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THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 941 Session of 2013

INTRODUCED BY YUDICHAK, GREENLEAF, STACK, FERLO, TARTAGLIONE, SCHWANK, FONTANA, COSTA AND HUGHES, MAY 15, 2013

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, MAY 15, 2013

AN ACT

Amending the act of June 28, 1995 (P.L.89, No.18), entitled "An act creating the Department of Conservation and Natural Resources consisting of certain functions of the Department of Environmental Resources and the Department of Community Affairs; renaming the Department of Environmental Resources as the Department of Environmental Protection; defining the role of the Environmental Quality Board in the Department of Environmental Protection; making changes to responsibilities of the State Conservation Commission and the Department of Agriculture; transferring certain powers and duties to the Department of Health; and repealing inconsistent acts," further providing for forests.

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

Section 1. Section 302(b)(11) of the act of June 28, 1995 (P.L.89, No.18), known as the Conservation and Natural Resources Act, is amended and subsection (a) is amended by adding paragraphs to read:

Section 302. Forests.

(a) Acquisition, establishment and disposition.--The department has the following powers and duties with respect to the acquisition, establishment and disposition of State forest lands and certain other Commonwealth-owned resources:

* * *

(14) Prior to entering into any agreement, contract or lease to recover natural gas from unconventional formations with unconventional wells on lands underlying State forests or parks, to hold at least one public hearing in advance of awarding any agreement, contract or lease. The public hearing shall be held pursuant to public notice and advertised once a week for three weeks in at least two newspapers published nearest the locality indicated. If, after the public hearing held upon the proposed agreement, contract or lease, the proposed agreement, contract or lease is substantially revised, the department shall hold another public hearing pursuant to public notice, before proceeding to act on the agreement, contract or lease.

(15) Prior to entering into any agreement, contract or lease for the recovery of natural gas where the Commonwealth does not own the natural gas underlying those lands, and after the public hearing held pursuant to paragraph (14), if the department finds that because of the land's unique environmental, natural, historical or cultural features, the land is especially worthy of permanent preservation to attempt to acquire ownership of any rights necessary to permanently preserve the land. In fulfilling the obligations of this paragraph, the department may use money in the Oil and Gas Lease Fund to the extent it is available.

(b) Utilization and protection.--The department has the following powers and duties with respect to the utilization and protection of State forest lands:

* * *

(11) To lease, with the approval of the Governor, and in

cooperation with the Department of [Commerce] Community and Economic Development, those State forest lands acquired by gift from Pennsylvania State University or by acquisition from the Curtiss-Wright Corporation which are located at Quehanna, Pennsylvania, or recovered through the termination of a lease with Curtiss-Wright Corporation relating to Quehanna, Pennsylvania, and upon which are erected certain industrial buildings constructed by the Curtiss-Wright Corporation for industrial or economic development purposes or for nuclear reactor safety zone purposes. Such leases may be made with industrial tenants or nonprofit industrial development corporations. The department in securing tenants shall cooperate fully with the Department of [Commerce] Community and Economic Development. Every such lease entered into shall conform in general to the terms of the standard industrial lease used by the department and approved by the General Counsel and the Attorney General. Every such lease shall otherwise than as in this act prescribed be upon such terms and conditions as the secretary considers in the best interests of this Commonwealth. However, all paved roads through the Quehanna project shall remain open to the general public use. Any such lease may permit the tenant to alter or expand, at its own expense and with the approval of the department first obtained in writing, existing buildings to meet the requirements of its particular industrial operation. Every such lease shall provide for the deposit of industrial floor space rentals and sewage and water rentals in a restricted revenue account from which the department may draw moneys for use in developing, operating and maintaining the water and sewage disposal facilities, and replacing

machinery, equipment and fixtures appurtenant thereto, at aforesaid Quehanna. The restricted revenue account shall be audited two years from the effective date of this act and at two-year intervals thereafter, with any residue appearing in the account at the end of each auditing period to be deposited in the General Fund. The department is hereby authorized to indemnify and hold harmless PermaGrain Products, Inc., from and against any and all damages incurred by PermaGrain Products, Inc., related to personal injury or property damage, resulting from radioactive contamination arising exclusively from performance by this Commonwealth or its contractors of the characterization, remediation, decontamination and removal of radioactive materials from contaminated structures on those State forest lands acquired from the Pennsylvania State University or Curtiss-Wright Corporation and located at Quehanna, Pennsylvania.

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Section 2. This act shall take effect in 60 days.