

1-1 By: Uresti S.B. No. 587
1-2 (In the Senate - Filed February 10, 2011; February 17, 2011,
1-3 read first time and referred to Committee on Jurisprudence;
1-4 March 23, 2011, reported favorably by the following vote: Yeas 6,
1-5 Nays 0; March 23, 2011, sent to printer.)

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

1-8 relating to jurisdiction in certain proceedings brought by the
1-9 attorney general with respect to 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;
1-14 JURISDICTION. (a) Venue in a proceeding brought by the attorney
1-15 general alleging breach of a fiduciary duty by a charitable entity
1-16 or a fiduciary or managerial agent of a charitable trust shall be a
1-17 court of competent jurisdiction in Travis County or in the county
1-18 where the defendant resides or has its principal office. To the
1-19 extent of a conflict between this subsection and any provision of
1-20 the Texas Probate Code providing for venue of a proceeding brought
1-21 with respect to a charitable trust created by a will that has been
1-22 admitted to probate, this subsection controls.

1-23 (b) A statutory probate court of Travis County has
1-24 concurrent jurisdiction with any other court on which jurisdiction
1-25 is conferred by Section 4A, Texas Probate Code, in a proceeding
1-26 brought by the attorney general alleging breach of a fiduciary duty
1-27 with respect to a charitable trust created by a will that has been
1-28 admitted to probate.

1-29 SECTION 2. The change in law made by this Act applies only
1-30 to a proceeding commenced on or after the effective date of this
1-31 Act. A proceeding commenced before the effective date of this Act
1-32 is governed by the law in effect immediately before the effective
1-33 date of this Act, and that law is continued in effect for that
1-34 purpose.

1-35 SECTION 3. This Act takes effect immediately if it receives
1-36 a vote of two-thirds of all the members elected to each house, as
1-37 provided by Section 39, Article III, Texas Constitution. If this
1-38 Act does not receive the vote necessary for immediate effect, this
1-39 Act takes effect September 1, 2011.

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