

**PART V**  
SPECIAL PROGRAMS

**Chapter**

- 61. Environmental Stewardship and Watershed Protection
- 62. Waste Transportation Safety
- 63. Disposal Fee
- 65. Uniform Environmental Covenants

**Enactment.** Unless otherwise noted, Part V was added December 15, 1999, P.L.949, No.68, effective December 31, 1999.

**CHAPTER 61**  
ENVIRONMENTAL STEWARDSHIP AND WATERSHED  
PROTECTION

**Sec.**

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**Enactment.** Chapter 61 was added December 15, 1999, P.L.949, No.68, effective December 31, 1999.

**Cross References.** Chapter 61 is referred to in section 6302 of this title.

**§ 6101. Short title of chapter.**

This chapter shall be known and may be cited as the Environmental Stewardship and Watershed Protection Act.

**§ 6102. Legislative findings.**

The General Assembly hereby determines, declares and finds as follows:

- (1) Ninety-six percent of the water-quality-impaired watersheds in this Commonwealth are polluted because of nonpoint sources of pollution such as past mining activities, urban and agricultural runoff, atmospheric deposition, on-lot sewage systems and earthmoving.
- (2) The Commonwealth continues to have unmet needs in the area of water and sewer infrastructure. New and improved water sources, treatment and distribution systems are necessary for public drinking water supplies.
- (3) The Commonwealth owns approximately 2.4 million acres of State park and State forest lands and many of these lands

suffer from past environmental problems, including unreclaimed mines, acid mine drainage and abandoned oil and gas wells.

(4) Open space, greenways, recreational trails, river corridors, fish and wildlife habitats, parks and recreation areas and scenic environments protect the environment, conserve natural resources and add value to communities.

(5) State programs and State funding should provide maximum flexibility for elected county and municipal governmental officials to identify, prioritize and address local environmental concerns, including odor abatement problems at sewage treatment plants.

#### § 6103. Definitions.

The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

**"Acquisition."** The purchase or lease with an option to purchase of land, easements or buildings for public parks, conservation, historical or recreation uses.

**"Authority."** The Pennsylvania Infrastructure Investment Authority.

**"Authorized organization."** An entity involved in research, restoration, rehabilitation, planning, acquisition, development, education or other activities, which furthers the protection, enhancement, conservation, preservation or enjoyment of this Commonwealth's environmental, conservation, recreation or similar resources. The organization must be a tax-exempt institution under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)) and registered with the Bureau of Charitable Organizations or an educational institution involved in these authorized activities or a municipal authority.

**"Bond fund."** The Growing Greener Bond Fund established under section 6116 (relating to establishment of bond fund and allocation and use of bond proceeds).

**"Departments."** The Department of Agriculture, the Department of Conservation and Natural Resources and the Department of Environmental Protection of the Commonwealth.

**"Development."** New construction, improvement, alteration or renovation required for and compatible with the physical development or improvement of land or buildings.

**"Fund."** The Environmental Stewardship Fund established in section 6104 (relating to fund).

**"Geological hazard."** A naturally occurring or manmade geologic condition or phenomenon that presents a risk or is a potential danger to life and property. The term includes, but is not limited to, landslide, avalanche, ground subsidence and coastal and beach erosion.

**"Growing Greener bond referendum."** The referendum authorized under the act of April 13, 2005 (P.L.1, No.1), known as the Growing Greener Environmental Stewardship and Watershed Protection Enhancement Authorization Act, and approved by the electorate authorizing the Commonwealth to incur indebtedness of up to \$625,000,000 for the maintenance and protection of the environment, open space and farmland preservation, watershed protection, abandoned mine reclamation, acid mine drainage remediation and other environmental initiatives.

**"Interior land."** Land that has at least 65% of its boundary lines immediately bordered by either State forest or State park lands.

**"Planning."** The preparation of park, recreation and open space plans, river corridor and watershed plans, master site development plans, feasibility studies, natural areas studies and inventories, greenways and recreational trail plans, maintenance management plans, conservation plans, zoning plans, land use plans, environmental management plans and research or education documents useful in assisting municipalities, Commonwealth agencies,

conservation districts, watershed organizations and authorized organizations to address environmental improvement, natural resource management, park and recreation development and land conservation.

**"Recreational trail."** A thoroughfare or track across water, land or snow used for motorized and/or nonmotorized recreational purposes.

**"Rehabilitation and repair."** Restoration or renovation of facilities or conditions of existing public conservation and recreation resources. The term excludes routine maintenance.

**"Technical assistance."** Provision of financial grants and professional services. The term includes publications, research, videotapes, workshops, meetings, phone consultation and written and electronic communication.

**"Watershed organization."** An entity recognized by either or both the Department of Conservation and Natural Resources and the Department of Environmental Protection and established to promote local watershed conservation efforts in an identified watershed.

**"Watershed protection."** Activities that address regional water priorities, including priorities within the Delaware, Erie, Ohio, Potomac and Susquehanna watersheds and compliance by the Commonwealth with its commitments under Chesapeake Bay agreements and implementation of the provisions of Chapter 31 (relating to water resources planning).

(July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 added the defs. of "bond fund," "geological hazard," "Growing Greener bond referendum" and "watershed protection."

**Cross References.** Section 6103 is referred to in sections 2301, 2315 of Title 58 (Oil and Gas).

#### **§ 6104. Fund.**

**(a) Establishment.--**There is established a special fund in the State Treasury, to be known as the Environmental Stewardship Fund.

#### **(b) Sources.--**

(1) Money appropriated by the General Assembly, interest earned by the fund, penalties, money received from the Federal Government or other sources and money received from the fee established under section 6112(b) (relating to extension of fees) shall be deposited in the fund. Moneys appropriated by the General Assembly to the fund shall be transferred on a quarterly basis in increments of at least 20%.

(2) For fiscal years 1999-2000 through 2003-2004, the fund may receive money, upon approval of the Governor, from the Recycling Fund and the Hazardous Sites Cleanup Fund. The combined total of appropriations from these two funds for the program shall not exceed \$30,000,000 annually.

(3) It is the intent of the General Assembly that \$100,000,000 per fiscal year be appropriated from the General Fund for fiscal years 2000-2001 through 2003-2004 to the fund. The Governor's annual budget submission for fiscal years 2000-2001 through 2003-2004 shall include the sum of \$100,000,000 per fiscal year for allocation in accordance with this section.

**(c) Appropriation.--**The money in the fund is hereby appropriated, upon approval of the Governor, to the departments and the authority for the purpose of implementing the provisions of this chapter.

**(d) Allocation.--** The money appropriated in subsection (c) shall be allocated annually as follows:

(1) For fiscal year 1999-2000, 28.4% to the Department of Conservation and Natural Resources, 43.7% to the Department of Environmental Protection and 27.9% to the authority.

(2) For fiscal years 2000-2001 through 2003-2004, 24.1% to the Department of Conservation and Natural Resources, 37.4% to

the Department of Environmental Protection, 14.8% to the Department of Agriculture and 23.7% to the authority.

(3) For fiscal year 2004-2005, moneys in the fund shall be allocated in accordance with paragraph (1).

(4) For fiscal year 2005-2006, up to \$20,000,000 of the moneys in the fund shall be deposited into the Hazardous Sites Cleanup Fund and the remaining moneys shall be allocated in accordance with paragraph (2).

(5) For fiscal year 2006-2007, up to \$30,000,000 of the moneys in the fund shall be deposited into the Hazardous Sites Cleanup Fund and the remaining moneys shall be allocated in accordance with paragraph (2).

(6) For fiscal year 2007-2008 and each year thereafter, moneys in the fund shall be allocated in accordance with paragraph (2).

**(d.1) Calculation of allocations.--**The annual allocations under subsection (d)(4), (5) and (6) shall be calculated after moneys have been deposited into the Hazardous Sites Cleanup Fund pursuant to subsection (d)(4) and (5) and after payments authorized by section 6115(d)(4) (relating to Commonwealth indebtedness). The annual allocations shall be determined by the Secretary of the Budget.

**(d.2) Allocation reductions.--**The annual allocation to the authority under subsection (d)(4), (5) and (6) shall be reduced, as and if necessary, by the following sums, which shall be determined by the Secretary of the Budget:

(1) Up to \$2,500,000 to the General Fund for reimbursement for any tax exclusion granted for certain energy efficient appliances pursuant to legislation enacted for this purpose.

(2) (Repealed).

**(d.3) Additional deposit.--**From within the funds allocated under section 6116 (relating to establishment of bond fund and allocation and use of bond proceeds), the Secretary of the Budget may deposit into the fund amounts equal to those deposited into the Hazardous Sites Cleanup Fund under subsection (d)(4) and (5) and may, at the secretary's discretion, apply the amount of the funds so deposited into the fund under this subsection against the amounts allocated in section 6116(c).

**(e) Legislative oversight.--**

(1) An annual expenditure plan for the fund shall be submitted by the Governor to the General Assembly as part of the Governor's annual budget submission. The expenditure plan shall be open for review and comment by the members of the General Assembly and shall include a detailed listing of the types of programs for the actual year, current year and proposed budget year.

(2) The Secretary of the Budget shall provide quarterly financial statements showing the status of the Recycling Fund, the Hazardous Sites Cleanup Fund and the Environmental Stewardship Fund to the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives. Such statements shall be provided within 30 days of the close of each quarter of the fiscal year and shall commence with the quarter ending March 31, 2000.

(July 13, 2005, P.L.213, No.45, eff. imd.)

**2012 Repeal.** Act 85 repealed subsec. (d.2)(2).

**2005 Amendment.** Act 45 amended subsec. (d) and added subsecs. (d.1), (d.2) and (d.3).

**Cross References.** Section 6104 is referred to in sections 6103, 6105, 6305 of this title.

**§ 6105. Agencies.**

**(a) The Department of Conservation and Natural Resources.--**

(1) The Department of Conservation and Natural Resources shall utilize money it receives from the fund for the following purposes:

(i) To rehabilitate, repair and develop State park and State forest lands and facilities and the acquisition of interior lands within State parks and State forests.

(ii) To provide grants to a county or other municipality, council of governments, conservation districts and authorized organizations for the purpose of planning, education, acquisition, development, rehabilitation and repair of greenways, recreational trails, open space, natural areas, river corridors, watersheds, community and heritage parks and recreation facilities; community conservation and beautification projects; forest conservation; and other conservation purposes. Grants under this paragraph may not be used by an authorized organization for land acquisition unless the authorized organization obtains the approval of all counties in which the land is situated. Grant moneys may also be used for the acquisition of farmland for the purposes set forth in this paragraph.

(iii) To provide grants to a county or other municipality and authorized organizations for the purpose of research, planning, inventories and technical assistance intended to protect and conserve the biological diversity of this Commonwealth.

(2) The Department of Conservation and Natural Resources may require matching funds as a condition of the award of a grant under this subsection.

**(b) The Department of Environmental Protection.--**

(1) The Department of Environmental Protection shall utilize money it receives from the fund for the following purposes:

(i) To implement acid mine drainage abatement and cleanup efforts and plug abandoned and orphan oil and gas wells.

(ii) To provide funding for technical assistance and financial incentives to facilitate re-mining.

(iii) To provide grants to a county or other municipality, council of governments, county conservation districts, watershed organizations and other authorized organizations for acid mine drainage abatement, mine cleanup efforts and well plugging.

(iv) To provide grants and technical assistance to a county or other municipality, council of governments, county conservation districts, watershed organizations and other authorized organizations to plan and implement local watershed-based conservation efforts.

(v) To improve water-quality-impaired watersheds, including those polluted by past mining activities, agricultural and urban runoff, atmospheric deposition, on-lot sewage systems and earthmoving activities.

(vi) (Deleted by amendment).

(vii) For watershed protection.

(2) County conservation districts may further distribute grants received under this section to watershed organizations and other authorized organizations to assist in the implementation of this chapter.

(3) The Department of Environmental Protection may require matching funds as a condition of the award of a grant under this subsection.

(4) For the period commencing with the effective date of this chapter and ending June 30, 2004, the Department of Environmental Protection may utilize up to 10% of the money allocated annually to it under section 6104(d) (relating to

fund) to provide grants for safe drinking water projects and wastewater treatment projects. Grants under this paragraph shall be made for the same purposes and shall be subject to the same limitations as grants authorized in section 6110.

**(c) Department of Agriculture.--**Funds allocated to the Department of Agriculture under this chapter shall be deposited in the Agricultural Conservation Easement Purchase Fund and are subject to the provisions of the act of June 30, 1981 (P.L.128, No.43), known as the Agricultural Area Security Law.

**(d) The authority.--**The authority shall utilize money it receives from the fund to provide financial assistance in the form of grants and matching grants for storm water, water and sewer infrastructure projects, including construction or rehabilitation of collection and conveyance systems. The authority shall develop criteria to be used to award grants under this subsection. The criteria and proposed changes thereto shall be submitted to the Environmental Resources and Energy Committee of the Senate and the Environmental Resources and Energy Committee of the House of Representatives for review and comment. The committees shall have 60 days to submit comments to the authority. Criteria shall be reviewed by the authority and the committees at least once every three years.

**(e) Administrative expense limitation.--**The departments and the authority may not expend more than 2.5% of the moneys received from the fund on administrative expenses. The Department of Environmental Protection may not expend more than an aggregate of 2.5% of the moneys received from the fund and the moneys directed to the Hazardous Sites Cleanup Fund pursuant to section 6104(d) (4) and (5) on administrative expenses. Grant recipients that receive moneys from the fund for the purposes set forth in this section may not expend more than 5% of the moneys received from the fund on administrative expenses.

**(f) Expenditure limitation.--**No moneys made available through the fund shall be used for any purpose which, directly or indirectly, precludes access to or use of any forested land for the practice of sustainable forestry and commercial production of timber or other forest products. This subsection shall not apply to funds used by the Department of Conservation and Natural Resources, counties or municipalities for the purchase or improvement of park land to be used for public recreation.

**(g) Regulations.--**The departments and the authority may promulgate regulations necessary to carry out the purposes of this chapter.

(July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 amended subsecs. (a), (b) and (e).

**References in Text.** Section 6110, referred to in subsec. (b) (4), was deleted by amendment.

**Cross References.** Section 6105 is referred to in section 6108 of this title.

**§ 6106. Property and equipment restrictions.**

**(a) Prohibition.--**Recipients of grants under this chapter may not dispose of or convert property or equipment acquired with a grant for purposes other than the purposes approved in the project application without the prior written approval of the agency awarding the grant.

**(b) Remedy.--**If a violation of subsection (a) occurs, the agency may:

(1) Require the recipient to refund all grants related to the project, including 10% annual interest compounded four times annually, from the date the original grant was received until the grant is repaid.

(2) Require acquisition by the recipient of equivalent replacement property, as determined by the agency.

(3) Take possession of the property or equipment funded by the agency.

**§ 6107. Federal programs.**

Agencies may utilize available Federal funds to augment funds available under this chapter.

**§ 6108. Wild Resource Conservation Fund and duties of Department of Conservation and Natural Resources.**

(a) **Appropriation.**--The moneys contained in the Wild Resource Conservation Fund are hereby appropriated, upon approval of the Governor, to the Department of Conservation and Natural Resources for the purposes of carrying out subsection (b), section 6105(a) (relating to agencies) and the act of June 23, 1982 (P.L.597, No.170), known as the Wild Resource Conservation Act.

(b) **Projects and programs.**--

(1) The Wild Resource Conservation Board may approve projects or programs for funding as necessary to preserve and enhance wild resources. Grants for approved projects shall be made by the Department of Conservation and Natural Resources from the Wild Resource Conservation Fund. The department shall not allocate money from the Wild Resource Conservation Fund under this paragraph if the allocation would exceed the money available in the Wild Resource Conservation Fund. The Wild Resource Conservation Board shall consider the recommendations of interested persons and representatives of agencies serving on the board when approving projects under this paragraph.

(2) In addition to the grants under paragraph (1), the Wild Resource Conservation Board may recommend projects or programs that promote the preservation and enhancement of wild resources to the Department of Conservation and Natural Resources for funding from the Environmental Stewardship Fund under section 6105(a).

(c) **Sale of merchandise and voluntary contributions.**--The Wild Resource Conservation Board, with the approval of the Department of Conservation and Natural Resources, shall have the right to issue for sale to the public stamps, decals or other items of personal property intended to signify the interest of the purchaser in contributing to programs established by the board under this section. Any contributions received and the net proceeds from the sale of merchandise shall be deposited in the Wild Resource Conservation Fund.

(d) **Advisory committee.**--The Wild Resource Conservation Board may establish an advisory committee to advise the board and the Department of Conservation and Natural Resources regarding the wild resource management objectives of the board and the approval of projects to promote the preservation and enhancement of wild resources. Members of the committee shall be chosen from the general public and shall serve at the pleasure of the board.

(e) **Activities of other agencies.**--The authority granted pursuant to subsection (c) shall not affect or interfere with similar authority vested by law in any agency represented on the board to sell items of personal property which promote the independent programs of those respective agencies. Said agencies shall likewise have the right to issue for sale items of personal property intended to signify the interest of the purchaser in contributing to programs established by the department, the net proceeds of which shall be deposited in the Wild Resource Conservation Fund.

**§ 6109. Sewage construction payments to municipalities.**

(a) **Certain payments permitted.**--A county or other municipality, municipal authority or school district receiving payments on the effective date of this chapter pursuant to the act of August 20, 1953 (P.L.1217, No.339), entitled "An act providing for payments by the Commonwealth to municipalities which have expended money to acquire and construct sewage treatment plants in accordance with the Clean Streams Program and the act, approved

the twenty-second day of June, one thousand nine hundred thirty-seven (Pamphlet Laws 1987), and making an appropriation," shall continue to receive all outstanding payments being funded under that act for the acquisition or construction of sewage treatment plants from the Commonwealth from funds appropriated for this purpose provided that the sewage treatment plant operations implement odor abatement programs as necessary.

**(b) Equipment and plants.**--Payments under this section for equipment and plants shall be discontinued upon the replacement, abandonment or removal from service of the equipment and plants.

**(c) Certain payment prohibited.**--No municipality, municipal authority or school district which is not presently receiving payments under the act of August 20, 1953 (P.L.1217, No.339), entitled "An act providing for payments by the Commonwealth to municipalities which have expended money to acquire and construct sewage treatment plants in accordance with the Clean Streams Program and the act, approved the twenty-second day of June, one thousand nine hundred thirty-seven (Pamphlet Laws 1987), and making an appropriation," may apply for or receive payments under that act. No new or additional costs of equipment or acquisition of sewage treatment plants for which construction has not commenced prior to the effective date of this chapter may be included in a request for payment by a municipality, municipal authority or school district. For purposes of this section, construction shall be deemed to have commenced when:

(1) the applicant has applied for or received a permit under the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law, for construction or modification of the sewage treatment plant;

(2) the applicant has applied for or received construction financing or has dedicated capital funds for an identified project before January 1, 2000, and the appropriate construction permit under The Clean Streams Law has been applied for or received before January 1, 2001; or

(3) if a construction permit under The Clean Streams Law is not required, a signed contract or purchase order for an eligible acquisition or construction expense has been validly executed.

**§ 6110. Environmental infrastructure grants to water and wastewater treatment facilities (Deleted by amendment).**

**2005 Amendment.** Section 6110 was deleted by amendment July 13, 2005, P.L.213, No.45, effective immediately.

**§ 6111. Protection of Recycling Fund.**

**(a) Market development funding.**--The Department of Environmental Protection, on an annual basis, shall provide sufficient moneys for market development from the Recycling Fund to promote the long-term sustainability of recycling and to promote the continued growth of the recycling rate. For purposes of this subsection, "market development" shall mean a set of government policies and programs that promote the removal of marketplace barriers to recycling and that promote a productive end use for recyclables collected from residents and businesses.

**(b) Review of expenditures.**--Prior to submitting its annual Recycling Fund spending plan to the General Assembly, the Department of Environmental Protection shall submit details of its proposed expenditures under the act of July 28, 1988 (P.L.556, No.101), known as the Municipal Waste Planning, Recycling and Waste Reduction Act, including additional expenditures for market development, for review and comment to the Recycling Fund Advisory Committee. At the same time, the department shall submit details of its actual expenditures under the Municipal Waste Planning, Recycling and Waste Reduction Act for the prior fiscal year, including actual expenditures for market development, for review and comment to the committee. The Department of Environmental

Protection shall provide aggregate information on the program, including the total amount of funding applied for, the total amount of funding provided, the percentage of applications approved and the percentage of applications fully funded. The information on actual expenditures provided to the committee shall include a complete list of recipients funded by the Department of Environmental Protection pursuant to sections 901 and 902 of the Municipal Waste Planning, Recycling and Waste Reduction Act in the prior fiscal year. The list shall include:

- (1) The name of the recipient.
- (2) The amount of funding requested.
- (3) The amount of funding provided by the Department of Environmental Protection.

**(c) Minimum level of funding.**--For a period of five years from the effective date of this chapter, moneys expended for programs authorized in the Municipal Waste Planning, Recycling and Waste Reduction Act shall not fall below levels expended in fiscal year 1999-2000.

**(d) Information to applicant.**--When the Department of Environmental Protection denies an application for a grant or approves an application for less than the amount requested by the applicant, the department shall provide the applicant with a written statement indicating the reason for the denial or reduction in funding amount.

**§ 6112. Extension of fees.**

**(a) Recycling fee.**--(Repealed).

**(b) Fee established.**--Each operator of a municipal waste landfill shall pay, in the same manner prescribed in section 701 of the Municipal Waste Planning, Recycling and Waste Reduction Act, an amount equal to 25¢ per ton of weighted waste or 25¢ per three cubic yards of volume-measured waste for all solid waste received at the landfill. The fee established by this subsection shall be paid to the State Treasury and deposited into the fund and shall not be subject to the provisions of section 701(d) of the act of July 28, 1988 (P.L.556, No.101), known as the Municipal Waste Planning, Recycling and Waste Reduction Act. (Dec. 9, 2002, P.L.1404, No.175, eff. imd.; July 13, 2005, P.L.213, No.45, eff. imd.)

**Cross References.** Section 6112 is referred to in section 6104 of this title.

**§ 6113. Effect of repeal of site-specific postclosure fund provisions.**

**(a) General rule.**--Prior to certification of final closure and release by the Department of Environmental Protection of the landfill bond under the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act, and the regulations promulgated thereto, the trustee may release moneys from the trust to the county which established the trust upon written request from the county to the trustee in order for the county to spend the money to fund county conservation districts, protect farmland or accomplish any other purpose authorized by this chapter. Payment of debt service by a county on obligations issued to fund such purposes shall be deemed to be paid for a permitted purpose. Expenditure for farmland preservation must comply with the act of June 30, 1981 (P.L.128, No.43), known as the Agricultural Area Security Law.

**(b) Limitations.**--Moneys in a site-specific postclosure trust that have not been released to the county prior to certification of final closure and release of the landfill bond may be used only for remedial measures and emergency actions that are necessary to prevent or abate adverse effects upon the environment after closure of the landfill. The county may withdraw actual costs incurred in establishing and administering the trust in an amount not to exceed 0.5% of the moneys deposited in the trust. The

trustee may release moneys for remedial measures and emergency actions only upon written request of the operator of a landfill and upon prior written approval by the Department of Environmental Protection. Such request shall include the proposed amount and purpose of the withdrawal and a copy of the Department of Environmental Protection's written approval of the expenditure. A copy of the request shall be provided to the county and the host municipality. A copy of any withdrawal document prepared by the trustee shall be provided to the Department of Environmental Protection, the county and the host municipality. No withdrawal from this trust for remedial measures and emergency actions may be made until after the Department of Environmental Protection has certified closure of the landfill. Moneys remaining in a trust subsequent to certification of final closure of the landfill and release of the landfill's bond shall be given to the county that established the trust for use in a manner consistent with this chapter.

**(c) Applicability.**--This section shall not apply to any county of the third class having a population under the 1990 Federal Decennial Census of greater than 225,000 but less than 242,500.

**§ 6115. Commonwealth indebtedness.**

**(a) Borrowing authorized.--**

(1) Pursuant to section 7(a)(3) of Article VIII of the Constitution of Pennsylvania and the act of April 13, 2005 (P.L.1, No.1), known as the Growing Greener Environmental Stewardship and Watershed Protection Enhancement Authorization Act, the issuing officials are authorized and directed to borrow, on the credit of the Commonwealth, money not exceeding in the aggregate the sum of \$625,000,000, in increments of not more than \$210,000,000 every two years over a five-year period after the effective date of this chapter, not including money borrowed to refund outstanding bonds, notes or replacement notes as may be necessary to carry out the purposes of this chapter.

(2) All bonds and notes issued under this chapter shall be:

- (i) exempt from taxation for State and local purposes; and
- (ii) eligible for tax-exempt bond funding status under existing Federal tax law.

(3) Borrowing authorized under paragraph (1) shall be carried out in accordance with the provisions of sections 307 and 308 of the act of February 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt Enabling Act, including the terms and conditions of section 307(c).

**(b) Sale of bonds and notes.--**

(1) All sales of bonds and notes shall be made in accordance with the provisions of section 309 of the Capital Facilities Debt Enabling Act.

(2) The proceeds realized from the sale of bonds and notes, except refunding bonds and replacement notes under this chapter, shall be used solely for the purposes of this chapter. The proceeds of the sale of refunding bonds and replacement notes shall be paid to the State Treasurer and applied to the payment of principal, any accrued interest and premium and cost of redemption of the bonds and notes for which the obligations have been issued.

(3) Pending the allocation under this chapter, money held or deposited by the State Treasurer may be invested or reinvested as are other funds in the custody of the State Treasurer in the manner provided by law. All earnings received from the investment or deposit of the funds shall be used for the same purposes as the proceeds realized from the sale of bonds and notes under this chapter.

(4) The necessary registry book shall be kept in the office of the authorized loan and transfer agent of the Commonwealth for the registration of bonds, at the request of owners of the bonds, according to the terms and conditions of issue directed by the issuing officials.

(5) There is hereby appropriated to the State Treasurer from the proceeds realized from the sale of bonds and notes under this chapter as much money as may be necessary for all costs and expenses in connection with the issue and sale and registration of the bonds and notes in connection with this chapter and the payment of interest arbitrage rebates.

**(c) Temporary financing authorization.--**

(1) Pending the issuance of bonds of the Commonwealth as authorized, the issuing officials are authorized, in accordance with this chapter and on the credit of the Commonwealth, to make temporary borrowings not to exceed one year in anticipation of the issue of bonds in order to provide funds in amounts as deemed advisable prior to the issue of bonds. In order to provide for and in connection with any temporary borrowing, the issuing officials are authorized in the name and on behalf of the Commonwealth to enter into purchase, loan or credit agreements or other agreements with any bank or trust company, other lending institution, investment banking firm or person in the United States having power to enter into the agreement. The agreements may contain provisions not inconsistent with this chapter as authorized by the issuing officials.

(2) Temporary borrowings made under this subsection shall be made in accordance with the provisions of section 306(b), (c) and (d) of the Capital Facilities Debt Enabling Act.

(3) Outstanding notes evidencing the borrowings may be funded and retired by the issuance and sale of the bonds of the Commonwealth as authorized in this paragraph. The refunding bonds shall be issued and sold not later than a date one year after the date of issuance of the first notes evidencing the borrowing to the extent that payment of the notes has not otherwise been made or provided for by sources other than proceeds of replacement notes.

(4) The proceeds of all temporary borrowing shall be paid to the State Treasurer to be held and disposed of in accordance with this chapter.

**(d) Debt retirement.--**

(1) All bonds issued under this chapter shall be redeemed at maturity, together with all interest due. Principal and interest payments shall be paid as provided in this chapter.

(2) By November 1 of each year, the State Treasurer shall determine and report the following to the Secretary of the Budget:

(i) The amount of money necessary for the payment of interest on the outstanding obligations.

(ii) The principal of the obligation for the following fiscal year.

(iii) The times and amounts of the payments.

(3) The Governor shall include in each annual budget submitted to the General Assembly complete information relating to:

(i) The issuance of bonds and notes under this chapter.

(ii) The status of the fund created under this chapter.

(iii) The payment of principal of and interest on the bonds and notes at maturity.

(4) The Secretary of the Budget, upon approval by the Governor, shall utilize up to \$60,000,000 of the moneys in the fund on an annual basis for payment of principle and interest

for debt service on bonds issued pursuant to this section and any other debt incurred by the Commonwealth for projects eligible for funding under this chapter.

**(e) Refunding.**--The issuing officials may by resolution issue refunding bonds for the purpose of refunding any outstanding debt issued under this chapter, either by voluntary exchange with the holders of the outstanding debt or to provide funds to redeem and retire the outstanding debt with accrued interest, and premium payable thereon, and to pay the costs of issuance and retirement of the debt, at maturity or at any call date. The issuance of the refunding bonds, the maturities and other details, the rights of the holders thereof and the duties of the issuing officials in respect thereto shall be governed by the provisions of this subsection, as applicable. Refunding bonds may be issued by the issuing officials to refund debt originally issued or to refund bonds previously issued for refunding purposes.

**(f) Proceeds restricted.**--The proceeds from the sale of bonds under this section shall only be used to fund capital improvement projects under sections 6116 (relating to establishment of bond fund and allocation and use of bond proceeds) and 6117 (relating to county environmental initiative program) and shall not be used for salaries and other administrative costs or expenses.

**(g) Prohibition.**--No project shall be funded by the proceeds of the obligations incurred under this section if the project would cause the bonds to lose their Federal tax-exempt status under the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).

**(h) Definition.**--As used in this section, the term "capital improvement project" or "project" means a project eligible for tax-exempt financing under the Internal Revenue Code of 1986. (July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 added section 6115.

**Cross References.** Section 6115 is referred to in sections 6104, 6116 of this title.

**§ 6116. Establishment of bond fund and allocation and use of bond proceeds.**

**(a) Establishment of bond fund.**--There is hereby established a special fund in the State Treasury to be known as the Growing Greener Bond Fund. Prior to allocation, moneys in the bond fund may be invested or reinvested as are other funds in the custody of the State Treasurer in a manner provided by law. The following amounts shall be deposited by the Treasury Department into the bond fund:

(1) Funds borrowed under section 6115(a) (relating to Commonwealth indebtedness) for use as prescribed in this chapter.

(2) Earnings derived from the investment of the money in the bond fund after deduction of investment expenses.

(3) Any other money appropriated to the bond fund.

**(b) Plan.**--An annual allocation plan for the bond fund shall be submitted by the Governor to the General Assembly as part of the Governor's annual budget. The allocation plan shall be open for review and comment by the members of the General Assembly and shall include a detailed listing of the types of programs to be funded for the fiscal year. The General Assembly may review and provide comment on the allocation plan.

**(c) Allocation and use of funds.**--Moneys in the bond fund shall be allocated and used as follows:

(1) The amount of \$230,000,000 to the Department of Environmental Protection for its existing programs for watershed protection, mine and acid mine drainage remediation, plugging of abandoned oil and gas wells, advanced energy projects as authorized in subparagraph (i), flood protection, geological hazards and brownfields remediation. At least

\$60,000,000 shall be used for acid mine drainage abatement and mine cleanup efforts. The Department of Environmental Protection is authorized to make portions of these moneys available to the following Commonwealth agencies and authorities for the purposes designated:

- (i) up to \$10,000,000 annually to the Energy Development Authority for advanced energy projects; and
- (ii) up to \$5,000,000 annually to the Department of Community and Economic Development for brownfields remediation.

(2) The amount of \$217,500,000 to the Department of Conservation and Natural Resources for its existing programs for the improvement of State parks and State forests, community park and recreation grants and open space preservation. Not less than \$100,000,000 of these moneys shall be used for facility and infrastructure improvements to State parks and State forests, and \$90,000,000 of these moneys shall be used for open space conservation. Except for interior lands of existing State park or State forest lands, funds under this subsection shall not be used for acquisition of additional State park or State forest lands without the approval of the board of commissioners in the county where the acquisition is situated.

(3) The amount of \$80,000,000 to the Department of Agriculture for its existing county-based farmland preservation programs.

(4) Not more than \$50,000,000 to the Department of Community and Economic Development for main street and downtown redevelopment related to smart growth, including improvements to existing water and wastewater infrastructure.

(5) The amount of \$27,500,000 to the Pennsylvania Fish and Boat Commission for capital improvement projects to its existing lands and facilities. The executive director of the Pennsylvania Fish and Boat Commission shall, no later than June 30 of each year, provide an annual allocation plan detailing the projects to be funded under this paragraph, the amount of each project and the anticipated environmental benefit of the project to the chairman and minority chairman of the Game and Fisheries Committee of the Senate and the chairman and minority chairman of the Game and Fisheries Committee of the House of Representatives.

(6) The amount of \$20,000,000 to the Pennsylvania Game Commission for capital improvement projects to its existing lands and facilities. The executive director of the Pennsylvania Game Commission shall, no later than June 30 of each year, provide an annual allocation plan detailing the projects to be funded under this paragraph, the amount of each project and the anticipated environmental benefit of the project to the chairman and minority chairman of the Game and Fisheries Committee of the Senate and the chairman and minority chairman of the Game and Fisheries Committee of the House of Representatives. Funds under this paragraph shall not be used for land acquisition.

**(d) Definition.**--As used in this section, the term "capital improvement project" or "project" means a project eligible for tax-exempt financing under the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.). (July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 added section 6116.

**Cross References.** Section 6116 is referred to in sections 6103, 6104, 6115, 6117 of this title.

**§ 6117. County Environmental Initiative Program.**

**(a) Establishment.**--There is established the County Environmental Initiative Program. From within the amounts

allocated in section 6116(c)(1), (2), (3) and (4) (relating to establishment of bond fund and allocation and use of bond proceeds), \$90,000,000 shall be available for capital improvement projects designated by counties as set forth in this section.

**(b) Amount of funding.**--Each county shall be provided with an annual funding amount according to its class as designated by the laws of this Commonwealth. Amounts shall be annually determined by the Secretary of the Budget, who shall notify the counties of the same on or before October 1 of each year. Within the first six fiscal years after the effective date of this section, each county shall receive the following amounts:

(1) Counties of the first, second and second A class - \$2,700,000.

(2) Counties of the third class - \$1,750,000.

(3) Counties of the fourth and fifth class - \$1,390,000.

(4) Counties of the sixth, seventh and eighth class - \$1,000,000.

**(c) Capital improvement project designation.**--Each county, in consultation with the county conservation district where one exists, shall annually be permitted to designate capital improvement projects that are eligible to be funded under section 6116 up to its funding amount established pursuant to subsection (b). If a county's proposed project complies with all laws, regulations and procedures that apply to the program category for which funding is designated, the applicable department receiving an allocation under section 6116 shall fund the project. The applicable department shall consider a county's recurring environmental and conservation funding levels to ensure the project supplements existing efforts.

**(d) Application of funding.**--Funding provided to capital improvement projects under this section shall be applied against the total allocations made to the departments under section 6116(c)(1), (2), (3) and (4). Designation of a capital improvement project by a county under this section shall not obligate a department to provide funds to the project in excess of the amount of county environmental initiative funds so allocated.

**(e) Reallocation.**--If a county fails to designate capital improvement projects that will use the entirety of its funding amount for a fiscal year, the department shall allocate the remaining funds to other eligible projects.

**(f) Definition.**--As used in this section, the term "capital improvement project" or "project" means a project eligible for tax-exempt financing under the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.). (July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 added section 6117.

**Cross References.** Section 6117 is referred to in sections 6115, 6119 of this title.

**§ 6118. Interfund transfer.**

**(a) Transfer.**--The Secretary of the Budget, in his discretion, may annually transfer funds from the Alternative Fuels Incentive Fund to the fund in such amounts as will allow the fund to continue to distribute moneys to the departments and the authority at historic levels.

**(b) Amount.**--In determining the amount to be transferred under subsection (a), the Secretary of the Budget shall assure that sufficient funds remain in the Alternative Fuels Incentive Fund so that implementation of the Alternative Fuels Incentive Program, as established in the act of November 29, 2004 (P.L.1376, No.178), known as the Alternative Fuels Incentive Act, shall not be affected.

(July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 added section 6118.

**§ 6119. Reporting.**

**(a) State departments and agencies.--**Every State department and agency receiving funds under this chapter shall publish a report of all projects funded on the department or agency's publicly accessible Internet website at least annually.

**(b) Counties.--**Every county designating capital improvement projects under section 6117 (relating to county environmental initiative program) shall publish a report of all projects funded on the county's publicly accessible Internet website at least annually.

(July 13, 2005, P.L.213, No.45, eff. imd.)

**2005 Amendment.** Act 45 added section 6119.