

BILL ANALYSIS

C.S.H.B. 2457
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Judiciary & Civil Jurisprudence
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that a recent court decision has raised questions about the types of entities from which a person may recover certain attorney's fees. C.S.H.B. 2457 seeks to address this issue by clarifying the types of entities from which attorney's fees may be recovered in connection with certain claims.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2457 amends the Civil Practice and Remedies Code to expand the types of entities from which a person may recover reasonable attorney's fees in addition to the amount of a valid claim and costs if the claim is for rendered services, performed labor, furnished material, freight or express overcharges, lost or damaged freight or express, killed or injured stock, a sworn account, or an oral or written contract to include a limited or general partnership, a limited liability company, a business trust, a real estate investment trust, a joint venture, a joint stock company, a cooperative, an association, a bank, an insurance company, a credit union, a savings and loan association, and other organization regardless of whether the organization is for-profit, nonprofit, domestic, or foreign and the state, an agency or institution of the state, or a political subdivision of the state.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2457 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Section 38.001, Civil Practice	SECTION 1. Section 38.001, Civil Practice

85R 27197

17.118.951

Substitute Document Number: 85R 17773

and Remedies Code, is amended to read as follows:

Sec. 38.001. RECOVERY OF ATTORNEY'S FEES. (a) In this section, "organization" has the meaning assigned by Section 1.002, Business Organizations Code.

(b) A person may recover reasonable attorney's fees from an individual or a corporation or other organization,

in addition to the amount of a valid claim and costs, if the claim is for:

- (1) rendered services;
- (2) performed labor;
- (3) furnished material;
- (4) freight or express overcharges;
- (5) lost or damaged freight or express;
- (6) killed or injured stock;
- (7) a sworn account; or
- (8) an oral or written contract.

SECTION 2. The change in law made by this Act applies only to an award of attorney's fees in an action commenced on or after the effective date of this Act. An award of attorney's fees in an action commenced before the effective date of this Act is governed by the law applicable to the award immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2017.

and Remedies Code, is amended to read as follows:

Sec. 38.001. RECOVERY OF ATTORNEY'S FEES. (a) In this section, "organization" has the meaning assigned by Section 1.002, Business Organizations Code.

(b) A person may recover reasonable attorney's fees from an individual, an organization, the state, an agency or institution of the state, or a political subdivision of the state ~~[or corporation],~~

in addition to the amount of a valid claim and costs, if the claim is for:

- (1) rendered services;
- (2) performed labor;
- (3) furnished material;
- (4) freight or express overcharges;
- (5) lost or damaged freight or express;
- (6) killed or injured stock;
- (7) a sworn account; or
- (8) an oral or written contract.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.