

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**February 22, 2005**

**TO:** Honorable Robert Duncan, Chair, Senate Committee on State Affairs

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

**IN RE: SB458** by Fraser (Relating to governmental contingent fee contracts for legal services entered into by a local governmental entity.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code to establish the requirements for a contingent fee contract for legal services entered into by a local governmental entity. The bill would also establish the requirements for computation of the contingent fee and reimbursement of expenses. The bill would take effect September 1, 2005 and would apply only to contingent fee contracts entered into by a local government entity on or after that date.

**Local Government Impact**

If a local government entity enters into a contingent fee contract, it is assumed that the provisions of the bill would ensure the local government entity's financial interests would be adequately protected.

**Source Agencies:**

**LBB Staff:** JOB, SR, DLBa