

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 26, 2007

TO: Honorable Frank Corte, Jr., Chair, House Committee on Defense Affairs & State-Federal Relations

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

IN RE: HB1275 by McClendon (Relating to the appeal by an individual entitled to a veteran's preference of certain adverse employment decisions.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would provide allow an individual entitled to a veteran's employment preference who is aggrieved by a decision of a public entity or public work of this state to appeal the decision by bringing a cause of action against the public entity or public work.

The bill would also provide that an individual who prevails in a suit brought by the individual entitled to a veteran's employment preference is entitled to reasonable damages incurred by the individual as a result of the adverse employment decision, and reasonable attorney's fees and costs incurred by the individual in the suit.

The Office of the Attorney General indicates that the bill would increase the number of employment cases against the state. The bill could also create substantial litigation and liability for state agencies depending on which causation standard and defense would apply in these cases and whether the limits on damages that currently exist under Labor Code, Section 21.2585 would apply as in other employment cases involving state agencies.

The Office of the Attorney General also indicated additional costs associated with representing state agencies in employment cases under the provisions of the bill. It is assumed that these costs can be absorbed with existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 320 Texas Workforce Commission, 403 Veterans Commission

LBB Staff: JOB, EP, ES