
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 557 Session of
2015

INTRODUCED BY RAFFERTY, DINNIMAN, SMUCKER, BLAKE, SCHWANK AND
McILHINNEY, MARCH 6, 2015

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, MARCH 6, 2015

AN ACT

1 Amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated
2 Statutes, providing for an impact fee for pipelines of
3 natural gas or oil; establishing a fund; and imposing powers
4 and duties on the Pennsylvania Public Utility Commission.

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

7 Section 1. Title 58 of the Pennsylvania Consolidated
8 Statutes is amended by adding a chapter to read:

9 CHAPTER 24

10 IMPACT FEE FOR NATURAL GAS AND OIL PIPELINES

11 Sec.

12 2401. Definitions.

13 2402. Administration.

14 2403. Fund.

15 2404. Fee.

16 § 2401. Definitions.

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

1 "Affected area." A high-consequence area as defined in 49
2 CFR § 192.903 (relating to what definitions apply to this
3 subpart).

4 "Commission." The Pennsylvania Public Utility Commission.

5 "Fund." The Pipeline Impact Fund established in section 2403
6 (relating to fund).

7 "Impact pipeline." A pipeline which is a transmission and
8 gathering line for oil or natural gas.

9 "Natural gas." A fossil fuel consisting of a mixture of
10 hydrocarbon gases, primarily methane, and possibly including
11 ethane, propane, butane, pentane, carbon dioxide, oxygen,
12 nitrogen and hydrogen sulfide and other gas species. The term
13 includes natural gas from oil fields known as associated gas or
14 casing head gas, natural gas fields known as nonassociated gas,
15 coal beds, shale beds and other formations. The term does not
16 include coal bed methane.

17 § 2402. Administration.

18 (a) Duties.--The commission has the following duties to
19 implement this chapter:

20 (1) Collect and deposit money under section 2404(a)(1)
21 and (b) (relating to fee).

22 (2) Carry out section 2403(d) (relating to fund).

23 (b) Powers.--The commission may promulgate regulations to
24 implement this chapter.

25 § 2403. Fund.

26 (a) Establishment.--The Pipeline Impact Fund is established
27 as a separate fund in the State Treasury.

28 (b) Sources.--The following are the sources of the fund:

29 (1) Fees under section 2404(a)(1) (relating to fee).

30 This paragraph includes interest for late payment.

1 (2) Appropriations.

2 (3) Return on money in the fund.

3 (c) Nonlapse.--The money in the fund is continuously
4 appropriated into the fund. This appropriation shall not lapse
5 at the end of a fiscal year.

6 (d) Utilization.--The commission shall use the fund as
7 follows:

8 (1) Each year, up to 10% of the money in the fund may be
9 used for administration.

10 (2) Fifty percent of the money which is not used under
11 paragraph (1) shall be used to make an annual payment to each
12 county where an affected area is located.

13 (3) The remainder of the money which is not used under
14 paragraph (1) shall be used to make an annual payment to each
15 municipality, other than a county, where an affected area is
16 located.

17 § 2404. Fee.

18 (a) Imposition.--

19 (1) Except as set forth in paragraph (2), a person that
20 utilizes an impact pipeline shall pay to the commission a fee
21 based on acreage of linear feet plus right-of-way width using
22 the county average land value in an affected area.

23 (2) The fee under paragraph (1) shall not be imposed
24 upon an impact pipeline in existence on the effective date of
25 this paragraph.

26 (b) Deposit.--The commission shall deposit the collected
27 money under section 2403(b) (1) (relating to fund).

28 Section 2. This act shall take effect as follows:

29 (1) The following provisions shall take effect
30 immediately:

- 1 (i) The addition of 58 Pa.C.S. § 2402(b).
- 2 (ii) This section.
- 3 (2) The remainder of this act shall take effect in 60
- 4 days.