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| BILL ANALYSIS |

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| H.B. 2879 |
| By: Oliverson |
| Judiciary & Civil Jurisprudence |
| Committee Report (Unamended) |

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| **BACKGROUND AND PURPOSE**  Industry leaders and constituents have raised concerns regarding predatory contracting practices that are being used by large out-of-state contractors on construction projects located in Texas. H.B. 2879 seeks to prevent Texas contractors who bid and perform work at local Texas construction projects from being forced to litigate any issue arising on the job, including nonpayment and improper back charges by a general contractor, in a foreign jurisdiction. This will put a stop to unfair practices that prevent Texas contractors from being able to defend themselves or seek redress for wrongs committed against them. |
| **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**  H.B. 2879 amends the Civil Practice and Remedies Code to make void as a matter of public policy a venue provision in a contract for an improvement to real property that requires an action involving a contractor, subcontractor, or materialman who is a Texas resident to be brought outside of Texas. The bill requires an action arising out of a contract with such a provision to be brought only in Texas in the county in which the defendant resides, the cause of action accrued, or the property that is the subject of the litigation is located, unless the parties stipulate to another venue after the dispute arises. The bill's provisions apply only to a contract entered into on or after the bill's effective date. |
| **EFFECTIVE DATE**  September 1, 2023. |