

AN ACT

relating to the recovery of attorney's fees as compensatory damages for certain claims.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 38, Civil Practice and Remedies Code, is amended by adding Section 38.0015 to read as follows:

Sec. 38.0015. RECOVERY OF ATTORNEY'S FEES AS COMPENSATORY DAMAGES. (a) A person may recover reasonable attorney's fees from an individual, corporation, or other entity from which recovery is permitted under Section 38.001 as compensatory damages for breach of a construction contract as defined by Section 130.001.

(b) This section may not be construed to create or imply a private cause of action or independent basis to recover attorney's fees.

SECTION 2. The change in law made by this Act applies only to a cause of action that accrues on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2021.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 2416 was passed by the House on May 14, 2021, by the following vote: Yeas 144, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 2416 was passed by the Senate on May 24, 2021, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor