

Amend CSHB 2086 by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS accordingly:

SECTION __. Title 4, Civil Practices and Remedies Code, is amended by adding a new chapter 98A to read as follows:

SUBCHAPTER 98A. CIVIL RACKETEERING.

Sec. 98A.001. CIVIL RACKETEERING. (1) A person commits racketeering if for financial gain, the person knowingly engages in an organized enterprise that commits, facilitates, or promotes:

(A) any gambling offense punishable at least as a Class A misdemeanor;

(B) the promotion of prostitution, as described by Section 43.03, Penal Code;

(C) compelling prostitution, as described by Section 43.05, Penal Code;

(D) the unlawful manufacture, transportation, repair, or sale of firearms or prohibited weapons;

(E) the unlawful manufacture, delivery, dispensation, or distribution of a controlled substance or dangerous drug, or unlawful possession of a controlled substance or dangerous drug through forgery, fraud, misrepresentation, or deception;

(F) any offense under Subchapter B, Chapter 43, Penal Code, depicting or involving conduct by or directed toward a child younger than 18 years of age; or

(G) trafficking of persons, as described by Chapter 20A, Penal Code; and

(2) the event, omission, transaction, or occurrence, or the series of events, omissions, transactions, or occurrences, relating to the act that meets the requirements of Subdivision (1) takes place or occurs in more than one county in Texas.

Sec. 98A.002. SUIT TO ABATE RACKETEERING. (a) The attorney general may bring suit in the name of the state against any person who engages in a pattern or practice of racketeering and may seek to recover civil remedies, costs of suit, including reasonable attorney's fees, and any appropriate injunctive relief, including the creation of a receivership, the enforcement of a constructive trust, prejudgment writs of attachment under Chapter 61 for the

purpose of the freezing, preserving, and disgorging of assets, or other remedies or restraints the court considers proper.

(b) This subchapter does not authorize suit by a person that sustains injury as a result of racketeering.

(c) Notwithstanding any other provision of this subchapter, the provisions of sections 59.13 and 59.14, Code of Criminal Procedure, shall apply to any remedy under this section, and in no event shall the remedies herein result in the impairment of a security interest in property subject to a bona fide lien.

Sec. 98A.003. REMEDIES NOT EXCLUSIVE. A proceeding under this subchapter may be in addition to or in the alternative of any other action, civil or criminal, available under the laws of this state.

Sec. 98A.004. EVIDENCE. (a) In a proceeding under this subchapter, the state bears the burden of proof by a preponderance of the evidence.

(b) An individual may not be held liable in damages or for other relief under this subchapter based on the conduct of another unless the finder of fact, by a preponderance of the evidence, finds that the individual authorized, requested, commanded, participated in, ratified, or recklessly tolerated the unlawful conduct of the other.

(d) A person may not be held liable in damages or for other relief under this subchapter based on the conduct of an agent unless the finder of fact, by a preponderance of the evidence, finds that a director or high managerial agent of the person performed, authorized, requested, commanded, participated in, ratified, or recklessly tolerated the unlawful conduct of the agent.

(e) A bank or savings and loan association insured by the Federal Deposit Insurance Corporation, a credit union insured by the National Credit Union Administration, or a holder of a money transmission license under Chapter 151, Finance Code, may not be held liable in damages or for other relief under this subchapter unless the finder of fact, by a preponderance of the evidence, finds that the board of directors performed, authorized, requested, commanded, participate in, ratified or recklessly tolerated the unlawful conduct.