AN ACT

Providing for a moratorium on leasing State forest lands for the purposes of natural gas exploration, drilling or production; imposing duties on the Department of Conservation and Natural Resources; and providing for report contents and for Legislative Budget and Finance Committee study.

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

Section 1. Short title.

This act shall be known and may be cited as the State Forest Natural Gas Lease Moratorium Act.

Section 2. Moratorium.

(a) Establishment.--Notwithstanding any other provision of law, a moratorium is established during which State forest lands may not be leased for the purposes of natural gas exploration, drilling or production.

(b) Expiration.--The moratorium in subsection (a) shall expire three years after this act takes effect.

Section 3. Duties of department.

(a) Monitor and assess.--The Department of Conservation and
Natural Resources shall monitor and assess the impact of the leases granted for the purposes of natural gas exploration, drilling or production on State forest lands that took effect prior to and during the moratorium imposed in section 2(a). The Department of Conservation and Natural Resources shall continue to monitor and assess after the moratorium expires under section 2(b).

(b) Comprehensive Environmental Impact Review.--

(1) The Department of Conservation and Natural Resources shall prepare a Comprehensive Environmental Impact Review (CEIR) within two years after the start date of the moratorium. The scope of the CEIR shall include the following:

   (i) An assessment of the potential impacts related to development of Marcellus gas utilizing alternative development projections. One of these projections shall address the maximum possible development on State forest lands of all current leased acreage and other State forest lands where Marcellus gas is not owned by the Commonwealth. The development projections shall include the potential for shallow gas drilling.

   (ii) An assessment of the potential impacts for each development projection on the forest ecosystem, forest uses and forest users. This assessment shall include an identification of possible problems that are associated with noncompliance of environmental regulations, nonconformance with lease requirements, accidents and related problems.

   (iii) The CEIR shall identify and evaluate the impacts for each development scenario related to
exploration, pad development, drilling operations, road
and bridge development, collection and transmission
lines, compression facilities, treatment plants, waste
disposal, water withdrawals and other associated
development. The scope of this evaluation shall include
impacts on State forest lands and private landowners and
communities.

(iv) For those State forest lands where the
Marcellus gas is not owned by the Commonwealth, the CEIR
shall identify the specific controls in place to protect
these State forest lands and compare these with the
conservation provisions contained in the Department of
Conservation and Natural Resources' leases.

(v) The CEIR will identify those lands proximate to
State forest land where Marcellus gas development by
other entities has the potential to impact the State
forest. Potential impacts will be identified including
vehicular use and rights-of-way for roads, pipelines and
related development.

(vi) The CEIR shall identify the Department of
Conservation and Natural Resources workload associated
with administration and development of Marcellus gas for
each development scenario. A workload baseline shall be
established for fiscal year 2009-2010 that identifies the
workload allocation within the Bureau of Forestry and
shall include staffing assigned to existing
responsibilities such as forest fire protection, forest
health, timber management, recreation, water supply, deer
management and oil and gas development. Marcellus
staffing shall be addressed separately.
(2) The Marcellus workload assessment shall project the Marcellus workload over the next ten years and identify how this workload will be carried out and staffing options, which include flat or reduced staffing levels. Each of these options will be compared to the staffing baseline in paragraph (1)(vi) and describe the likely impacts of the Marcellus development scenarios on staffing levels related to other State forest responsibilities.

(3) The Department of Environmental Protection shall provide to the Department of Conservation and Natural Resources a workload analysis with projections regarding inspection and enforcement staff time that will be allotted to assure environmental compliance on State forest lands under each of the Marcellus development scenarios. New staffing needs will be identified.

(4) The proposed scope and content of the CEIR will be subject to review and comment by the public for 60 days prior to initiation of the work to prepare the report.

(c) Report.—Beginning two years after the effective date of this act, the Department of Conservation and Natural Resources shall submit an annual report to the General Assembly and the Governor regarding the effect of natural gas exploration, drilling or production on State forest lands. The Department of Conservation and Natural Resources shall continue to submit the annual report after the moratorium expires under section 2(b).

Section 4. Report contents.

The contents of the report required under section 3(c), shall include, but not be limited to, the effect of natural gas exploration, drilling or production on State forest lands on the following:
(1) Water and soil quality.
(2) Forest fragmentation.
(3) Plants, wildlife, habitats and invasive species.
(4) Air quality.
(5) Social fabric, including, but not limited to:
   (i) Tourism.
   (ii) Recreation.
   (iii) Hunting.
   (iv) Fishing.
   (v) Community aesthetics.
   (vi) Quality of life.
(6) The staffing needs of the Department of Conservation
    and Natural Resources regarding the monitoring, assessment
    and regulation of natural gas exploration, drilling or
    production on State forest lands.

Section 5. Legislative Budget and Finance Committee study
relating to Marcellus gas development.

(a) General rule.--Three years after the effective date of
this act and following the completion of the Department of
Conservation and Natural Resources' Comprehensive Environmental
Impact Review (CEIR), the Legislative Budget and Finance
Committee shall conduct a study regarding the environmental,
economic and societal impacts of the leasing of State lands for
Marcellus development in this Commonwealth. The Legislative
Budget and Finance Committee shall use the CEIR as a basis for
its environmental study but may also conduct further
investigation and utilize other sources of data for its study.

(b) Contents of study.--The study shall, at a minimum,
analyze the following:
(1) The separate environmental, economic and societal
impacts to both the Commonwealth and its citizens resulting from Marcellus development on State lands.

(2) The overall cumulative impact on this Commonwealth and its citizens resulting from the Marcellus development that has already taken place on State lands.

(3) Based on the impacts of Marcellus development that has taken place, a projection of the environmental, economic and societal impacts that will result from Marcellus development of all the existing leases of State land for Marcellus development.

(4) The specific impacts on communities and citizens living in close proximity to State land that has been developed.

(5) The impact of Marcellus development on various State land user communities such as hunters, fishers, hikers, mountain bikers, campers, all terrain vehicle users, snowmobilers, boaters, horse riders and general visitors.

(6) Whether the terms of the leases for State land should be modified to mitigate any identified environmental or societal impacts or maximize economic benefits to this Commonwealth and its citizens.

(7) Whether the Department of Environmental Protection, the Department of Conservation and Natural Resources, the Game Commission, Fish and Boat Commission and other State agencies have sufficient resources and personnel to effectively oversee and regulate Marcellus development on leased State land.

Section 6. Post-moratorium leasing.

The Department of Conservation and Natural Resources may not offer State forest land for lease for the purposes of natural
gas exploration, drilling or production once the moratorium expires unless it, in its sole discretion, determines the State forest can be sustained in a balanced state that preserves water and air quality, plant and animal habitats and the multiple ecosystems, recreational, social and aesthetic values of the forest with the proposed lease.

Section 20. Effective date.

This act shall take effect immediately.