

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 16, 2009**

**TO:** Honorable Todd Hunter, Chair, House Committee on Judiciary & Civil Jurisprudence

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

**IN RE: HB3203** by Hartnett (Relating to the recovery of attorney's fees in an action for breach of contract involving certain local governmental entities.), **As Introduced**

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

The bill would amend the Local Government Code to add to the limitations on the total amount of money awarded in an adjudication brought against a local governmental entity for breach of a contract the reasonable and necessary attorney's fees that are equitable and just. The bill would repeal Section 271.159, Local Government Code, to conform to the amendment.

**Local Government Impact**

Under provisions of the bill, a local governmental entity that loses an adjudication for breach of a contract under Chapter 271, Local Government Code, would experience additional losses from the judgment that would include reasonable and necessary attorney's fees. The amount would vary, but could be significant, depending on the complexity of the case.

**Source Agencies:**

**LBB Staff:** JOB, MN, DB