BILL ANALYSIS

C.S.H.B. 3162 By: Martinez Judiciary & Civil Jurisprudence Committee Report (Substituted)

BACKGROUND AND PURPOSE

In 2019, the Texas Legislature enacted legislation that extended the certificate of merit requirement for plaintiffs who file suit against certain licensed or registered professionals to all claimants who file such suits. An unintended consequence of that legislation was that it created problems for design-build projects because it forced some parties to admit liability in order to deny liability and has led to insurance coverage issues. C.S.H.B. 3162 seeks to address this unintended consequence by exempting design-build projects from the certificate of merit requirements in certain suits.

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. 3162 amends the Civil Practice and Remedies Code to exempt a third-party plaintiff that is a design-builder or design-build firm from the requirement to file an affidavit in connection with filing a third-party claim or cross-claim against a licensed or registered professional if the action or arbitration proceeding for certain damages arises out of a designbuild project in which a governmental entity contracts with a single entity to provide both design and construction services for the construction, expansion, extension, rehabilitation, alteration, or repair of a facility, a building or associated structure, a civil works project, or a highway project.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3162 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the original exempted a claimant from the requirement to file the applicable affidavit, the substitute exempts a third-party plaintiff that is a design-builder or design-build firm from that requirement. The substitute includes a specification absent from the original that the

applicable affidavit is in connection with filing a third-party claim or cross-claim against a licensed or registered professional.