

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 19, 2003

TO: Honorable Bill Ratliff, Chair, Senate Committee on State Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB496 by Janek (Relating to civil claims involving exposure to asbestos and to certain successor liability.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Civil Practice and Remedies Code to add procedures relating to civil claims alleging personal injury or death caused by exposure to asbestos fibers. The bill would create an inactive docket for asbestos lawsuits that are filed without certain medical findings. The bill would require the Supreme Court to establish the inactive docket for claims that would be administered by the Office of Court Administration. The bill would require the Supreme Court to create and maintain a list of independent experts who would review petitions for removal from the inactive docket. Upon the filing of each claim, the clerk of the district court in which the claim is filed would forward one-half of the filing fee to the Comptroller for deposit to the Asbestos Claims Inactive Docket Account created by the bill in the General Revenue Fund. The bill would take effect immediately if the bill receives the vote of two-thirds of the members of each house. Otherwise, the bill would take effect September 1, 2003. The bill would apply only to claims filed after the effective date or to pending claims filed that have not gone to trial prior to the effective date of the bill.

According to the Annual Report of the Texas Judicial System published by the Office of Court Administration, 16,320 civil actions involving injuries or damage other than those caused by a motor vehicle were filed in fiscal year 2002. At the end of fiscal year 2002, a total of 33,389 such civil actions were pending. Assuming that 20 percent of all such cases are asbestos-related claims, and assuming that the clerk of the court in which the claim is filed collects the \$45 filing fee authorized under Government Code, Section 51.317(b)(1), and assuming that the clerk remits to the Comptroller \$22.50 for each claim filed, the possible revenue gain to the state is not anticipated to be significant. Additionally, based upon court and agency responses, the amounts necessary to handle the inactive docket and filing fee collection would be of no significant fiscal impact.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. The possible revenue loss to local government in connection with the remittance of \$22.50 per asbestos-related civil action to the state is not anticipated to be significant.

Source Agencies: 201 Supreme Court Of Texas, 212 Office Of Court Administration, Texas Judicial Council, 302 Office Of The Attorney General, 304 Comptroller Of Public Accounts, 307 Secretary Of State, 503 Board Of Medical Examiners, 582 Commission On Environmental Quality

LBB Staff: JK, RR, VDS, TB