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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 605 Session of  
2017

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INTRODUCED BY RAFFERTY, DINNIMAN, COSTA, YUDICHAK AND SCHWANK,  
APRIL 13, 2017

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REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, APRIL 13, 2017

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AN ACT

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

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

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

10 CHAPTER 24

11 IMPACT FEE FOR NATURAL GAS AND OIL PIPELINES

12 Sec.

13 2401. Definitions.

14 2402. Administration.

15 2403. Fund.

16 2404. Fee.

17 § 2401. Definitions.

18 The following words and phrases when used in this chapter

19 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

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

5 "Commission." The Pennsylvania Public Utility Commission.

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

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

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

18 § 2402. Administration.

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

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

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

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

26 § 2403. Fund.

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

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

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

1 This paragraph includes interest for late payment.

2 (2) Appropriations.

3 (3) Return on money in the fund.

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

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

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

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

14 (3) The remainder of the money which is not used under  
15 paragraphs (1) and (2) shall be used to make an annual  
16 payment to each municipality, other than a county, where an  
17 affected area is located.

18 § 2404. Fee.

19 (a) Imposition.--

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

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

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

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

30 (1) The following provisions shall take effect

1 immediately:

2 (i) The addition of 58 Pa.C.S. § 2402(b).

3 (ii) This section.

4 (2) The remainder of this act shall take effect in 60  
5 days.