

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 19, 2011**

**TO:** Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

**IN RE: HB884** by Howard, Donna (Relating to a limited waiver of sovereign immunity for state and local governmental entities in certain employment lawsuits filed by nurses.), **As Introduced**

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

The bill would provide a limited waiver of sovereign immunity from suit and liability when a nurse employed by a facility owned, operated by, or operated for a state or local governmental entity alleges a retaliatory employment action under certain circumstances. The bill would allow the nurse to maintain a lawsuit in state court, provide for recovery of damages at current levels set in Government Code, and allow any other remedies the employee may have under state or federal law as a public employee.

The state does operate facilities subject to this bill. To the extent that nurses employed by a state facility subject to this bill would be wrongfully terminated on protected grounds, the state could be subject to court action and found liable for judgments made against the state. This analysis assumes that any costs associated with potential litigation as a result of this bill could be met with existing resources. The cost related to potential future court judgments cannot be estimated.

The bill's provisions would apply to an action commenced on or after the effective date. The bill would take effect September 1, 2011.

**Local Government Impact**

The fiscal impact to local governmental entities that own and operate hospitals could be significant depending on the number of lawsuits filed by nurses claiming retaliation for a protected activity.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 507 Texas Board of Nursing, 537 State Health Services, Department of, 539 Aging and Disability Services, Department of, 696 Department of Criminal Justice, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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