

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 24, 2003

TO: Honorable Glenn Lewis, Chair, House Committee on County Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB663 by Van Arsdale (Relating to the recovery of attorney's fees and certain costs in proceedings to recover delinquent debts owed to a county.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Section 113.902, Local Government Code, to allow a county attorney to recover reasonable fees and court costs incurred on behalf of the county in a proceeding to recover a delinquent debt owed to the county, other than a delinquent debt for ad valorem taxes. The bill would take effect September 1, 2003 and would apply only to proceedings that are brought on or after that date.

Local Government Impact

The Texas Association of Counties indicates that counties would experience a savings. The Harris County Budget Office estimates that Harris County (population over 3.4 million, budget of \$970 million) would receive about \$30,000 in attorneys fees as a result of implementing the provisions of the bill.

Counties would experience a positive fiscal impact that would vary by county depending on the number of cases, the number of lawsuits filed and the number that result in summary or default judgments, and the success rate of collecting attorneys fees without having to send more than one demand letter. Both the Texas Association of Counties and the Harris County Budget Office indicate, while the impact would be positive, it would not be significant.

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

Source Agencies:

LBB Staff: JK, DLBa