## **BILL ANALYSIS**

Senate Research Center 85R7389 JXC-F S.B. 1422 By: Estes Natural Resources & Economic Development 3/24/2017 As Filed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

State agencies require statutory authorization to register and protect intellectual property like their logos that they have developed over time. Current law authorizes many agencies to do this, including the Texas Parks and Wildlife Department, the Texas Department of Transportation, and the Water Development Board.

The Railroad Commission of Texas (railroad commission) does not presently have authority to register or otherwise protect its intellectual property. S.B. 1422 gives the railroad commission authority to apply for, register, secure, hold, and protect a patent, copyright, trademark, or other evidence of protection or exclusivity issued for intellectual property. S.B 1422 also allows the railroad commission to generate revenue from any intellectual property it develops and provides that the revenue will deposited to the credit of the oil and gas regulation and cleanup fund.

As proposed, S.B. 1422 amends current law relating to the protection and use of intellectual property by the Railroad Commission of Texas.

## **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 Subchapter B, Chapter 81, Natural Resources Code, by adding Section 81.021, as follows:

Sec. 81.021. INTELLECTUAL PROPERTY. (a) Authorizes the Railroad Commission of Texas (railroad commission) to apply for, register, secure, hold, and protect under the laws of the United States or any state or nation a certain patent, copyright, trademark, or evidence of protection or exclusivity issued for intellectual property; contract with a person for the sale, lease, marketing, or other distribution of the railroad commission's intellectual property; obtain under a contract certain means of securing reasonable compensation for the development or purchase of the railroad commission's intellectual property; and waive or reduce the amount of compensation secured by contract if the railroad commission makes certain determinations.

(b) Requires money paid to the railroad commission under this section to be deposited to the credit of the oil and gas regulation and cleanup fund as provided by Section 81.067 (Oil and Gas Regulation and Cleanup Fund).

SECTION 2. Amends Section 84.067(c), Natural Resources Code, as follows:

(c) Provides that the fund consists of certain money, including money collected under Section 81.021. Deletes money deposited to the credit of the fund under Section 81.112 (Disposition of Tax Proceeds) from money that comprises a source of the fund. Redesignates Subdivision (25) as (24) and Subdivision (26) as (25).

SECTION 3. Provides that to the extent of any conflict, this Act prevails over another Act of the 85th Legislature, Regular Session, 2017, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 4. Effective date: upon passage or September 1, 2017.