

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. Sections 82.0651(a) and (b), Government Code, are amended 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;

~~and~~

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

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

3 SECTION 2. The change in law made by this Act to Section
4 82.0651, Government Code, applies only to an action concerning a
5 contract procured as a result of conduct described by Section
6 82.0651(a), Government Code, that occurs on or after the effective
7 date of this Act. An action concerning a contract procured as a
8 result of conduct that occurred before the effective date of this
9 Act is governed by the law applicable to the contract immediately
10 before the effective date of this Act, and that law is continued in
11 effect for that purpose.

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