

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 24, 2005

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

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1385 by Hartnett (Relating to a governmental unit's liability for attorney's fees and costs in a declaratory judgment proceeding.), **As Introduced**

No significant fiscal implication to the State is anticipated.

This Act precludes courts from awarding costs and attorneys fees against governmental units in cases seeking remedies under the Uniform Declaratory Judgements Act (UDJA.).

The Office of the Attorney General (OAG) anticipates a marginal reduction in litigation costs by (1) reducing the inclusion of gratuitous UDJA claims in suits against governmental entities; and (2) reducing the need for additional litigation proceedings to determine an appropriate fee award. This reduction in costs should not affect staffing needs because most suits against governmental units would still proceed based on the underlying disputes in those cases.

Local Government Impact

The bill could result in reduce costs to local governments in two ways: (1) by protecting them from liability for attorneys' fees in cases with declaratory judgment claims; and (2) reducing litigation costs. Savings would depend upon the number of proceedings in which a governmental unit participated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General

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