

## **BILL ANALYSIS**

C.S.H.B. 4325  
By: Moody  
Judiciary & Civil Jurisprudence  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The civil penalty for barratry, which amounts to \$10,000 in addition to damages and attorney's fees, has remained static since its establishment and is recoverable by a person who prevails in a barratry action. However, the bill author has informed the committee that some practitioners have argued that the penalty is insufficient to deter prohibited barratry and make victims whole, especially unsophisticated victims who enter agreements without a contract. C.S.H.B. 4325 seeks to address this issue by increasing the civil penalty for barratry to \$50,000 when recovered by a person who was solicited through barratry but did not enter into a contract as a result of that conduct.

### **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. 4325 amends the Government Code to increase from \$10,000 to \$50,000 the amount of the penalty to be recovered from each person who engaged in certain conduct constituting barratry in a civil action filed by a person who was solicited but did not enter into a contract as a result of that conduct and prevails in the action.

C.S.H.B. 4325 applies only to an action filed on or after the bill's effective date. An action filed before the bill's effective date is governed by the law in effect on the date the action was filed, and that law is continued in effect for that purpose.

### **EFFECTIVE DATE**

September 1, 2025.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

C.S.H.B. 4325 differs from the introduced in minor or nonsubstantive ways by conforming to certain bill drafting conventions.