

BILL ANALYSIS

C.S.H.B. 1428
By: Huberty
County Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Legislation passed in the 86th Regular Session established requirements for the procurement of a contingent fee contract for legal services by a political subdivision and exempted certain delinquent obligation collection contracts from attorney general review. Since that legislation's enactment, interested parties have determined that the scope of those exempt contracts is too narrow. C.S.H.B. 1428 seeks to address this issue, consistently with the reasoning and intent of the previous legislation, by extending the applicable exemption for certain contracts.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1428 amends the Government Code to extend the exemption for certain collection services contracts from provisions governing contingent fee contracts for legal services to any contract for legal services entered into by a political subdivision for the collection of a delinquent obligation. The bill defines "obligation" by reference and establishes that for purposes of this exemption an obligation does not include a fine or penalty that results from an action by a political subdivision under specified Water Code enforcement provisions.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1428 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision establishing that for purposes of the exemption addressed by the bill, an obligation does not include a fine or penalty that results from an action by a political subdivision under specified Water Code enforcement provisions.