

By: Fraser, Campbell

S.B. No. 735

A BILL TO BE ENTITLED

AN ACT

relating to discovery of evidence of the net worth of a defendant in connection with a claim for exemplary damages.

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

SECTION 1. Section 41.001, Civil Practice and Remedies Code, is amended by adding Subdivision (7-a) to read as follows:

(7-a) "Net worth" means the total assets of a person minus the total liabilities of the person on a date determined appropriate by the trial court.

SECTION 2. Chapter 41, Civil Practice and Remedies Code, is amended by adding Section 41.0115 to read as follows:

Sec. 41.0115. DISCOVERY OF EVIDENCE OF NET WORTH FOR EXEMPLARY DAMAGES CLAIM. (a) On the motion of a party and after notice and a hearing, a trial court may authorize discovery of evidence of a defendant's net worth if the court finds in a written order that the claimant has demonstrated a substantial likelihood of success on the merits of a claim for exemplary damages. Evidence submitted by a party to the court in support of or in opposition to a motion made under this subsection may be in the form of an affidavit or a response to discovery.

(b) If a trial court authorizes discovery under Subsection (a), the court's order may only authorize use of the least burdensome method available to obtain the net worth evidence.

(c) When reviewing an order authorizing or denying

1 discovery of net worth evidence under this section, the reviewing
2 court may consider only the evidence submitted by the parties to the
3 trial court in support of or in opposition to the motion described
4 by Subsection (a).

5 SECTION 3. The change in law made by this Act applies only
6 to an action filed on or after the effective date of this Act.

7 SECTION 4. This Act takes effect September 1, 2015.