

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 4, 2021

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1259 by Birdwell (Relating to causes of action for withholding payments of the proceeds from the sale of oil and gas production.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Natural Resources Code to provide that a payee does not have a common law cause of action for breach of contract against a payor for withholding oil and gas payments in certain circumstances.

Based on information provided by the Office of Court Administration, no significant fiscal implications to the state court system is anticipated due to implementing the provisions of the bill.

The bill would take effect immediately upon enactment if it receives a two-thirds majority vote in both houses. If not, the bill would take effect September 1, 2021.

Local Government Impact

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

Source Agencies: 212 Office of Court Admin, 304 Comptroller of Public Accounts, 455 Railroad Commission

LBB Staff: JMc, SLE, DA, AJL, MW