

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1011 Session of 2015

INTRODUCED BY HUTCHINSON AND SCARNATI, SEPTEMBER 25, 2015

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY,
SEPTEMBER 25, 2015

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 the settlement, assessment,
 4 collection, and lien of taxes, bonus, and all other accounts
 5 due the Commonwealth, the collection and recovery of fees and
 6 other money or property due or belonging to the Commonwealth,
 7 or any agency thereof, including escheated property and the
 8 proceeds of its sale, the custody and disbursement or other
 9 disposition of funds and securities belonging to or in the
 10 possession of the Commonwealth, and the settlement of claims
 11 against the Commonwealth, the resettlement of accounts and
 12 appeals to the courts, refunds of moneys erroneously paid to
 13 the Commonwealth, auditing the accounts of the Commonwealth
 14 and all agencies thereof, of all public officers collecting
 15 moneys payable to the Commonwealth, or any agency thereof,
 16 and all receipts of appropriations from the Commonwealth,
 17 authorizing the Commonwealth to issue tax anticipation notes
 18 to defray current expenses, implementing the provisions of
 19 section 7(a) of Article VIII of the Constitution of
 20 Pennsylvania authorizing and restricting the incurring of
 21 certain debt and imposing penalties; affecting every
 22 department, board, commission, and officer of the State
 23 government, every political subdivision of the State, and
 24 certain officers of such subdivisions, every person,
 25 association, and corporation required to pay, assess, or
 26 collect taxes, or to make returns or reports under the laws
 27 imposing taxes for State purposes, or to pay license fees or
 28 other moneys to the Commonwealth, or any agency thereof,
 29 every State depository and every debtor or creditor of the
 30 Commonwealth," in general budget implementation, further
 31 providing for Environmental Quality Board.

32 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

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

5 Section 1741.1-E. Environmental Quality Board.

6 (a) Regulations.--From funds appropriated to the
7 Environmental Quality Board, the board shall promulgate proposed
8 regulations and regulations under 58 Pa.C.S. (relating to oil
9 and gas) or other laws of this Commonwealth relating to
10 conventional oil and gas wells separately from proposed
11 regulations and regulations relating to unconventional gas
12 wells. All regulations under 58 Pa.C.S. shall differentiate
13 between conventional oil and gas wells and unconventional gas
14 wells. Regulations promulgated under this [section] subsection
15 shall apply to regulations promulgated on or after the effective
16 date of this [section.] subsection.

17 (b) Rulemaking prohibition.--

18 (1) The board may not adopt or promulgate:

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

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

28 (2) As to any rulemaking procedure concerning
29 conventional oil and gas wells which was published for the
30 board or the Department of Environmental Protection in the

1 Pennsylvania Bulletin after November 30, 2013, and before the
2 effective date of this paragraph, the General Assembly finds
3 and declares that, as to conventional oil and gas wells:

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

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

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

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

23 "Conventional oil and gas well." A bore hole drilled for the
24 purpose of producing oil or gas from a conventional formation.

25 The term includes any of the following:

26 (1) A well drilled to produce oil.

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

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

1 stratigraphic equivalent.

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

9 (5) Irrespective of formation, a well drilled for
10 collateral purposes, such as monitoring, geologic logging,
11 secondary and tertiary recovery or disposal injection.

12 "Unconventional gas well." As defined in 58 Pa.C.S. § 2301
13 (relating to definitions).

14 Section 2. This act shall take effect immediately.