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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2175 Session of  
2014

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INTRODUCED BY RAPP, TURZAI, CAUSER, GABLER, KAUFFMAN, REESE,  
COHEN, BAKER, DENLINGER, YOUNGBLOOD, GRELL, SWANGER, CLYMER,  
GIBBONS, OBERLANDER, MURT AND EVERETT, APRIL 10, 2014

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REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,  
APRIL 10, 2014

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AN ACT

1 Establishing the Pennsylvania Grade Crude Development Advisory  
2 Council; and providing for duties of the Pennsylvania Grade  
3 Development and Advisory Council and the Department of  
4 Environmental Protection and for administrative support.

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

7 Section 1. Short title.

8 This act shall be known and may be cited as the Pennsylvania  
9 Grade Crude Development Advisory Council Act.

10 Section 2. Definitions.

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

14 "Council." The Pennsylvania Grade Crude Development Advisory  
15 Council.

16 "Department." The Department of Environmental Protection of  
17 the Commonwealth.

18 "Secretary." The Secretary of Environmental Protection of

1 the Commonwealth.

2 Section 3. Pennsylvania Grade Crude Development Advisory  
3 Council.

4 (a) Establishment.--The Pennsylvania Grade Crude Development  
5 Advisory Council is established.

6 (b) Composition.--The council shall consist of the following  
7 members:

8 (1) The Secretary of Community and Economic Development  
9 or the secretary's designee.

10 (2) The Secretary of Environmental Protection or the  
11 secretary's designee.

12 (3) Two members of the Senate appointed by the President  
13 pro tempore of the Senate.

14 (4) Two members of the House of Representatives  
15 appointed by the Speaker of the House of Representatives.

16 (5) The following members appointed by the Governor:

17 (i) Two representatives of the Pennsylvania  
18 Independent Petroleum Producers.

19 (ii) Two representatives of the Pennsylvania  
20 Independent Oil and Gas Association.

21 (iii) Two representatives of the Pennsylvania Grade  
22 Crude Oil Coalition.

23 (iv) Two representatives of refineries of  
24 Pennsylvania grade crude oil.

25 (v) One representative of a nonprofit corporation,  
26 which has the purpose of promoting the history and  
27 economic benefits of the conventional oil and gas  
28 industry in this Commonwealth.

29 (vi) One representative of academia who is a  
30 geologist with an expertise in petroleum geology.

1           (vii) One representative of academia who is a  
2 hydrologist.

3       (c) Chairperson.--The council shall elect a chairperson from  
4 among its members.

5       (d) Meetings.--The council shall meet upon the call of the  
6 chairperson, but not less than semiannually. A simple majority  
7 of the members shall constitute a quorum.

8       (e) Terms.--

9           (1) Except as stated in paragraph (2), the legislative  
10 members of the council shall serve two-year terms commencing  
11 with the first Tuesday in January of odd-numbered years and  
12 may be reappointed upon reelection to office.

13          (2) Of the initial members appointed by the President  
14 pro tempore of the Senate and the Speaker of the House of  
15 Representatives, members shall serve until the first Tuesday  
16 in January of the first odd-numbered year after the end of  
17 the year during which this section takes effect.

18          (3) Of the initial members appointed by the Governor:

19           (i) Four members shall serve initial terms of one  
20 year.

21           (ii) Four members shall serve initial terms of two  
22 years.

23           (iii) Three members shall serve initial terms of  
24 three years.

25          (4) After the initial terms, individuals appointed by  
26 the Governor shall serve for a term of three years.

27          (5) Individuals appointed by the Governor may be  
28 appointed to successive terms.

29       (f) Vacancies.--Vacancies shall be filled for the remainder  
30 of an unexpired term in the same manner as original

1 appointments. A member, upon expiration of the term, shall  
2 continue to hold office until a successor is appointed.

3 (g) Quorum.--A majority of the membership of the council  
4 shall constitute a quorum for the transaction of business.  
5 Action may be taken on a matter before the council by a majority  
6 vote of the full membership of the council.

7 (h) Compensation.--Council members may not receive  
8 compensation for their services, but shall be reimbursed for all  
9 necessary travel and other reasonable expenses incurred in  
10 connection with the performance of their duties as members.

11 Section 4. Study and report.

12 (a) Study.--The council shall:

13 (1) Examine and make recommendations regarding existing  
14 technical regulations promulgated under 58 Pa.C.S. (relating  
15 to oil and gas) and policies implemented by the department  
16 that impact the conventional oil and gas industry of this  
17 Commonwealth.

18 (2) Develop a regulatory scheme that provides for  
19 environmental oversight and enforcement specifically  
20 applicable to the conventional oil and gas industry.

21 (3) Ensure that its study addresses the need to preserve  
22 the long-term viability of the conventional oil and gas  
23 industry.

24 (b) Report.--The council shall issue a report of its  
25 findings and recommendations under subsection (a) to all of the  
26 following:

27 (1) The Governor.

28 (2) The Secretary of Environmental Protection.

29 (3) The President pro tempore of the Senate.

30 (4) The Minority Leader of the Senate.

1           (5) The chairperson and minority chairperson of the  
2 Environmental Resources and Energy Committee of the Senate.

3           (6) The Speaker of the House of Representatives.

4           (7) The Minority Leader of the House of Representatives.

5           (8) The chairperson and minority chairperson of the  
6 Environmental Resources and Energy Committee of the House of  
7 Representatives.

8           (c) Deadline.--The council shall submit the report under  
9 subsection (b) within 180 days of the effective date of this  
10 section.

11 Section 5. Duties of council.

12 The council shall have the following duties:

13           (1) To assist the secretary and provide written comments  
14 on new departmental policy that will impact the conventional  
15 oil and gas industry of this Commonwealth, including economic  
16 consequences.

17           (2) To review and comment on the formulation and  
18 drafting of all technical regulations promulgated under 58  
19 Pa.C.S. (relating to oil and gas).

20           (3) To provide institutional support for the  
21 conventional oil and gas industry of this Commonwealth by  
22 ensuring effective cooperation and communication among  
23 governmental agencies and the academic and research  
24 community.

25           (4) To recommend appropriate measures relating to the  
26 promotion and development of the conventional oil and gas  
27 industry of this Commonwealth.

28           (5) To develop a plan to increase Pennsylvania grade  
29 crude oil production to more adequately supply the refineries  
30 which depend on Pennsylvania grade crude oil.

1           (6) To develop a joint working group with the department  
2 to explore and develop economically viable production water  
3 management options.

4 Section 6. Duties of department.

5 The department shall have the following duties:

6           (1) To consult with the council on all policies and  
7 technical regulations promulgated under 58 Pa.C.S. (relating  
8 to oil and gas).

9           (2) To include any written comments of the council  
10 received before the department's submission of a proposed  
11 rulemaking package to the Environmental Quality Board, as  
12 part of its submission to the Environmental Quality Board.

13 Section 7. Administrative support.

14 The Department of Community and Economic Development shall  
15 provide administrative support, office space and any other  
16 technical assistance required by the council to carry out its  
17 duties under this act.

18 Section 8. Effective date.

19 This act shall take effect immediately.