LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 17, 2019

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director Legislative Budget Board

IN RE: HB2901 by Leach (Relating to civil liability and responsibility for the consequences of defects in the plans, specifications, or related documents for the construction or repair of an improvement to real property.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Business and Commerce Code regarding liability of a contractor in construction, repairs, and improvements to real property. The bill would insulate a contractor from civil liability for deficiencies in the accuracy, adequacy, sufficiency, or suitability of plans, specifications, or other documents provided by either the person who hired the contractor or that person's designee. The bill would apply only to contracts entered into on or after September 1, 2019, the effective date of the bill.

Based on the analysis of the Office of Court Administration, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

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: WP, SLE, MW, DA, PBO