

1-1 By: Coleman, et al. (Senate Sponsor - Uresti) H.B. No. 2521  
 1-2 (In the Senate - Received from the House May 5, 2015;  
 1-3 May 6, 2015, read first time and referred to Committee on Finance;  
 1-4 May 22, 2015, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 13, Nays 0; May 22, 2015,  
 1-6 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	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23	X			

1-24 COMMITTEE SUBSTITUTE FOR H.B. No. 2521 By: Uresti

1-25 A BILL TO BE ENTITLED  
 1-26 AN ACT

1-27 relating to the allocation and use of payments received under oil  
 1-28 and gas leases of land owned by the state for a county road.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. The heading to Section 32.201, Natural Resources  
 1-31 Code, is amended to read as follows:

1-32 Sec. 32.201. PREFERENTIAL RIGHT TO LEASE CERTAIN LAND BY  
 1-33 ADJOINING MINERAL OWNER; ALLOCATION AND USE OF PAYMENTS RECEIVED  
 1-34 FROM LEASING OF LAND OWNED FOR COUNTY ROAD.

1-35 SECTION 2. Section 32.201, Natural Resources Code, is  
 1-36 amended by adding Subsections (i) and (j) to read as follows:

1-37 (i) Subject to Subsection (j), any payment received from the  
 1-38 leasing of oil and gas under lands owned by the state that were or  
 1-39 may be acquired by a county to construct a county road shall be  
 1-40 deposited to the credit of the county road oil and gas fund as  
 1-41 provided by Section 32.2015.

1-42 (j) Notwithstanding any other provision of law, a lease of  
 1-43 oil and gas under land described by Subsection (i) that is entered  
 1-44 into on or after September 1, 2017, must require any payment under  
 1-45 the lease to be made directly to the county treasurer, or officer  
 1-46 performing the function of that office, in the county in which the  
 1-47 land is located, as determined by the commissioner and described in  
 1-48 the lease, for deposit to the credit of the county road and bridge  
 1-49 fund of the county to be used for the purposes described by Section  
 1-50 32.2015(d). A lessee's obligation to make a payment under this  
 1-51 subsection is satisfied by making that payment to the county  
 1-52 described in the lease. This subsection does not create a cause of  
 1-53 action for a county to pursue remedies under a lease described by  
 1-54 this subsection, and a county is not considered to be a party to  
 1-55 such a lease for the purpose of asserting a right granted by the  
 1-56 lease or under this subsection.

1-57 SECTION 3. Subchapter F, Chapter 32, Natural Resources  
 1-58 Code, is amended by adding Section 32.2015 to read as follows:

1-59 Sec. 32.2015. FUND. (a) The county road oil and gas fund is  
 1-60 a trust fund outside the state treasury to be held and administered

2-1 by the comptroller as trustee for the payment, without  
2-2 appropriation, to counties of money received from the leasing of  
2-3 oil and gas under lands owned by the state that were or may be  
2-4 acquired by a county to construct a county road.

2-5 (b) The land office shall deposit to the credit of the fund  
2-6 money received under Section 32.201(i) from the leasing of oil and  
2-7 gas under lands owned by the state that were or may be acquired by a  
2-8 county to construct a county road.

2-9 (c) Interest or other income from investment of the fund  
2-10 shall be deposited to the credit of the fund.

2-11 (d) Money in the fund received from the leasing of oil and  
2-12 gas under lands described by Subsection (b) located in a county,  
2-13 together with the interest or other income from investment of that  
2-14 money deposited to the credit of the fund, shall be disbursed at  
2-15 least twice each fiscal year, without appropriation, to the county  
2-16 treasurer or officer performing the function of that office. The  
2-17 county treasurer or officer shall deposit amounts received under  
2-18 this subsection to the credit of the county road and bridge fund of  
2-19 the county. Money deposited to the credit of that fund under this  
2-20 subsection may be used by the county only for road maintenance  
2-21 purposes.

2-22 SECTION 4. Section 52.025, Natural Resources Code, is  
2-23 repealed.

2-24 SECTION 5. This Act takes effect September 1, 2017.

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