

By: Huffman

S.B. No. 1463

A BILL TO BE ENTITLED

AN ACT

relating to settlement of claims and actions against a governmental unit.

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

SECTION 1. Title 5, Civil Practice and Remedies Code, is amended by adding Chapter 116 to read as follows:

CHAPTER 116. SETTLEMENT OF CLAIM OR ACTION AGAINST A GOVERNMENTAL UNIT

Sec. 116.001. DEFINITION. In this chapter, "governmental unit" has the meaning assigned by Section 101.001.

Sec. 116.002. CERTAIN SETTLEMENT TERMS PROHIBITED. (a) A governmental unit may not enter 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.

(b) A settlement agreement provision entered into in violation of Subsection (a) is void and unenforceable.

Sec. 116.003. ADMISSIBILITY OF CERTAIN EVIDENCE RELATING TO SETTLEMENT NEGOTIATION. (a) Evidence of offering, providing,

1 accepting, promising to provide, or offering or promising to accept  
2 valuable consideration in settling or attempting to settle a claim  
3 against a governmental unit is not admissible to prove:

- 4 (1) liability for the claim;
- 5 (2) the invalidity of the claim; or
- 6 (3) the amount of liability for the claim.

7 (b) Subsection (a) does not require the exclusion of  
8 evidence offered for a purpose other than a purpose described by  
9 that subsection, including:

- 10 (1) to prove the bias, prejudice, or interest of a  
11 witness or party;
- 12 (2) to dispute a contention of undue delay; or
- 13 (3) to prove an attempt to obstruct a criminal  
14 investigation or prosecution.

15 (c) Evidence of conduct occurring or statements made in the  
16 course of settlement negotiations with a governmental unit are not  
17 admissible. This subsection does not require the exclusion of  
18 evidence that is otherwise discoverable merely because the evidence  
19 was presented in the course of settlement negotiations with a  
20 governmental unit.

21 Sec. 116.004. EFFECT OF CHAPTER. This chapter does not  
22 affect information that is privileged or confidential under other  
23 law.

24 SECTION 2. The change in law made by this Act applies only  
25 with respect to a claim or action that is based on a cause of action  
26 that accrues on or after the effective date of this Act.

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