

BILL ANALYSIS

Senate Research Center
86R934 CAE-D

H.B. 770
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State Affairs
5/10/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Lawsuits involving personal injury and wrongful death often result in settlements that the parties wish to keep private, especially when the beneficiary is a minor or a person with a guardian. A judge may approve a settlement and require the attorneys or guardians to maintain that record privately, rather than file the settlement agreement in the court records. That administrative burden can last for years or decades if the case involved a young child or person with a guardian. These records can be lost or destroyed.

H.B. 770 would require the Office of Court Administration to create a database for settlement agreements if the beneficiary is a minor or person who is incapacitated. That database would be confidential and accessible only by the parties to the agreement; a party's attorney; or a party's guardian, next friend, or guardian ad litem. With a single fee to cover the court's administrative costs, these important documents would be secure, private, and always accessible to the persons who need them.

H.B. 770 amends current law relating to the establishment of an electronic database for settlement agreements for certain suits involving minors or incapacitated persons; authorizing a fee.

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 Subchapter C, Chapter 72, Government Code, by adding Section 72.034, as follows:

Sec. 72.034. SETTLEMENT AGREEMENT DATABASE. (a) Requires the Office of Court Administration (OCA) to establish and maintain an electronic database that contains personal injury or wrongful death settlement agreements for which a minor or incapacitated person is the beneficiary. Authorizes a party to the agreement or a guardian, next friend, or guardian ad litem to record the agreement in the database. Authorizes only one copy of an agreement to be filed by the parties or the guardian, next friend, or guardian ad litem in each settlement agreement.

(b) Provides that a settlement agreement recorded in the database is confidential, and requires OCA to ensure that a settlement agreement is authorized to be accessed only by:

- (1) the parties to the settlement agreement;
- (2) each attorney representing a party to the settlement agreement; or
- (3) the guardian, next friend, or guardian ad litem of a party to the settlement agreement.

(c) Authorizes OCA to set and collect a fee to record a settlement agreement in the database in an amount sufficient to cover the costs of maintaining the agreement in the database, not to exceed \$50 for each agreement.

(d) Provides that any fee to record a settlement agreement in the database established by OCA as provided by Subsection (c) is a court cost to be included for payment in the settlement agreement.

SECTION 2. Provides that the change in law made by this Act applies to a suit filed on behalf of a minor or incapacitated person that is pending in a trial court on the effective date of this Act or that is filed on or after the effective date of this Act.

SECTION 3. Effective date: September 1, 2019.