

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 29, 2007

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

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

IN RE: SB561 by Carona (Relating to the subrogation interests of certain political subdivisions or insurance carriers providing reinsurance for subdivisions.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 172.015, Local Government Code, to provide that in a third party recovery action, a payor of employee benefits would not be charged a fee for recovery of interest that exceeds one-third of the payor's recovery.

Local Government Impact

The fiscal impact to local governmental entities would vary depending on the number of applicable cases and amounts of recovery; however, the fiscal impact is not expected to be significant. For example, according to estimates by the Texas Association of Counties, there would be a statewide cost to counties in the aggregate of approximately \$250,000.

Source Agencies:

LBB Staff: JOB, KJG, DB