

AN ACT

relating to the allocation and use of payments received under oil and gas leases of land owned by the state for a county road.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Section 32.201, Natural Resources Code, is amended to read as follows:

Sec. 32.201. PREFERENTIAL RIGHT TO LEASE CERTAIN LAND BY ADJOINING MINERAL OWNER; ALLOCATION AND USE OF PAYMENTS RECEIVED FROM LEASING OF LAND OWNED FOR COUNTY ROAD.

SECTION 2. Section 32.201, Natural Resources Code, is amended by adding Subsections (i) and (j) to read as follows:

(i) Subject to Subsection (j), any payment received from the leasing of oil and gas under lands owned by the state that were or may be acquired by a county to construct a county road shall be deposited to the credit of the county road oil and gas fund as provided by Section 32.2015.

(j) Notwithstanding any other provision of law, a lease of oil and gas under land described by Subsection (i) that is entered into on or after September 1, 2017, must require any payment under the lease to be made directly to the county treasurer, or officer performing the function of that office, in the county in which the land is located, as determined by the commissioner and described in the lease, for deposit to the credit of the county road and bridge fund of the county to be used for the purposes described by Section

1 32.2015(d). A lessee's obligation to make a payment under this
2 subsection is satisfied by making that payment to the county
3 described in the lease. This subsection does not create a cause of
4 action for a county to pursue remedies under a lease described by
5 this subsection, and a county is not considered to be a party to
6 such a lease for the purpose of asserting a right granted by the
7 lease or under this subsection.

8 SECTION 3. Subchapter F, Chapter 32, Natural Resources
9 Code, is amended by adding Section 32.2015 to read as follows:

10 Sec. 32.2015. FUND. (a) The county road oil and gas fund is
11 a trust fund outside the state treasury to be held and administered
12 by the comptroller as trustee for the payment, without
13 appropriation, to counties of money received from the leasing of
14 oil and gas under lands owned by the state that were or may be
15 acquired by a county to construct a county road.

16 (b) The land office shall deposit to the credit of the fund
17 money received under Section 32.201(i) from the leasing of oil and
18 gas under lands owned by the state that were or may be acquired by a
19 county to construct a county road.

20 (c) Interest or other income from investment of the fund
21 shall be deposited to the credit of the fund.

22 (d) Money in the fund received from the leasing of oil and
23 gas under lands described by Subsection (b) located in a county,
24 together with the interest or other income from investment of that
25 money deposited to the credit of the fund, shall be disbursed at
26 least twice each fiscal year, without appropriation, to the county
27 treasurer or officer performing the function of that office. The

1 county treasurer or officer shall deposit amounts received under
2 this subsection to the credit of the county road and bridge fund of
3 the county. Money deposited to the credit of that fund under this
4 subsection may be used by the county only for road maintenance
5 purposes.

6 SECTION 4. Section 52.025, Natural Resources Code, is
7 repealed.

8 SECTION 5. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 2521 was passed by the House on May 4, 2015, by the following vote: Yeas 140, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2521 on May 27, 2015, by the following vote: Yeas 141, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2521 was passed by the Senate, with amendments, on May 24, 2015, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor