

1-1 By: Harris S.B. No. 918
1-2 (In the Senate - Filed February 17, 2009; March 9, 2009,
1-3 read first time and referred to Committee on Jurisprudence;
1-4 April 6, 2009, reported favorably by the following vote: Yeas 5,
1-5 Nays 0; April 6, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to attorney general participation in proceedings
1-9 involving charitable trusts.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 123.005, Property Code, is amended to
1-12 read as follows:

1-13 Sec. 123.005. BREACH OF FIDUCIARY DUTY: VENUE. [~~(a)~~] Venue
1-14 in a proceeding brought by the attorney general alleging breach of a
1-15 fiduciary duty by a charitable entity or a fiduciary or managerial
1-16 agent of a charitable trust shall be a court of competent
1-17 jurisdiction in Travis County or in the county where the defendant
1-18 resides or has its principal office.

1-19 [~~(b) The attorney general, if successful in the proceeding,~~
1-20 ~~is entitled to recover from a fiduciary or managerial agent of a~~
1-21 ~~charitable trust actual costs incurred in bringing the suit and may~~
1-22 ~~recover reasonable attorney's fees.]~~

1-23 SECTION 2. Chapter 123, Property Code, is amended by adding
1-24 Section 123.006 to read as follows:

1-25 Sec. 123.006. ATTORNEY'S FEES. (a) In a proceeding
1-26 subject to Section 123.005, the attorney general, if successful in
1-27 the proceeding, is entitled to recover from the charitable entity
1-28 or fiduciary or managerial agent of the charitable trust actual
1-29 costs incurred in bringing the suit and may recover reasonable
1-30 attorney's fees.

1-31 (b) In a proceeding in which the attorney general intervenes
1-32 under this chapter, other than a proceeding subject to Section
1-33 123.005, a court may award the attorney general court costs and
1-34 reasonable and necessary attorney's fees as may seem equitable and
1-35 just.

1-36 SECTION 3. The change in law made by this Act applies only
1-37 to a proceeding commenced on or after the effective date of this
1-38 Act. A proceeding commenced before the effective date of this Act
1-39 is governed by the law in effect immediately before that date, and
1-40 that law is continued in effect for that purpose.

1-41 SECTION 4. This Act takes effect September 1, 2009.

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