

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 12, 2021**

**TO:** Honorable Craig Goldman, Chair, House Committee on Energy Resources

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3416** by Darby (Relating to indemnity agreements between contractors and subcontractors for services pertaining to certain wells or mines.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Civil Practice and Remedies Code to make certain indemnity agreements between contractors and subcontractors subject to the requirements of Chapter 127 of the Civil Practice and Remedies Code that concerns indemnity provisions in certain mineral agreements.

Based on the analysis of the Texas Commission on Environmental Quality, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be absorbed with existing resources.

**Local Government Impact**

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

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** JMc, AJL, MW, GDZ