

BILL ANALYSIS

Senate Research Center
84R10161 JAM-F

H.B. 2521
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As oil and gas is extracted, companies pay royalties and lease fees to the state for the minerals that reside under state land. Initially, the land commissioner collects these royalty and lease payments that are then deposited into general revenue. H.B. 2521 modifies the Natural Resources Code regarding royalty and lease payments from minerals that reside under lands owned by counties, such as county roads, and directs that the funds be paid to the counties to be used for road maintenance and construction only. In areas of the state experiencing heavy oil and gas development, there is not enough county funding to keep up with the rapid road degradation. Having access to the royalties and lease payments for lands under county roads to maintain those roads will provide a small amount of relief to our energy sector counties.

H.B. 2521 amends current law relating to transferring from the state to a county the revenue derived from oil and gas leases of land owned by the county to be used by the county for road maintenance purposes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 52.025, Natural Resources Code, as follows:

Sec. 52.025. DISPOSITION OF LEASE PAYMENTS. (a) Creates this subsection from existing text. Requires the comptroller of public accounts of the State of Texas (comptroller), except as provided by Subsection (b), to credit the permanent school fund with amounts received from unsurveyed school land and with two-thirds of the amount received from other areas and to credit the General Revenue Fund with the remaining one-third of the payments for the other areas. Makes a nonsubstantive change.

(b) Requires the comptroller, to the extent permissible under the Texas Constitution, to remit to a county the amount received from land owned in fee simple by the county. Requires that money remitted to a county under this section be deposited to the credit of the county road and bridge fund of the county and may be used by the county only for road maintenance purposes.

SECTION 2. Effective date: September 1, 2015.