

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 20, 2011

TO: Honorable Jim Jackson, Chair, House Committee on Judiciary & Civil Jurisprudence

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

IN RE: HB2031 by Madden (relating to the establishment of a voluntary compensation plan as a method of alternative dispute resolution.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Civil Practice and Remedies Code to permit a potential defendant to create a voluntary compensation plan as an alternative to litigation in cases for an event or product which may have caused the death of two or more people, serious bodily injury to five or more people or damage to real property owned by five or more people. The bill would provide a temporary abatement of proceedings as a means to encourage settlement under certain conditions. The bill would authorize the Supreme Court to adopt relevant rules, but this is not expected to substantially increase the workload of the court. To the extent the bill would create voluntary compensation plans that may obviate some lesser damage cases from the court dockets statewide, including multidistrict litigation cases, the fiscal implication to the courts and the state is not anticipated to be significant. The bill would take effect September 1, 2011.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JOB, TB, JT, KKR