

BILL ANALYSIS

H.B. 3203
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Judiciary & Civil Jurisprudence
Committee Report (Unamended)

BACKGROUND AND PURPOSE

When a city or other local governmental entity breaches a contract, the contracting party can sue for damages for breach of contract and be awarded money for certain items but not for attorney's fees. Unless the amount able to be recovered is large, the contractor will not pursue hiring an attorney to recover them.

H.B. 3203 includes reasonable and necessary attorney's fees that are equitable and just in the total amount of money awarded in an adjudication brought against a local governmental entity for a breach of a contract.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3203 amends the Local Government Code to include reasonable and necessary attorney's fees that are equitable and just in the total amount of money awarded in an adjudication brought against a local governmental entity for a breach of a contract.

H.B. 3203 repeals Section 271.159, Local Government Code.

EFFECTIVE DATE

September 1, 2009.