

By: Dutton

H.B. No. 1957

A BILL TO BE ENTITLED

AN ACT

relating to a provision of a contract that conflicts with state law.

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

SECTION 1. The heading to Title 9, Business & Commerce Code, is amended to read as follows:

TITLE 9. APPLICABILITY OF LAW TO COMMERCIAL TRANSACTIONS AND OTHER CONTRACTS

SECTION 2. Title 9, Business & Commerce Code, is amended by adding Chapter 275 to read as follows:

CHAPTER 275. STATE LAW CONTROLS OVER CONFLICTING CONTRACT TERMS

Sec. 275.001. CONFLICT WITH STATE LAW. (a) To the extent a term or condition of a contract is in conflict with a law of this state, the law of this state controls.

(b) Subsection (a) may not be construed to authorize the impairment of any contract in violation of the Texas Constitution or the United States Constitution.

SECTION 3. This Act takes effect September 1, 2019.