



## ACT 13 – PENNSYLVANIA’S OIL AND GAS ACT

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### **What is Act 13?**

In 2012, the Pennsylvania General Assembly enacted [Act 13](#), which includes comprehensive and significant enhancements to Pennsylvania’s environmental laws overseeing shale gas development. The Act also authorized county governments to impose an Impact Fee paid annually by unconventional natural gas producers for each well they spud, or start to drill, each calendar year.

### **What environmental enhancements were included in Act 13?**

Act 13 contains over 40 new or enhanced environmental standards applicable to shale gas operators. Among these:

- Increased and new setback distances between activity and resources such as streams, wetlands, occupied structures, water wells and public water supplies.
- Increased well bond amounts.
- Increased notification requirements during the permitting process.
- Mandatory disclosure of chemicals used during hydraulic fracturing.
- Increased ‘rebuttable presumption’ distances to protect water supplies.
- Mandatory inspections throughout the drilling process.
- Mandatory safeguards for pipeline construction and installation.
- Increased fines and penalties.

### **What other environmental laws govern natural gas development in PA?**

In addition to Act 13, natural gas development is subject to a host of other environmental and safety laws, including:

- Clean Streams Law
- Air Pollution Control Act
- Solid Waste Management Act
- Radiation Protection Act
- Pipeline Safety Improvement Act

### **What is the Impact Fee?**

The Impact Fee is Pennsylvania’s version of a severance tax. Paid by unconventional natural gas producers, the Impact Fee has generated nearly \$2.5 Billion for industry oversight, local

governments, and statewide environmental initiatives. To learn more, please see the MSC's [Impact Fee Fact Sheet](#).

**Where can I learn more about shale gas development in PA?**

To learn more, please visit the MSC's [Resources](#) website.