

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 8, 2007

TO: Honorable Anna Mowery, Chair, House Committee on Land & Resource Management

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

IN RE: HB3964 by Castro (Relating to the authority of certain home-rule municipalities to acquire certain property by condemnation.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would add Subchapter B to Chapter 251, Local Government Code, to establish requirements for certain home-rule municipalities regarding acquiring certain property by condemnation. Under the provisions of the bill, an affected municipality's sovereign immunity against suit and liability would be waived. In addition, if an action is brought against the municipality and the plaintiff prevails, the municipality would be responsible for paying the plaintiff's reasonable attorney's fees, court costs, and expenses directly related to the litigation.

The bill would apply only to an action taken on or after the effective date of the bill. The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

It is anticipated that the fiscal impact of changes in procedures and requirements would not be significant. If, however, an action is brought against a municipality it would incur costs associated with defending itself as well as any damages, attorney's fees, court costs, and related expenses if the plaintiff were to prevail against the municipality. Those costs could be significant.

Source Agencies:

LBB Staff: JOB, WK, DB