

## **BILL ANALYSIS**

Senate Research Center

H.B. 1630  
By: Romero, Jr. (Huffman)  
State Affairs  
5/20/2015  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties report that a settlement of a claim or action against a governmental unit generally must be disclosed under the public information law. The parties emphasize that disclosure is important because such settlements are funded by taxpayer dollars. The parties express concern that disclosure of a settlement agreement often is prevented by a condition of the settlement requiring the accuser to agree not to disclose any fact, allegation, evidence, or other matter to any other person. H.B. 1630 seeks to address this situation.

H.B. 1630 amends current law relating to certain limitations on settlement agreements with a governmental unit.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title 5, Civil Practice and Remedies Code, by adding Chapter 116, as follows:

#### **CHAPTER 116. LIMITATION ON SETTLEMENT OF CLAIM OR ACTION AGAINST A GOVERNMENTAL UNIT**

Sec. 116.001. CERTAIN LIMITATIONS ON SETTLEMENT BY A GOVERNMENTAL UNIT. (a) Defines "governmental unit" in this chapter.

(b) Prohibits a state or local governmental unit from entering into a settlement of a claim or action against the governmental unit in which:

(1) the amount of the settlement is equal to or greater than \$30,000; and

(2) a condition of the settlement requires a party seeking affirmative relief against the governmental unit to agree not to disclose any fact, allegation, evidence, or other matter to any other person, including a journalist or other member of the media.

(c) Prohibits a governmental unit from disclosing the personal information of a party seeking affirmative relief unless the party agrees to the disclosure.

(d) Provides that a provision in a settlement agreement that is in violation of Subsection (b)(2) is void and unenforceable.

(e) Provides that this chapter does not affect information that is privileged or confidential under other law.

(f) Provides that evidence of furnishing or offering or promising to furnish or accepting or offering or promising to accept, a valuable consideration in

compromising or attempting to compromise a claim against a governmental unit which was disputed as to either validity or amount is not admissible to prove liability for or invalidity of the claim or its amount. Provides that evidence of conduct or statements made in compromise negotiations is likewise not admissible. Provides that this section does not require the exclusion of any evidence otherwise discoverable merely because it is presented in the course of compromise negotiations. Provides that this section also does not require exclusion when the evidence is offered for another purpose, such as proving bias or prejudice or interest of a witness or a party, negating a contention of undue delay, or proving an effort to obstruct a criminal investigation or prosecution.

SECTION 2. Provides that the change in law made by this Act applies to the settlement of a claim or action with respect to which the cause of action on which the claim or action is based accrues on or after the effective date of this Act. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2015.