

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

February 26, 2003

TO: Honorable Joe Nixon, Chair, House Committee on Civil Practices

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB4 by Nixon (Relating to reform of certain procedures and remedies in civil actions.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Civil Practice and Remedies Code to allow the transfer (from state trial courts) of some percentage of class action suits against regulated entities to the state agencies that regulate them. The size and complexity of class action suits that are transferred may require regulating state agencies to reallocate resources to the handling of such cases. Based on agency responses, the reallocated amounts necessary to handle class action suits would be less than one percent of the total appropriations to affected state agencies, and ,therefore, of no significant fiscal impact.

The bill regulates the award of attorneys fees in class action litigation. The bill provides for the award of litigation costs to defendants who make certain settlement offers. The bill amends the procedures for determining proportionate responsibility in certain cases, amends the liability provisions for products liability cases, and amends provisions relating to appeal bonds. The bill also amends the Finance Code by changing the calculation method for the postjudgment interest rate.

The bill provides for the appointment by the chief justice of a multidistrict litigation panel to hear and decide certain pretrial venue motions and to assign judges to a district court. However, the fiscal implication to the state for the creation of the panel and its subsequent duties is not anticipated to be significant.

The bill would take effect on September 1, 2003.

Local Government Impact

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

Source Agencies: 201 Supreme Court Of Texas, 212 Office Of Court Administration, Texas Judicial Council, 360 State Office Of Administrative Hearings, 451 Department Of Banking, 454 Department Of Insurance

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