

1-1 By: Birdwell, Blanco S.B. No. 785
 1-2 (In the Senate - Filed February 8, 2023; March 1, 2023, read
 1-3 first time and referred to Committee on Natural Resources &
 1-4 Economic Development; April 11, 2023, reported adversely, with
 1-5 favorable Committee Substitute by the following vote: Yeas 8,
 1-6 Nays 1; April 11, 2023, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17		X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 785 By: Birdwell

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the ownership of the geothermal energy and associated
 1-22 resources below the surface of land.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 141.003(5), Natural Resources Code, is
 1-25 amended to read as follows:

1-26 (5) "By-product" means any other element found in a
 1-27 geothermal formation which is brought to the surface, whether or
 1-28 not it is used in geothermal heat or pressure inducing energy
 1-29 generation. The term does not include:

1-30 (A) a mineral, as defined by Section 75.001,
 1-31 Property Code; or

1-32 (B) oil, gas, or a product of oil or gas, as
 1-33 defined by Section 85.001.

1-34 SECTION 2. Subchapter A, Chapter 141, Natural Resources
 1-35 Code, is amended by adding Section 141.004 to read as follows:

1-36 Sec. 141.004. OWNERSHIP OF GEOTHERMAL ENERGY AND ASSOCIATED
 1-37 RESOURCES. (a) Except as otherwise expressly provided by a
 1-38 conveyance, contract, deed, reservation, exception, limitation,
 1-39 lease, or other binding obligation, the geothermal energy and
 1-40 associated resources below the surface of land are owned as real
 1-41 property by:

1-42 (1) the landowner; or

1-43 (2) if the surface estate and the mineral estate of the
 1-44 land have been severed, the owner of the surface estate of the land.

1-45 (b) Subject to the provisions of this chapter, the property
 1-46 rights described by this section entitle the owner of the
 1-47 geothermal energy and associated resources below the surface of
 1-48 land and the owner's lessee, heir, or assignee to drill for and
 1-49 produce the geothermal energy and associated resources.

1-50 (c) This section does not apply to minerals dissolved or
 1-51 otherwise contained in groundwater, including in hot brines.

1-52 SECTION 3. This Act takes effect immediately if it receives
 1-53 a vote of two-thirds of all the members elected to each house, as
 1-54 provided by Section 39, Article III, Texas Constitution. If this
 1-55 Act does not receive the vote necessary for immediate effect, this
 1-56 Act takes effect September 1, 2023.

1-57 * * * * *