

By: Fletcher

H.B. No. 1711

A BILL TO BE ENTITLED

AN ACT

relating to civil liability for prohibited barratry.

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

SECTION 1. Section 82.0651, Government Code, is amended by amending Subsections (a) and (b) and adding Subsection (g) to read as follows:

(a) A client may bring an action to void a contract for legal services that was procured as a result of conduct violating the laws of this state or the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas regarding barratry by attorneys or other persons and to recover any amount that may be awarded under Subsection (b). A client who enters into a contract described by this subsection may bring an action to recover any amount that may be awarded under Subsection (b) even if the contract is voided voluntarily.

(b) A client who prevails in an action under Subsection (a) shall recover from any person who committed barratry:

(1) all fees and expenses paid to that person under the contract;

(2) the balance of any fees and expenses paid to any other person under the contract, after deducting fees and expenses awarded based on a quantum meruit theory as provided by Section 82.065(c);

(3) actual damages caused by the prohibited conduct;

1 [~~and~~]

2 (4) a penalty in the amount of \$10,000; and

3 (5) reasonable and necessary attorney's fees.

4 (g) The expedited actions process created by Rule 169, Texas
5 Rules of Civil Procedure, does not apply to an action under this
6 section.

7 SECTION 2. (a) Except as provided by this section, Section
8 82.0651, Government Code, as amended by this Act, applies only to an
9 action concerning a contract procured as a result of conduct
10 described by Section 82.0651(a), Government Code, that occurs on or
11 after the effective date of this Act. An action concerning a
12 contract procured as a result of conduct that occurred before the
13 effective date of this Act is governed by the law applicable to the
14 contract immediately before the effective date of this Act, and
15 that law is continued in effect for that purpose.

16 (b) Section 82.0651(g), Government Code, as added by this
17 Act, applies to an action:

18 (1) commenced on or after the effective date of this
19 Act; or

20 (2) pending on the effective date of this Act and in
21 which the trial, or any new trial or retrial following motion,
22 appeal, or otherwise, begins on or after the effective date of this
23 Act.

24 SECTION 3. This Act takes effect September 1, 2013.