

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

Revision 1

April 28, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2064 by Leach (relating to the amount of a hospital or physician lien on certain causes of action or claims.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to provide that certain hospital liens are for the lesser of the amount of the hospital's charges for services provided to the injured individual during the first 100 days of the injured individual's hospitalization less the pro rata share of attorney's fees and expenses the injured individual incurred in pursuing the claim; 50 percent of all amounts recovered by the injured individual through a cause of action, judgment, or settlement less the pro rata share of attorney's fees and expenses the injured individual incurred in pursuing the claim; or the amount awarded by the trier of fact for the services provided to the injured individual by the hospital less the pro rata share of attorney's fees and expenses the injured individual incurred pursuing the claim.

Current law provides that the lien is for the lesser of the amount of the hospital's charges for services provided to the injured individual during the first 100 days of the injured individual's hospitalization or 50 percent of all amounts recovered by the injured individual through a cause of action, judgment, or settlement.

The bill would apply only to a lien for services provided to an injured individual on or after the bill's effective date. A lien for services provided before the effective date of the bill would be governed by the law in effect immediately before the bill's effective date, and that law is continued in effect for that purpose.

Based on information provided by the Office of Court Administration, no significant fiscal impact to the state court system is anticipated as a result from implementing the provisions of the bill.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2021.

Local Government Impact

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

Source Agencies: 212 Office of Court Admin

LBB Staff: JMc, SLE, BH, CMA, MW