

By: Murr, Leach, Landgraf, Meyer, Lujan,  
et al.

H.B. No. 19

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a specialty trial court to hear certain cases; authorizing fees.

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

SECTION 1. Subtitle A, Title 2, Government Code, is amended by adding Chapter 25A to read as follows:

CHAPTER 25A. BUSINESS COURT

Sec. 25A.001. DEFINITIONS. In this chapter:

(1) "Controlling person" means a person who directly or indirectly controls a governing person, officer, or organization.

(2) "Derivative proceeding" means a civil action brought in the right of a domestic or foreign corporation, a domestic or foreign limited liability company, or a domestic or foreign limited partnership, to the extent provided by the Business Organizations Code.

(3) "Governing documents" means the instruments, documents, or agreements adopted under an organization's governing law to govern the organization's formation and internal affairs.

The term includes:

(A) a certificate of formation, articles of incorporation, and articles of organization;

(B) bylaws;

(C) a partnership agreement;

- (D) a company agreement or operating agreement;
- (E) a shareholder agreement;
- (F) a voting agreement or voting trust agreement;

and

(G) an agreement among owners restricting the transfer of ownership interests.

(4) "Governing law" means the law governing the formation and internal affairs of an organization.

(5) "Governing person" means a person who is entitled, alone or as part of a group, to manage and direct an organization's affairs under the organization's governing documents and governing law. The term includes:

(A) a member of the board of directors of a corporation or other organization;

(B) a general partner of a general or limited partnership;

(C) a manager of a limited liability company that is managed by its managers;

(D) a member of a limited liability company that is managed by its members;

(E) a trust manager of a real estate investment trust; and

(F) a trustee of a business trust.

(6) "Governmental entity" means:

(A) this state; or

(B) a political subdivision of this state, including a municipality, a county, or any kind of district.

1           (7) "Internal affairs" means:

2                   (A) the rights, powers, and duties of an  
3 organization's governing persons, officers, owners, and members;

4 and

5                   (B) matters relating to the organization's  
6 membership or ownership interests.

7           (8) "Managerial official" means a governing person or  
8 officer.

9           (9) "Officer" means a person elected, appointed, or  
10 designated as an officer of an organization by the organization's  
11 governing persons or governing documents.

12           (10) "Organization" means a foreign or domestic entity  
13 or association, regardless of whether the organization is for  
14 profit or nonprofit. The term includes:

15                   (A) a corporation;

16                   (B) a limited partnership;

17                   (C) a general partnership;

18                   (D) a limited liability partnership;

19                   (E) a limited liability company;

20                   (F) a business trust;

21                   (G) a real estate investment trust;

22                   (H) a joint venture;

23                   (I) a joint stock company;

24                   (J) a cooperative;

25                   (K) a bank;

26                   (L) a credit union;

27                   (M) a savings and loan association;

1           (N) an insurance company; and

2           (O) a series of a limited liability company or of  
3 another entity.

4           (11) "Owner" means an owner of an organization. The  
5 term includes:

6           (A) a shareholder or stockholder of a corporation  
7 or other organization;

8           (B) a general or limited partner of a partnership  
9 or an assignee of a partnership interest in a partnership;

10           (C) a member of, or an assignee of a membership  
11 interest in, a limited liability company; and

12           (D) a member of a nonprofit organization.

13           (12) "Ownership interest" means an owner's interest in  
14 an organization, including an owner's economic, voting, and  
15 management rights.

16           (13) "Qualified transaction" means a transaction,  
17 other than a transaction involving a loan or an advance of money or  
18 credit by a bank, credit union, or savings and loan institution,  
19 under which a party:

20           (A) pays or receives, or is obligated to pay or is  
21 entitled to receive, consideration with an aggregate value of at  
22 least \$10 million; or

23           (B) lends, advances, borrows, receives, is  
24 obligated to lend or advance, or is entitled to borrow or receive  
25 money or credit with an aggregate value of at least \$10 million.

26           Sec. 25A.002. CREATION. The business court is a statutory  
27 court created under Section 1, Article V, Texas Constitution.

1 Sec. 25A.003. BUSINESS COURT JUDICIAL DISTRICT; DIVISIONS.

2 (a) The judicial district of the business court is composed of all  
3 counties in this state.

4 (b) The business court is composed of divisions as provided  
5 by this section.

6 (c) The First Business Court Division is composed of the  
7 counties composing the First Administrative Judicial Region under  
8 Section 74.042(b).

9 (d) The Second Business Court Division is composed of the  
10 counties composing the Second Administrative Judicial Region under  
11 Section 74.042(c), subject to funding through legislative  
12 appropriations. The division is abolished September 1, 2026, unless  
13 reauthorized by the legislature and funded through additional  
14 legislative appropriations.

15 (e) The Third Business Court Division is composed of the  
16 counties composing the Third Administrative Judicial Region under  
17 Section 74.042(d).

18 (f) The Fourth Business Court Division is composed of the  
19 counties composing the Fourth Administrative Judicial Region under  
20 Section 74.042(e).

21 (g) The Fifth Business Court Division is composed of the  
22 counties composing the Fifth Administrative Judicial Region under  
23 Section 74.042(f), subject to funding through legislative  
24 appropriations. The division is abolished on September 1, 2026,  
25 unless reauthorized by the legislature and funded through  
26 additional legislative appropriations.

27 (h) The Sixth Business Court Division is composed of the

1 counties composing the Sixth Administrative Judicial Region under  
2 Section 74.042(g), subject to funding through legislative  
3 appropriations. The division is abolished on September 1, 2026,  
4 unless reauthorized by the legislature and funded through  
5 additional legislative appropriations.

6 (i) The Seventh Business Court Division is composed of the  
7 counties composing the Seventh Administrative Judicial Region  
8 under Section 74.042(h), subject to funding through legislative  
9 appropriations. The division is abolished on September 1, 2026,  
10 unless reauthorized by the legislature and funded through  
11 additional legislative appropriations.

12 (j) The Eighth Business Court Division is composed of the  
13 counties composing the Eighth Administrative Judicial Region under  
14 Section 74.042(i).

15 (k) The Ninth Business Court Division is composed of the  
16 counties composing the Ninth Administrative Judicial Region under  
17 Section 74.042(j), subject to funding through legislative  
18 appropriations. The division is abolished on September 1, 2026,  
19 unless reauthorized by the legislature and funded through  
20 additional legislative appropriations.

21 (l) The Tenth Business Court Division is composed of the  
22 counties composing the Tenth Administrative Judicial Region under  
23 Section 74.042(k), subject to funding through legislative  
24 appropriations. The division is abolished on September 1, 2026,  
25 unless reauthorized by the legislature and funded through  
26 additional legislative appropriations.

27 (m) The Eleventh Business Court Division is composed of the

1 counties composing the Eleventh Administrative Judicial Region  
2 under Section 74.042(1).

3 (n) This subsection and Subsections (d), (g), (h), (i), (k),  
4 and (l) expire September 1, 2026.

5 Sec. 25A.004. JURISDICTION AND POWERS. (a) Subject to  
6 Subsections (b), (c), (d), and (e), the business court has the  
7 powers provided to district courts by Chapter 24, including the  
8 power to:

9 (1) issue writs of injunction, mandamus,  
10 sequestration, attachment, garnishment, and supersedeas; and

11 (2) grant any relief that may be granted by a district  
12 court.

13 (b) The business court has civil jurisdiction concurrent  
14 with district courts in the following actions in which the amount in  
15 controversy exceeds \$5 million, excluding interest, statutory  
16 damages, exemplary damages, penalties, attorney's fees, and court  
17 costs:

18 (1) a derivative proceeding;

19 (2) an action regarding the governance, governing  
20 documents, or internal affairs of an organization;

21 (3) an action in which a claim under a state or federal  
22 securities or trade regulation law is asserted against:

23 (A) an organization;

24 (B) a controlling person or managerial official  
25 of an organization for an act or omission by the organization or by  
26 the person in the person's capacity as a controlling person or  
27 managerial official;

1           (C) an underwriter of securities issued by the  
2 organization; or

3           (D) the auditor of an organization;

4           (4) an action by an organization, or an owner of an  
5 organization, if the action:

6           (A) is brought against an owner, controlling  
7 person, or managerial official of the organization; and

8           (B) alleges an act or omission by the person in  
9 the person's capacity as an owner, controlling person, or  
10 managerial official of the organization;

11           (5) an action alleging that an owner, controlling  
12 person, or managerial official breached a duty owed to an  
13 organization or an owner of an organization by reason of the  
14 person's status as an owner, controlling person, or managerial  
15 official, including the breach of a duty of loyalty or good faith;

16           (6) an action seeking to hold an owner or governing  
17 person of an organization liable for an obligation of the  
18 organization, other than on account of a written contract signed by  
19 the person to be held liable in a capacity other than as an owner or  
20 governing person; and

21           (7) an action arising out of the Business  
22 Organizations Code.

23           (c) The business court has civil jurisdiction concurrent  
24 with district courts in the following actions in which the amount in  
25 controversy exceeds \$10 million, excluding interest, statutory  
26 damages, exemplary damages, penalties, attorney's fees, and court  
27 costs:



1           (1) an action arising out of a qualified transaction;

2           (2) an action that arises out of a contract or  
3 commercial transaction in which the parties to the contract or  
4 transaction agreed in the contract or a subsequent agreement that  
5 the business court has jurisdiction of the action, except an action  
6 that arises out of an insurance contract; and

7           (3) subject to Subsection (f), an action that arises  
8 out of a violation of the Finance Code or Business & Commerce Code  
9 by an organization or an officer or governing person acting on  
10 behalf of an organization other than a bank, credit union, or  
11 savings and loan association.

12           (d) The business court has civil jurisdiction concurrent  
13 with district courts in an action seeking injunctive relief or a  
14 declaratory judgment under Chapter 37, Civil Practice and Remedies  
15 Code, involving a dispute based on a claim within the court's  
16 jurisdiction under Subsection (b) or (c).

17           (e) Except as provided by Subsection (g), the business court  
18 has supplemental jurisdiction over any other claim related to a  
19 case or controversy within the court's jurisdiction that forms part  
20 of the same case or controversy. A claim within the business  
21 court's supplemental jurisdiction may proceed in the business court  
22 only on the agreement of all parties to the claim and a judge of the  
23 division of the court before which the action is pending. If the  
24 parties involved in a claim within the business court's  
25 supplemental jurisdiction do not agree on the claim proceeding in  
26 the business court, the claim may proceed in a court of original  
27 jurisdiction concurrently with any related claims proceeding in the

1 business court.

2 (f) Unless the claim falls within the business court's  
3 supplemental jurisdiction, the business court does not have  
4 jurisdiction of:

5 (1) a civil action:

6 (A) brought by or against a governmental entity;  
7 or

8 (B) to foreclose on a lien on real or personal  
9 property;

10 (2) a claim arising out of:

11 (A) Subchapter E, Chapter 15, and Chapter 17,  
12 Business & Commerce Code;

13 (B) the Estates Code;

14 (C) the Family Code;

15 (D) the Insurance Code; or

16 (E) Chapter 53 and Title 9, Property Code;

17 (3) a claim arising out of the production or sale of a  
18 farm product, as that term is defined by Section 9.102, Business &  
19 Commerce Code;

20 (4) a claim related to the duties and obligations  
21 under an insurance policy; or

22 (5) a claim related to a consumer transaction, as that  
23 term is defined by Section 601.001, Business & Commerce Code, to  
24 which a consumer in this state is a party, arising out of a  
25 violation of federal or state law.

26 (g) The business court does not have jurisdiction of the  
27 following claims regardless of whether the claim is otherwise

1 within the court's supplemental jurisdiction under Subsection (e):

2 (1) a claim arising under Chapter 74, Civil Practice  
3 and Remedies Code;

4 (2) a claim in which a party seeks recovery of monetary  
5 damages for bodily injury or death; or

6 (3) a claim of legal malpractice.

7 Sec. 25A.005. JUDICIAL AUTHORITY. A business court judge  
8 has all powers, duties, immunities, and privileges of a district  
9 judge.

10 Sec. 25A.006. INITIAL FILING; REMOVAL AND REMAND. (a) An  
11 action within the jurisdiction of the business court may be filed in  
12 the business court. The party filing the action must plead facts to  
13 establish venue in a county in a division of the business court, and  
14 the business court shall assign the action to that division. Venue  
15 may be established as provided by law or, if a written contract  
16 specifies a county as venue for the action, as provided by the  
17 contract.

18 (b) If the business court does not have jurisdiction of the  
19 action, the court shall, at the option of the party filing the  
20 action:

21 (1) transfer the action to a district court or county  
22 court at law in a county of proper venue; or

23 (2) dismiss the action without prejudice to the  
24 party's rights.

25 (c) If, after an action is assigned to a division of the  
26 business court, the court determines that the division's geographic  
27 territory does not include a county of proper venue for the action,

1 the court shall:

2 (1) if an operating division of the court includes a  
3 county of proper venue, transfer the action to that division; or

4 (2) if there is not an operating division of the court  
5 that includes a county of proper venue, at the option of the party  
6 filing the action, transfer the action to a district court or county  
7 court at law in a county of proper venue.

8 (d) A party to an action filed in a district court or county  
9 court at law that is within the jurisdiction of the business court  
10 may remove the action to the business court. If the business court  
11 does not have jurisdiction of the action, the business court shall  
12 remand the action to the court in which the action was originally  
13 filed.

14 (e) A party may not remove to a business court an action  
15 filed in a district court or county court at law in a county of  
16 proper venue that is not within an operating division of the  
17 business court.

18 (f) A party may file an agreed notice of removal at any time  
19 during the pendency of the action. If all parties to the action  
20 have not agreed to remove the action, the notice of removal must be  
21 filed:

22 (1) not later than the 30th day after the date the  
23 party requesting removal of the action discovered, or reasonably  
24 should have discovered, facts establishing the business court's  
25 jurisdiction over the action; or

26 (2) if an application for temporary injunction is  
27 pending on the date the party requesting removal of the action

1 discovered, or reasonably should have discovered, facts  
2 establishing the business court's jurisdiction over the action, not  
3 later than the 30th day after the date the application is granted,  
4 denied, or denied as a matter of law.

5 (g) The notice of removal must be filed with the business  
6 court and the court in which the action was originally filed. On  
7 receipt of the notice, the clerk of the court in which the action  
8 was originally filed shall immediately transfer the action to the  
9 business court in accordance with rules adopted by the supreme  
10 court, and the business court clerk shall assign the action to the  
11 appropriate division of the business court.

12 (h) The filing of an action or a notice of removal in the  
13 business court is subject to Section 10.001, Civil Practice and  
14 Remedies Code.

15 (i) Removal of a case to the business court is not subject to  
16 the statutes or rules governing the due order of pleading.

17 (j) Removal of a case does not waive a defect in venue or  
18 constitute an appearance to determine personal jurisdiction.

19 (k) The judge of a court in which an action is filed may  
20 request the presiding judge for the court's administrative region  
21 to transfer the action to the business court if the action is within  
22 the business court's jurisdiction. The judge shall notify all  
23 parties of the transfer request and request a hearing on the  
24 transfer request. After a hearing on the request, the presiding  
25 judge may transfer the action to the business court if the presiding  
26 judge finds the transfer will facilitate the fair and efficient  
27 administration of justice. The business court clerk shall assign

1 an action transferred under this subsection to the appropriate  
2 division of the business court.

3 (1) The business court judge on establishment of  
4 jurisdiction and venue over an action shall by order declare the  
5 county in which any jury trial for the action will be held as  
6 determined under Section 25A.015.

7 Sec. 25A.007. APPEALS. (a) Notwithstanding any other law  
8 and except as provided by Subsection (b) and in instances when the  
9 supreme court has concurrent or exclusive jurisdiction, the  
10 Fifteenth Court of Appeals has exclusive jurisdiction over an  
11 appeal from an order or judgment of the business court or an  
12 original proceeding related to an action or order of the business  
13 court.

14 (b) If the Fifteenth Court of Appeals is not created, an  
15 appeal from an order or judgment of the business court or an  
16 original proceeding related to an action or order of the business  
17 court shall be filed in the court of appeals with appellate  
18 jurisdiction of civil cases for the county declared in an order  
19 under Section 25A.006(1).

20 (c) The procedure governing an appeal or original  
21 proceeding from the business court is the same as the procedure for  
22 an appeal or original proceeding from a district court.

23 Sec. 25A.008. QUALIFICATIONS OF JUDGE. (a) A business  
24 court judge must:

- 25 (1) be at least 35 years of age;  
26 (2) be a United States citizen;  
27 (3) have been a resident of a county within the

1 division of the business court to which the judge is appointed for  
2 at least five years before appointment; and

3 (4) be a licensed attorney in this state who has 10 or  
4 more years of experience in:

5 (A) practicing complex civil business  
6 litigation;

7 (B) practicing business transaction law;

8 (C) serving as a judge of a court in this state  
9 with civil jurisdiction; or

10 (D) any combination of experience described by  
11 Paragraphs (A)-(C).

12 (b) A business court judge may not have had the judge's  
13 license to practice law revoked, suspended, or subject to a  
14 probated suspension.

15 Sec. 25A.009. APPOINTMENT OF JUDGES; TERM; PRESIDING JUDGE;  
16 EXCHANGE OF BENCHES. (a) The governor, with the advice and consent  
17 of the senate, shall appoint:

18 (1) two judges to each of the First, Third, Fourth, and  
19 Eleventh Divisions of the business court; and

20 (2) one judge to each of the Second, Fifth, Sixth,  
21 Seventh, Eighth, Ninth, and Tenth Divisions of the business court.

22 (b) A business court judge shall serve for a term of two  
23 years, beginning on September 1 of every even-numbered year.

24 (c) A business court judge may be reappointed.

25 (d) Not later than the seventh day after the first day of a  
26 term, the business court judges by majority vote shall select a  
27 judge of the court to serve as administrative presiding judge for

1 the duration of the term. If a vacancy occurs in the position of  
2 administrative presiding judge, the remaining business court  
3 judges shall select a judge of the court to serve as administrative  
4 presiding judge for the remainder of the unexpired term as soon as  
5 practicable.

6 (e) A business court judge shall take the constitutional  
7 oath of office required of appointed officers of this state and file  
8 the oath with the secretary of state.

9 (f) To promote the orderly and efficient administration of  
10 justice, the business court judges may exchange benches and sit and  
11 act for each other in any matter pending before the court.

12 Sec. 25A.010. VACANCY. If a vacancy occurs in an office of  
13 a business court judge, the governor, with the advice and consent of  
14 the senate, shall appoint, in the same manner as the original  
15 appointment, another person to serve for the remainder of the  
16 unexpired term.

17 Sec. 25A.011. JUDGE'S SALARY. The salary of a business  
18 court judge is the amount provided by Section 659.012 and shall be  
19 paid in equal monthly installments.

20 Sec. 25A.012. REMOVAL; DISQUALIFICATION AND RECUSAL. (a)  
21 A business court judge may be removed from office in the same manner  
22 and for the same reasons as a district judge.

23 (b) A business court judge is disqualified and subject to  
24 mandatory recusal for the same reasons a district judge is subject  
25 to disqualification or recusal in a pending case. Disqualification  
26 or recusal of a business court judge shall be governed by the same  
27 procedure as disqualification or recusal of a district judge.



1       Sec. 25A.013. PRIVATE PRACTICE OF LAW. A business court  
2 judge shall diligently discharge the duties of the office on a  
3 full-time basis and may not engage in the private practice of law.

4       Sec. 25A.014. VISITING JUDGE. (a) A retired or former  
5 judge or justice who has the qualifications prescribed by Section  
6 25A.008 may be assigned as a visiting judge of a division of the  
7 business court by the chief justice of the supreme court. A  
8 visiting judge of a division of the business court is subject to  
9 objection, disqualification, or recusal in the same manner as a  
10 retired or former judge or justice is subject to objection,  
11 disqualification, or recusal if appointed as a visiting district  
12 judge.

13       (b) Before accepting an assignment as a visiting judge of a  
14 division of the business court, a retired or former judge or justice  
15 shall take the constitutional oath of office required of appointed  
16 officers of this state and file the oath with the secretary of  
17 state.

18       Sec. 25A.015. JURY PRACTICE AND PROCEDURE; VENUE FOR JURY  
19 TRIAL. (a) A party in an action pending in the business court has  
20 the right to a trial by jury when required by the constitution.

21       (b) Subject to Subsection (d), a jury trial in a case filed  
22 initially in the business court shall be held in any county in which  
23 the case could have been filed under Section 15.002, Civil Practice  
24 and Remedies Code, as chosen by the plaintiff.

25       (c) Subject to Subsections (b) and (d), a jury trial in a  
26 case removed to the business court shall be held in the county in  
27 which the action was originally filed.

1        (d) A jury trial for a case in which a written contract  
2 specifies a county as venue for suits shall be held in that county.

3        (e) The parties and the business court judge may agree to  
4 hold the jury trial in any other county. A party may not be required  
5 to agree to hold the jury trial in a different county.

6        (f) The drawing of jury panels, selection of jurors, and  
7 other jury-related practice and procedure in the business court  
8 shall be the same as for the district court in the county in which  
9 the trial is held.

10       (g) Practice, procedure, rules of evidence, issuance of  
11 process and writs, and all other matters pertaining to the conduct  
12 of trials, hearings, and other business in the business court are  
13 governed by the laws and rules prescribed for district courts,  
14 unless otherwise provided by this chapter.

15       Sec. 25A.016. WRITTEN OPINIONS. The supreme court shall  
16 adopt rules for the issuance of written opinions by the business  
17 court.

18       Sec. 25A.017. COURT LOCATION; STAFFING. (a) In this  
19 section, "remote proceeding" means a proceeding before the business  
20 court in which one or more of the participants, including a judge,  
21 party, attorney, witness, court reporter, juror, or other  
22 individual attends the proceeding remotely through the use of  
23 technology.

24       (b) The administrative presiding judge of the business  
25 court shall manage administrative and personnel matters on behalf  
26 of the court. The administrative presiding judge of the business  
27 court shall appoint a clerk, whose office shall be located in Travis

1 County in facilities provided by this state. The clerk shall:

2 (1) accept all filings in the business court; and

3 (2) fulfill the legal and administrative functions of  
4 a district clerk.

5 (c) Each business court judge shall maintain chambers in the  
6 county the judge selects within the geographic boundaries of the  
7 division to which the judge is appointed in facilities provided by  
8 this state. For purposes of this section, the Office of Court  
9 Administration of the Texas Judicial System may contract for the  
10 use of facilities with a county.

11 (d) Subject to Section 25A.015, a business court judge may  
12 hold court at any courtroom within the geographic boundaries of the  
13 division to which the judge is appointed as the court determines  
14 necessary or convenient for a particular civil action. To the  
15 extent practicable, a county using existing courtrooms and  
16 facilities shall accommodate the business court in the conduct of  
17 the court's hearings and other proceedings.

18 (e) The business court may conduct a proceeding as a remote  
19 proceeding to facilitate the resolution of a matter before the  
20 court. The business court may not require:

21 (1) a party or attorney to remotely attend a court  
22 proceeding in which oral testimony is heard, absent good cause or  
23 the agreement of the parties; or

24 (2) an attorney, party, or juror to attend a jury trial  
25 remotely, absent agreement of the parties.

26 (f) The business court shall conduct a remote proceeding  
27 from a courtroom or the facilities provided to a business court

1 judge by this state.

2 (g) The business court shall provide reasonable notice to  
3 the public that a proceeding will be conducted remotely and an  
4 opportunity for the public to observe the remote proceeding.

5 (h) In a county in which a division of the business court  
6 sits, the sheriff shall in person or by deputy attend the business  
7 court as required by the court. The sheriff or deputy is entitled  
8 to reimbursement from this state for the cost of attending the  
9 business court.

10 (i) The business court may appoint personnel necessary for  
11 the operation of the court, including:

12 (1) personnel to assist the clerk of the court;

13 (2) staff attorneys for the court;

14 (3) staff attorneys for each judge of the business  
15 court;

16 (4) court coordinators; and

17 (5) administrative assistants.

18 (j) The court officials shall perform the duties and  
19 responsibilities of their offices and are entitled to the  
20 compensation, fees, and allowances prescribed by law for the  
21 offices.

22 Sec. 25A.0171. REPORT. Not later than December 1 of each  
23 year, the Office of Court Administration of the Texas Judicial  
24 System shall submit to the legislature a report on the number and  
25 types of cases heard by the business court in the preceding year.

26 Sec. 25A.018. FEES. The supreme court shall set fees for  
27 filings and actions in the business court in amounts sufficient to

1 cover the costs of administering this chapter, taking into account  
2 fee waivers necessary for the interest of justice.

3 Sec. 25A.019. SEAL. The seal of the business court is the  
4 same as that provided by law for a district court except that the  
5 seal must contain the name "The Business Court of Texas."

6 Sec. 25A.020. RULES. (a) The supreme court shall adopt  
7 rules of civil procedure as the court determines necessary,  
8 including rules providing for:

9 (1) the timely and efficient removal and remand of  
10 cases to and from the business court; and

11 (2) the assignment of cases to judges of the business  
12 court.

13 (b) The business court may adopt rules of practice and  
14 procedure consistent with the Texas Rules of Civil Procedure and  
15 the Texas Rules of Evidence.

16 SECTION 2. Sections 659.012(a) and (e), Government Code,  
17 are amended to read as follows:

18 (a) Notwithstanding Section 659.011 and subject to  
19 Subsections (b) and (b-1):

20 (1) a judge of a district court or a division of the  
21 business court is entitled to an annual base salary from the state  
22 as set by the General Appropriations Act in an amount equal to at  
23 least \$140,000, except that the combined base salary of a district  
24 judge or judge of a division of the business court from all state  
25 and county sources, including compensation for any extrajudicial  
26 services performed on behalf of the county, may not exceed the  
27 amount that is \$5,000 less than the maximum combined base salary

1 from all state and county sources for a justice of a court of  
2 appeals other than a chief justice as determined under this  
3 subsection;

4           (2) a justice of a court of appeals other than the  
5 chief justice is entitled to an annual base salary from the state in  
6 the amount equal to 110 percent of the state base salary of a  
7 district judge as set by the General Appropriations Act, except  
8 that the combined base salary of a justice of the court of appeals  
9 other than the chief justice from all state and county sources,  
10 including compensation for any extrajudicial services performed on  
11 behalf of the county, may not exceed the amount that is \$5,000 less  
12 than the base salary for a justice of the supreme court as  
13 determined under this subsection;

14           (3) a justice of the supreme court other than the chief  
15 justice or a judge of the court of criminal appeals other than the  
16 presiding judge is entitled to an annual base salary from the state  
17 in the amount equal to 120 percent of the state base salary of a  
18 district judge as set by the General Appropriations Act; and

19           (4) the chief justice or presiding judge of an  
20 appellate court is entitled to an annual base salary from the state  
21 in the amount equal to \$2,500 more than the state base salary  
22 provided for the other justices or judges of the court, except that  
23 the combined base salary of the chief justice of a court of appeals  
24 from all state and county sources may not exceed the amount equal to  
25 \$2,500 less than the base salary for a justice of the supreme court  
26 as determined under this subsection.

27           (e) For the purpose of salary payments by the state, the

1 comptroller shall determine from sworn statements filed by the  
2 justices of the courts of appeals, ~~and~~ district judges, and  
3 business court judges that the required salary limitations provided  
4 by Subsection (a) are maintained. If the state base salary for a  
5 judge or justice prescribed by Subsection (a) combined with  
6 additional compensation from a county would exceed the limitations  
7 provided by Subsection (a), the comptroller shall reduce the salary  
8 payment made by the state by the amount of the excess.

9 SECTION 3. Section 837.001(a), Government Code, is amended  
10 to read as follows:

11 (a) Membership [~~Except as provided by Subsection (b),~~  
12 ~~membership~~] in the retirement system is limited to persons who have  
13 never been eligible for membership in the Judicial Retirement  
14 System of Texas or the Judicial Retirement System of Texas Plan One  
15 and who at any time on or after the effective date of this Act are  
16 judges, justices, or commissioners of:

- 17 (1) the supreme court;
- 18 (2) the court of criminal appeals;
- 19 (3) a court of appeals;
- 20 (4) the business court;
- 21 (5) a district court; or
- 22 (6) [~~(5)~~] a commission to a court specified in this  
23 subsection.

24 SECTION 4. (a) The Texas Supreme Court has exclusive and  
25 original jurisdiction over a challenge to the constitutionality of  
26 this Act or any part of this Act and may issue injunctive or  
27 declaratory relief in connection with the challenge.

1 (b) If the appointment of judges by the governor to the  
2 divisions of the business court under Section 25A.009, Government  
3 Code, as added by this Act, is held by the Texas Supreme Court as  
4 unconstitutional, the business court shall be staffed by retired or  
5 former judges or justices who are appointed to the court as provided  
6 by Section 25A.014, Government Code, as added by this Act.

7 SECTION 5. Except as otherwise provided by this Act, the  
8 business court is created September 1, 2024.

9 SECTION 6. (a) As soon as practicable after the effective  
10 date of this Act, the governor shall appoint judges to the First,  
11 Third, Fourth, Eighth, and Eleventh Business Court Divisions as  
12 required by Section 25A.009, Government Code, as added by this Act.

13 (b) On or before September 1, 2026, but not before July 1,  
14 2026, the governor shall appoint judges to the Second, Fifth,  
15 Sixth, Seventh, Ninth, and Tenth Business Court Divisions as  
16 required by Section 25A.009, Government Code, as added by this Act.

17 SECTION 7. (a) Notwithstanding Chapter 25A, Government  
18 Code, as added by this Act, the business court is not created unless  
19 the legislature makes a specific appropriation of money for that  
20 purpose. For purposes of this subsection, a specific appropriation  
21 is an appropriation identifying the business court or an Act of the  
22 88th Legislature, Regular Session, 2023, relating to the creation  
23 of a specialty trial court to hear certain cases or of the business  
24 court.

25 (b) Notwithstanding Section 25A.007(a), Government Code, as  
26 added by this Act, a court of appeals retains the jurisdiction the  
27 court had on August 31, 2024, if the business court is not created



1 as a result of Subsection (a) of this section.

2 SECTION 8. The changes in law made by this Act apply to  
3 civil actions commenced on or after September 1, 2024.

4 SECTION 9. This Act takes effect September 1, 2023.