

By: West, Royce

S.B. No. 675

A BILL TO BE ENTITLED

AN ACT

relating to agreements that waive the right to demand a jury trial.

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

SECTION 1. Chapter 30, Civil Practice and Remedies Code, is amended by adding Section 30.006 to read as follows:

Sec. 30.006. WAIVER OF RIGHT TO DEMAND JURY TRIAL. (a) A provision waiving the right to demand a jury trial in a written agreement evidencing or relating to a consumer transaction in which an individual consumer acquires or seeks to acquire goods or services primarily for personal, household, or family use is not enforceable unless the waiver:

(1) applies equally to all parties to the agreement;

(2) is not unconscionable; and

(3) contains the following statement in bold, underlined, capitalized, 16-point type:

"BY ENTERING INTO THIS AGREEMENT YOU ARE WAIVING YOUR RIGHT TO DEMAND A JURY TRIAL. THE LAW DOES NOT REQUIRE THAT YOU WAIVE THIS RIGHT."

(b) A party who asserts that an individual consumer has waived the right to demand a jury trial in a written agreement relating to a consumer transaction has the burden of proof to show that the waiver is enforceable under Subsection (a).

(c) On motion of a party in a proceeding relating to a consumer transaction, the court shall conduct a hearing to

1 determine the enforceability of a waiver provision under this
2 section.

3 SECTION 2. This Act applies only to a written agreement
4 entered into on or after the effective date of this Act. A written
5 agreement entered into before the effective date of this Act is
6 governed by the law in effect immediately before that date, and that
7 law is continued in effect for that purpose.

8 SECTION 3. This Act takes effect September 1, 2005.