

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 30, 2017

TO: Honorable Drew Darby, Chair, House Committee on Energy Resources

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2638 by Gonzales, Larry (Relating to the protection and use of intellectual property by the Railroad Commission of Texas.), **As Introduced**

The bill would have a positive fiscal impact that cannot be determined at this time because the value of any intellectual property that the Railroad Commission would register under the provisions of the bill is not known.

The bill would amend the Natural Resources Code to allow the Railroad Commission to seek legal status for its intellectual property, including patents, copyrights, and trademarks, and to contract for the use of its intellectual property by others. Any revenue collected for use of the agency's intellectual property would be deposited to General Revenue-Dedicated Oil and Gas Cleanup and Regulation Account Fund 5155. The bill would have a positive impact; however the amount of revenue that would be generated under the provisions of the bill cannot be determined at this time as the value of any intellectual property the Railroad Commission might register is not known.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise the bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 455 Railroad Commission

LBB Staff: UP, SZ, MW, PBO