

By: Craddick

H.B. No. 129

Substitute the following for H.B. No. 129:

By: Darby

C.S.H.B. No. 129

A BILL TO BE ENTITLED

AN ACT

relating to the manner in which a payor of proceeds derived from the sale of oil or gas production is required to provide certain information to a royalty interest owner.

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

SECTION 1. Sections 91.501 and 91.506, Natural Resources Code, are amended to read as follows:

Sec. 91.501. INFORMATION REQUIRED. If payment is made to a royalty interest owner from the proceeds derived from the sale of oil or gas production pursuant to a division order, lease, servitude, or other agreement, the payor shall include the information required by Section 91.502 on the check stub, an attachment to the payment form, or another remittance advice that accompanies the payment.

Sec. 91.506. EXEMPTION. (a) Except as provided by Subsection (b), if ~~[If]~~ the information required by Section 91.502 is provided in some other manner on a monthly basis, the payor is not required to include the information on the check stub, an attachment to the payment form, or another ~~[other]~~ remittance advice that accompanies the payment.

(b) If payment is made to the royalty interest owner by a paper check delivered by mail or by means of a private delivery service, the payor may not provide the information required by Section 91.502 in a manner other than by including the information

1 on the check stub, an attachment to the payment form, or another
2 remittance advice that accompanies the payment unless the payor
3 obtains the written consent of the royalty interest owner to
4 provide the information in some other manner.

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