LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 8, 2009

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB2432 by Davis, Wendy (Relating to the application to political subdivisions of this state of the law governing pooling of mineral interests.), Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill would amend Sections 102.004(a), (c), and (d), Natural Resources Code, to add political a subdivision of this state as an entity exempt from pooling of mineral interests. Under current law, property in which the State of Texas has a direct or indirect interest is exempt from pooling of mineral interests. The bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house. If the bill does not receive the necessary votes, the bill would take effect September 1, 2009.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 305 General Land Office and Veterans' Land Board, 455 Railroad Commission

LBB Staff: JOB, SZ, JB, SD, TL, TP