

1-1 By: Hancock S.B. No. 903
1-2 (In the Senate - Filed March 3, 2015; March 9, 2015, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 8, 2015, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; April 8, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to procedures for the management, sale, or lease of
1-20 certain state-owned real property and the management or collection
1-21 of related funds, including disputed oil and gas royalties owed to
1-22 the state.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 31.1573(d), Natural Resources Code, is
1-25 amended to read as follows:

1-26 (d) The grant of an interest in real property owned by the
1-27 state under this section must:

1-28 (1) comply with the requirements of Section 31.158 to
1-29 the extent the requirements do not conflict with a recommendation
1-30 in the governor's report under Section 31.1571; and

1-31 (2) be conveyed by an instrument signed by the
1-32 commissioner and, if the transaction was conducted under Section
1-33 31.158(c)(7) ~~[governor's approval is required]~~, by the governor.

1-34 SECTION 2. Section 31.167(c), Natural Resources Code, is
1-35 amended to read as follows:

1-36 (c) The special board of review must file a copy of the
1-37 development plan in the deed records of the county in which the real
1-38 property is located. Revisions to the development plan are
1-39 governed by local development policies and procedures if the
1-40 revisions ~~[that]~~ are requested after the later of:

1-41 (1) the 10th anniversary of the date on which the
1-42 development plan was promulgated by the special board of review; or

1-43 (2) the date on which the state no longer holds a
1-44 financial or property interest in the real property subject to the
1-45 plan ~~[are governed by local development policies and procedures]~~.

1-46 SECTION 3. Section 32.106, Natural Resources Code, is
1-47 amended to read as follows:

1-48 Sec. 32.106. DESCRIPTION OF LAND. The description of
1-49 public school land offered for sale, lease, or commitment to a
1-50 contract for development shall be in accord with the description
1-51 which may be found in the School Land Registry or other records in
1-52 the land office.

1-53 SECTION 4. Section 33.136(c), Natural Resources Code, is
1-54 amended to read as follows:

1-55 (c) Within 30 days after the date the commissioner approves
1-56 a coastal boundary survey under this section, the commissioner
1-57 shall provide notice of that approval by:

1-58 (1) publication in the Texas Register;

1-59 (2) publication for two consecutive weeks on the
1-60 Internet website of the land office ~~[in a newspaper of general~~
1-61 ~~circulation in the county or counties in which the land depicted in~~

2-1 ~~the survey is located~~]; and

2-2 (3) filing a copy of the approval in the archives and
2-3 records division of the land office.

2-4 SECTION 5. Subchapter C, Chapter 51, Natural Resources
2-5 Code, is amended by adding Section 51.068 to read as follows:

2-6 Sec. 51.068. FUND ACCOUNTS. (a) Payments of principal,
2-7 interest, and lease rental shall be accounted for in a similar form
2-8 but separate from first payments on land.

2-9 (b) The comptroller shall deposit 90 percent of the payments
2-10 on land received each month to the probable fund to which the
2-11 payments belong as indicated by the commissioner and shall hold the
2-12 remaining 10 percent of the payments in the suspense account until
2-13 the comptroller receives notice from the commissioner indicating
2-14 the proper fund for the payments. After notice is received, the
2-15 comptroller shall credit the full amount to the proper fund.

2-16 (c) The commissioner and comptroller shall keep an account
2-17 with each fund according to advices given by them and shall retain
2-18 the advices as permanent records.

2-19 SECTION 6. Section 51.3021(c), Natural Resources Code, is
2-20 amended to read as follows:

2-21 (c) The notice required by Subsection (b) [~~of this section~~]
2-22 must be given:

2-23 (1) by service in person or by registered or certified
2-24 mail, return receipt requested; or

2-25 (2) if personal service cannot be obtained or the
2-26 address of the person responsible is unknown, by posting a copy of
2-27 the notice on the facility or structure and by publishing notice on
2-28 the Internet website of the land office and in the Texas Register
2-29 for [~~in a newspaper with general circulation in the county in which~~
2-30 ~~the facility or structure is located two times within~~] 10
2-31 consecutive days.

2-32 SECTION 7. The heading to Section 52.137, Natural Resources
2-33 Code, is amended to read as follows:

2-34 Sec. 52.137. SUIT AFTER PROTEST [PAYMENT].

2-35 SECTION 8. Sections 52.137(a) and (c), Natural Resources
2-36 Code, are amended to read as follows:

2-37 (a) If a lessee, who has received an audit deficiency
2-38 assessment and has waived the right to request a hearing before the
2-39 commissioner or who is required by final order of the commissioner
2-40 following a hearing to pay additional royalties, contends that such
2-41 audit deficiency assessment is unlawful or that the commissioner
2-42 may not legally demand or collect such royalties, and the lessee
2-43 [~~shall pay to the commissioner the amount claimed by the~~
2-44 ~~commissioner, and if the lessee~~] intends to bring suit under this
2-45 section, the lessee must submit [~~with the payment~~] a protest in
2-46 writing stating fully and in detail each reason why it contends such
2-47 royalty is not due. Such protest [~~payment~~] shall be made to the
2-48 commissioner within 30 days of the date of receipt of the audit
2-49 billing notice or of the date of receipt of the final order of the
2-50 commissioner following a hearing, as the case may be. All such
2-51 mailings shall be by certified mail, return receipt requested.

2-52 (c) [~~A suit may be brought under this section against the~~
2-53 ~~commissioner to recover the payment under protest.~~] A suit under
2-54 this section is barred unless brought in the district courts of
2-55 Travis County within 90 days after the date of the protest [~~payment~~]
2-56 or within 90 days after the date of the final order of the
2-57 commissioner following hearing, whichever is later.

2-58 SECTION 9. Section 52.139(a), Natural Resources Code, is
2-59 amended to read as follows:

2-60 (a) If an audit billing notice has been issued under Section
2-61 52.135 and any outstanding audit deficiency assessment has been
2-62 paid either:

2-63 (1) voluntarily;

2-64 (2) after a hearing was requested and the commissioner
2-65 has entered a final non-appealable order concerning the assessment;
2-66 or

2-67 (3) after a final non-appealable judgment has been
2-68 rendered by a court after [~~payment of an audit assessment under~~
2-69 ~~protest and~~] filing of a suit [~~for refund~~] under Section 52.137 [~~of~~

3-1 ~~this code~~], then the commissioner may not issue another deficiency
3-2 assessment which covers the same issues, time periods, and leases
3-3 as those covered by the previous assessment.

3-4 SECTION 10. The following provisions of the Natural
3-5 Resources Code are repealed:

- 3-6 (1) Section 32.102;
- 3-7 (2) Section 52.137(b); and
- 3-8 (3) Section 52.138.

3-9 SECTION 11. The changes in law made by Sections 52.137 and
3-10 52.139(a), Natural Resources Code, as amended by this Act, and by
3-11 the repeal of Section 52.138, Natural Resources Code, apply only to
3-12 an audit billing notice or a final commissioner's order, as
3-13 applicable, received by a lessee on or after the effective date of
3-14 this Act. An audit billing notice or a final commissioner's order,
3-15 as applicable, received by a lessee before the effective date of
3-16 this Act is governed by the law in effect on the date the notice or
3-17 order was received, and the former law is continued in effect for
3-18 that purpose.

3-19 SECTION 12. This Act takes effect September 1, 2015.

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