
19 the revenues in the account are hereby appropriated for
20 distribution by the commission as follows:

21 (1) Eighty percent to the Commonwealth Financing
22 Authority to be utilized for grants to eligible applicants
23 for the following purposes:

24 (i) To implement acid mine drainage abatement and
25 cleanup efforts, mine reclamation and to plug abandoned
26 and orphaned oil and gas wells.

27 (ii) Grants for watershed protection as defined in
28 27 Pa.C.S. § 6103 (relating to definitions).

29 (iii) Planning and enforcement authorized under
30 section 6 of the act of January 24, 1966 (1965 P.L.1535,

1 No.537), known as the Pennsylvania Sewage Facilities Act.

2 (iv) Water, storm water and sewer systems, including
3 construction, reconstruction, maintenance and repair.

4 (v) The planning, acquisition, development,
5 rehabilitation and repair of greenways, recreational
6 trails, open space, natural areas, community conservation
7 and beautification projects, community and heritage parks
8 and forest conservation.

9 (vi) Flood control and dam safety projects,
10 including the removal of dams where appropriate.

11 (2) Ten percent to the Growing Greener Bond Fund.

12 (3) Ten percent to the Hazardous Sites Cleanup Fund.

13 (b) Restriction on use of proceeds.--

14 (1) Funds shall not be granted to an eligible applicant
15 for the purpose of public relations, outreach, communications
16 or lobbying.

17 (2) No property purchased using revenue generated under
18 this section may be conveyed or resold to another entity
19 without approval from the Department of Conservation and
20 Natural Resources.

21 (3) Grants may not be used by an authorized organization
22 as defined in 27 Pa.C.S. § 6103 for land acquisition unless
23 the authorized organization has obtained the written consent
24 of the county and municipality in which the land is situated.

25 (c) Coordination with other agencies.--The department and
26 the Department of Conservation and Natural Resources shall
27 review applications for funding as requested by the Commonwealth
28 Financing Authority and provide recommendations on priority of
29 projects and project approval for consideration by the
30 Commonwealth Financing Authority.

1 Section 2. This act shall take effect in 30 days.