



# DON'T SADDLE CITIES, COUNTIES, AND SCHOOL DISTRICTS WITH MORE LAWSUITS

**HB 1657 prohibits local governments from serving as their own general contractor on construction projects, meaning they will not get the benefit of workers' comp insurance coverage.**

That means more lawsuits. Guess who pays? Texas taxpayers.

Read the LBB's Local Government Impact fiscal note (emphasis added):

"According to information received from the Texas Association of Counties, the change in definition of general contractor and subcontractor would mean that a county that acts as its own general contractor on a county construction or renovation project would no longer be classified as a general contractor... **This change would expose a county to suit and liability.**

...subcontractors working on a county project would no longer be deemed as eligible employees of the county for workers' compensation coverage. As a result, a county would be liable for any damages from an applicable incident up to the limits under the Tort Claims Act: \$100,000 per person and \$300,000 per occurrence. A county would also incur costs associated with defending itself in an action. The association estimates those costs could range from \$25,000 to \$50,000 per case. **The fiscal impact to units of local government could be significant depending on the number of projects for which the entity is its own general contractor...**"

**Protect Texas taxpayers. Oppose HB 1657**



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**MORE JOBS, NOT LAWSUITS**