

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 5, 2015

TO: Honorable Kevin Eltife, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2049 by Darby (Relating to indemnification and duties of engineers and architects under certain governmental contracts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to specify certain governmental contracts with architects or engineers that contain indemnification clauses may not include a duty to defend but may include the governmental agency to seek reimbursement for attorney fees after a final adjudication. The bill would require a contract for certain services with a governmental entity to require a license engineer or registered architect to perform certain services.

The Office of Court Administration reported no significant fiscal impact to the state court system is anticipated.

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: UP, CL, SD, EK