

By: Craddick

H.B. No. 3372

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to causes of action for withholding payments of the  
3 proceeds from the sale of oil and gas production.

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

5 SECTION 1. Section 91.402, Natural Resources Code, is  
6 amended by adding Subsection (b-1) to read as follows:

7 (b-1) A payee may not bring an action for breach of contract  
8 against a payor for withholding payments under Subsection (b).

9 SECTION 2. The change in law made by this Act applies only  
10 to an action filed on or after the effective date of this Act. An  
11 action filed before the effective date of this Act is governed by  
12 the law applicable to the action immediately before the effective  
13 date of this Act, and that law is continued in effect for that  
14 purpose.

15 SECTION 3. This Act takes effect immediately if it receives  
16 a vote of two-thirds of all the members elected to each house, as  
17 provided by Section 39, Article III, Texas Constitution. If this  
18 Act does not receive the vote necessary for immediate effect, this  
19 Act takes effect September 1, 2019.