

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**April 15, 2009**

**TO:** Honorable Yvonne Davis, Chair, House Committee on Urban Affairs

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

**IN RE: HB3557** by Phillips (Relating to the waiver of sovereign immunity from certain suits by certain municipalities.), **Committee Report 1st House, Substituted**

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

The bill would apply only to a home-rule municipality with a population of less than 30,000 that is located in a county with a population of less than 140,000. An applicable municipality would waive sovereign immunity from suit for the purpose of adjudicating a claim of breach of contract if the municipality enters into a contract with a private entity for the sale or conveyance of not less than 400 acres or more than 1,000 acres of land that was acquired by the municipality from an agency of the United States.

A plaintiff who prevails in an action brought under the provisions of the bill would be entitled only to specific performance of the terms of the contract, reasonable attorney's fees, and court costs.

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, DB, KJG