
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 716 Session of
2019

INTRODUCED BY BARTOLOTTA, STEFANO, SCARNATI, YAW AND J. WARD,
JUNE 5, 2019

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 5, 2019

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,
2 as amended, "An act relating to the finances of the State
3 government; providing for cancer control, prevention and
4 research, for ambulatory surgical center data collection, for
5 the Joint Underwriting Association, for entertainment
6 business financial management firms, for private dam
7 financial assurance and for reinstatement of item vetoes;
8 providing for the settlement, assessment, collection, and
9 lien of taxes, bonus, and all other accounts due the
10 Commonwealth, the collection and recovery of fees and other
11 money or property due or belonging to the Commonwealth, or
12 any agency thereof, including escheated property and the
13 proceeds of its sale, the custody and disbursement or other
14 disposition of funds and securities belonging to or in the
15 possession of the Commonwealth, and the settlement of claims
16 against the Commonwealth, the resettlement of accounts and
17 appeals to the courts, refunds of moneys erroneously paid to
18 the Commonwealth, auditing the accounts of the Commonwealth
19 and all agencies thereof, of all public officers collecting
20 moneys payable to the Commonwealth, or any agency thereof,
21 and all receipts of appropriations from the Commonwealth,
22 authorizing the Commonwealth to issue tax anticipation notes
23 to defray current expenses, implementing the provisions of
24 section 7(a) of Article VIII of the Constitution of
25 Pennsylvania authorizing and restricting the incurring of
26 certain debt and imposing penalties; affecting every
27 department, board, commission, and officer of the State
28 government, every political subdivision of the State, and
29 certain officers of such subdivisions, every person,
30 association, and corporation required to pay, assess, or
31 collect taxes, or to make returns or reports under the laws
32 imposing taxes for State purposes, or to pay license fees or
33 other moneys to the Commonwealth, or any agency thereof,
34 every State depository and every debtor or creditor of the

1 Commonwealth," in oil and gas wells, further providing for
2 legislative findings; and prohibiting the Governor from
3 placing a moratorium on nonsurface disturbance natural gas
4 drilling leases involving State forest land.

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

7 Section 1. Section 1601.1-E of the act of April 9, 1929
8 (P.L.343, No.176), known as The Fiscal Code, is amended to read:
9 Section 1601.1-E. Legislative findings.

10 The General Assembly finds and declares as follows:

11 (1) Revenue from the leasing of State land to extract
12 natural gas is necessary to obtain the revenue necessary to
13 effectuate the act of July 10, 2014 (P.L.3052, No.1A), known
14 as the General Appropriation Act of 2014.

15 (2) Leases utilized by the department include provisions
16 that are highly protective of the ecological integrity of
17 State forest lands and carefully crafted to minimize impacts
18 to rare and endangered plants, wildlife and their habitat and
19 the vast number of streams and watersheds that are part of
20 State forest and park lands.

21 (3) Leases utilized by the department for shale gas
22 provide for enhanced environmental and surface protections,
23 including:

24 (i) Increased setback distances from critical
25 recreation infrastructure, streams and water features,
26 State parks and designated wild and natural areas.

27 (ii) Limiting the amount of surface area disturbed,
28 prohibiting shallow well drilling and authorizing the
29 application of strict forestry resource management
30 principles.

31 (iii) Limiting the number of well pads allowed to be
32 constructed on the lease tract; providing for deep

1 drilling insurance; and prohibiting the development of
2 the ecologically sensitive areas, including designated
3 wild and natural areas and areas of special
4 consideration, without the department's prior written
5 approval.

6 (4) The department continually updates and employs best
7 management practices when managing oil and gas activities on
8 State forest lands to ensure that shale gas activities are
9 consistent with the recreational and ecological uses of State
10 forest.

11 (5) The department has implemented a Shale Gas
12 Monitoring Program to monitor, evaluate and report any
13 impacts of shale gas development on the State forest system.

14 (6) The fund is not a constitutional trust.

15 (7) Money in the fund has increased exponentially from
16 the extraction of shale gas and the implementation of new gas
17 extraction techniques.

18 (8) The Commonwealth's role as trustee of the public's
19 natural resources is broader and more comprehensive than just
20 conserving the State forest and parks.

21 (9) The General Assembly affirms its intent that:

22 (i) The department should continue the operation of
23 the shale gas monitoring activities program to monitor,
24 evaluate and report the impacts of shale gas activities
25 in State forest and, in consultation with the Governor's
26 Office, utilize data received from ongoing monitoring to
27 adjust its management planning and practices.

28 (ii) The department should consider the State forest
29 and park lands as one of the Commonwealth's interests
30 when considering whether or not to lease additional State

1 forest and park lands and determining what is in the best
2 interests of the Commonwealth. Interest involved in
3 decisions relating to leasing State forest and park lands
4 should not be made to the exclusion of all other
5 interests of the Commonwealth.

6 (iii) Notwithstanding any other law to the contrary,
7 it is in the best interest of the Commonwealth to lease
8 oil and gas rights in State forests and parks if the
9 department:

10 (A) [in consultation with the Governor,]
11 continues strong and effective lease protections,
12 best management practices and ongoing monitoring
13 programs on the impact of gas operations; and

14 (B) maintains a balance of money in the fund to
15 carry out the department's statutory obligation to
16 protect State forest and park land and other
17 environmental activities.

18 (10) If a balance in the funds is adequate to achieve
19 the purposes of paragraph (9), transfers to the General Fund
20 are permissible.

21 Section 2. The act is amended by adding a section to read:

22 Section 1611-E. Moratorium prohibition.

23 (a) Findings.--The General Assembly finds and declares as
24 follows:

25 (1) The General Assembly has previously recognized the
26 safe and responsible expansion of regulated gas leasing and
27 drilling on public lands in this Commonwealth, including the
28 State forest system, as an appropriate method of energy
29 production as well as an appropriate nontax source of
30 revenue.

1 (2) The department has administered State-regulated
2 natural gas extraction for seven decades.

3 (3) The department's oversight of controlled mineral
4 extraction in this Commonwealth has included monitoring,
5 evaluating and reporting on the environmental impact that
6 occurs before, during and after drilling.

7 (4) The department has stated that:

8 Approximately 1.5 million acres of the 2.2 million-acre
9 State forest system are underlain by Marcellus and other
10 shale gas formations, making it a key venue for
11 developing this important energy source in Pennsylvania.

12 (5) The department's authority to provide nonsurface
13 disturbance natural gas leases on State forest land should be
14 restored.

15 (b) Prohibition.--Notwithstanding any other provision of
16 law, the Governor may not place a lease moratorium. A lease
17 moratorium placed prior to the effective date of this section
18 shall be invalid.

19 (c) Deposit.--Notwithstanding any other provision of law,
20 money from nonsurface disturbance natural gas drilling leases
21 involving State forest land, entered into on or after the
22 effective date of this section, shall be deposited into the
23 Green Infrastructure Fund.

24 (d) Definitions.--As used in this section, the following
25 words and phrases shall have the meanings given to them in this
26 subsection unless the context clearly indicates otherwise:

27 "Lease moratorium." A moratorium on nonsurface disturbance
28 natural gas drilling leases involving State forest land.

29 Section 3. This act shall take effect in 60 days.