

1-1 By: DeAyala (Senate Sponsor - Huffman) H.B. No. 4381  
 1-2 (In the Senate - Received from the House May 3, 2023;  
 1-3 May 4, 2023, read first time and referred to Committee on Finance;  
 1-4 May 9, 2023, reported favorably by the following vote: Yeas 16,  
 1-5 Nays 0; May 9, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23			X	
1-24	X			

1-25 A BILL TO BE ENTITLED  
 1-26 AN ACT

1-27 relating to the suspension of a money judgment pending appeal in a  
 1-28 civil action.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. Chapter 52, Civil Practice and Remedies Code, is  
 1-31 amended by adding Section 52.007 to read as follows:

1-32 Sec. 52.007. ALTERNATIVE SECURITY IN CERTAIN CASES. (a)  
 1-33 This section applies only to a judgment debtor with a net worth of  
 1-34 less than \$10 million.

1-35 (b) On a showing by the judgment debtor that posting  
 1-36 security in the amount required under Section 52.006(a) or (b)  
 1-37 would require the judgment debtor to substantially liquidate the  
 1-38 judgment debtor's interests in real or personal property necessary  
 1-39 to the normal course of the judgment debtor's business, the trial  
 1-40 court shall allow the judgment debtor to post alternative security  
 1-41 with a value sufficient to secure the judgment.

1-42 (c) During an appeal, the judgment debtor shall continue to  
 1-43 manage, use, and receive earnings from interests in real or  
 1-44 personal property in the normal course of business.

1-45 (d) If an appellate court reduces the amount of the judgment  
 1-46 that the trial court used to set security, the judgment debtor is  
 1-47 entitled, pending appeal of the judgment to a court of last resort,  
 1-48 to a redetermination of the amount of security required to suspend  
 1-49 enforcement of a judgment under Section 52.006 or under Rule 24,  
 1-50 Texas Rules of Appellate Procedure.

1-51 SECTION 2. The change in law made by this Act applies only  
 1-52 to a civil action commenced on or after the effective date of this  
 1-53 Act. A civil action commenced before the effective date of this Act  
 1-54 is governed by the law in effect immediately before the effective  
 1-55 date of this Act, and that law is continued in effect for that  
 1-56 purpose.

1-57 SECTION 3. This Act takes effect September 1, 2023.

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