AN ACT

Amending the act of April 9, 1929 (P.L.343, No.176), entitled, as amended, "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, authorizing the Commonwealth to issue tax anticipation notes to defray current expenses, implementing the provisions of section 7(a) of Article VIII of the Constitution of Pennsylvania authorizing and restricting the incurring of certain debt and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," in general budget implementation, further providing for Environmental Quality Board.

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

Section 1. Section 1741.1-E of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, added July 10, 2014 (P.L.1053, No.126), is amended to read:

Section 1741.1-E. Environmental Quality Board.

(a) Regulations.--From funds appropriated to the Environmental Quality Board, the board shall promulgate proposed regulations and regulations under 58 Pa.C.S. (relating to oil and gas) or other laws of this Commonwealth relating to conventional oil and gas wells separately from proposed regulations and regulations relating to unconventional gas wells. All regulations under 58 Pa.C.S. shall differentiate between conventional oil and gas wells and unconventional gas wells. Regulations promulgated under this subsection shall apply to regulations promulgated on or after the effective date of this subsection.

(b) Rulemaking prohibition.--

(1) The board may not adopt or promulgate:

(i) a revision of 25 Pa. Code Ch. 78 (relating to oil and gas wells) applicable to the operation of conventional oil and gas wells which was formulated or proposed in any form prior to the effective date of this subsection; or

(ii) a regulation applicable to the operation of conventional oil and gas wells which was formulated or proposed in any form prior to the effective date of this subsection.

(2) As to any rulemaking procedure concerning conventional oil and gas wells which was published for the board or the Department of Environmental Protection in the
Pennsylvania Bulletin after November 30, 2013, and before the
effective date of this paragraph, the General Assembly finds
and declares that, as to conventional oil and gas wells:

(i) The rulemaking procedure is invalid as not in
compliance with the rulemaking standards of the act of
June 25, 1982 (P.L.633, No.181), known as the Regulatory
Review Act.

(ii) Regulations promulgated under the rulemaking
procedure are abrogated. This subparagraph applies
regardless of the date of publication of final-form
rulemaking in the Pennsylvania Bulletin.

(c) Future rulemaking.--After the effective date of this
subsection, the board may initiate the formulation, adoption or
promulgation of regulations for operation of conventional oil
and gas wells in accordance with law. The formulation, adoption
or promulgation shall be accompanied by the submission of a
regulatory analysis form which is prepared following the
effective date of this paragraph.

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

"Conventional oil and gas well." A bore hole drilled for the
purpose of producing oil or gas from a conventional formation.
The term includes any of the following:

(1) A well drilled to produce oil.

(2) A well drilled to produce natural gas from
formations other than shale formations.

(3) A well drilled to produce natural gas from shale
formations located above the base of the Elk Group or its
stratigraphic equivalent.

(4) A well drilled to produce natural gas from shale formations located below the base of the Elk Group where natural gas can be produced at economic flow rates or in economic volumes without the use of vertical or nonvertical well bores stimulated by hydraulic fracture treatments or by using multilateral well bores or other techniques to expose more of the formation to the well bore.

(5) Irrespective of formation, a well drilled for collateral purposes, such as monitoring, geologic logging, secondary and tertiary recovery or disposal injection. "Unconventional gas well." As defined in 58 Pa.C.S. § 2301 (relating to definitions).

Section 2. This act shall take effect immediately.