

## **BILL ANALYSIS**

H.B. 276  
By: Goodman  
Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current law specifies that a transfer of assets made or obligation incurred by a debtor to a third party is fraudulent if the debtor made the transfer or incurred the obligation to intentionally hinder, delay, or defraud a creditor. If a creditor has obtained a judgment on a claim against a debtor, the creditor, if the court so orders, may levy execution on the asset transferred or its proceeds. However, there are no provisions in the current law that allow a creditor relief from associated costs in locating and collecting the fraudulently transferred assets. HB 276 authorizes a court to award reasonable costs and attorney's fees incurred relating to the recovery of fraudulently transferred assets.

### **RULEMAKING AUTHORITY**

It is the opinion of this committee that this bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

HB 276 amends the Business & Commerce Code, by authorizing the court to award costs and reasonable attorney's fees as are equitable and just in any proceeding under the Uniform Fraudulent Transfer Act.

### **EFFECTIVE DATE**

September 1, 2003.