By:  Schwertner, Hagenbuch S.B. No. 30

(In the Senate - Filed March 13, 2025; March 17, 2025, read first time and referred to Committee on Business and Commerce; March 20, 2025, rereferred to Committee on State Affairs; April 14, 2025, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 1; April 14, 2025, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Hughes               X

Paxton               X

Bettencourt          X

Birdwell             X

Hall                 X

Hinojosa of Nueces   X

Middleton            X

Parker                         X

Perry                X

Schwertner           X

Zaffirini                X

COMMITTEE SUBSTITUTE FOR S.B. No. 30 By:  Schwertner

A BILL TO BE ENTITLED

AN ACT

relating to recovery of damages in civil actions.

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

SECTION 1.  Section 18.001, Civil Practice and Remedies Code, is amended by amending Subsections (b), (e), (e-1), (h), and (i) and adding Subsections (b-1) and (b-2) to read as follows:

(b)  Unless notice of intent to controvert the reasonableness of the amounts charged or the necessity for health care services [~~a controverting affidavit~~] is served as provided by this section, an affidavit complying with this section and stating that the amount a person charged for a service was reasonable at the time and place that the service was provided and that the service was necessary is sufficient evidence to support a finding of fact by judge or jury that the amount charged was reasonable or that the service was necessary.

(b-1)  Except as provided by Section 18.0011, if notice of intent to controvert the reasonableness of the amounts charged or necessity for health care services is served as provided by this section, an affidavit served under Subsection (b) has no effect except the affidavit may prove the authenticity of the health care records described by the affidavit.

(b-2)  An [~~The~~] affidavit described by Subsection (b) is not evidence of and does not support a finding of the causation element of the cause of action that is the basis for the civil action.

(e)  A party intending to controvert the reasonableness of the amounts charged or necessity for health care services [~~a claim reflected by the affidavit~~] must serve notice of that intent [~~a copy of the counteraffidavit~~] on each other party or the party's attorney of record by the earlier of:

(1)  120 days after the date the defendant files its answer;

(2)  the date the party serving notice [~~offering the counteraffidavit~~] must designate expert witnesses under a court order; or

(3)  the date the party serving notice [~~offering the counteraffidavit~~] must designate any expert witness as required by the Texas Rules of Civil Procedure.

(e-1)  Notwithstanding Subsection (e), if the party offering the affidavit [~~in evidence~~] serves a copy of the affidavit under Subsection (d-1), notice of intent to controvert the reasonableness of the amounts charged or necessity for health care services must be served [~~the party offering the counteraffidavit in evidence or the party's attorney must serve a copy of the counteraffidavit~~] on each other party to the case by the later of:

(1)  30 days after service of the affidavit on the party serving notice [~~offering the counteraffidavit in evidence~~];

(2)  the date the party serving notice [~~offering the counteraffidavit~~] must designate any expert witness under a court order; or

(3)  the date the party serving notice [~~offering the counteraffidavit in evidence~~] must designate any expert witness as required by the Texas Rules of Civil Procedure.

(h)  If health care [~~continuing~~] services are provided after a relevant deadline under this section:

(1)  a party may supplement an affidavit served by the party under Subsection (d) or (d-1) on or before the 60th day before the date the trial commences; and

(2)  a party that served notice [~~a counteraffidavit~~] under Subsection (e) or (e-1) may serve notice related to the supplemental affidavit [~~supplement the counteraffidavit~~] on or before the 30th day before the date the trial commences.

(i)  Notwithstanding Subsections (d), (d-1), (d-2), (e), (e-1), [~~(g),~~] and (h), a deadline under this section may be altered by all parties to an action by agreement or with leave of the court.

SECTION 2.  Subchapter A, Chapter 18, Civil Practice and Remedies Code, is amended by adding Section 18.0011 to read as follows:

Sec. 18.0011.  AFFIDAVIT OF HEALTH CARE FACILITY OR PROVIDER. (a) A party may not controvert the reasonableness of the charges for health care services stated in an affidavit served under Section 18.001 if, as to each health care service provided by the health care facility or provider to the person whose injury or death is the subject of the action:

(1)  the affidavit states one of the following amounts as the reasonable charge for the service:

(A)  the amounts received from all sources by the facility or provider to pay for the service; or

(B)  if Paragraph (A) does not apply, an amount that, on the date the service was provided, does not exceed 300 percent of the Medicare fee schedule for the service; and

(2)  the affidavit is accompanied by an invoice for the service that would comply with the clean claim requirements of Chapter 1301, Insurance Code.

(b)  If an affidavit of a health care facility or provider served under Section 18.001 complies with Subsection (a) and includes a statement that the facility or provider does not intend to appear at trial to testify regarding the reasonableness of the facility's or provider's charges or the necessity for the facility's or provider's services, then:

(1)  a party may not seek to obtain through any pretrial discovery procedure information from the facility or provider about the reasonableness of the facility's or provider's charges or the necessity for the facility's or provider's services; and

(2)  the trial court shall exclude trial testimony by the facility or provider regarding the reasonableness of the facility's or provider's charges or the necessity for the facility's or provider's services unless:

(A)  after the affidavit is served, the facility or provider states an intention to testify at trial or appears at trial to testify;

(B)  the court finds there is good cause to allow the testimony;

(C)  the testimony will not unfairly surprise or unfairly prejudice any party to the action; and

(D)  a party opposing admission of the testimony into evidence is given a reasonable opportunity to conduct discovery and present evidence relevant to the testimony to be offered by the facility or provider.

(c)  An affidavit of a health care facility or provider described by Subsection (a) and the statements made in the affidavit may be used only in the civil action in which the affidavit is served and not in other actions or for other purposes.

SECTION 3.  Chapter 41, Civil Practice and Remedies Code, is amended by designating Sections 41.001, 41.002, 41.008, 41.009, 41.0105, and 41.014 as Subchapter A and adding a subchapter heading to read as follows:

SUBCHAPTER A. GENERAL PROVISIONS

SECTION 4.  Section 41.001, Civil Practice and Remedies Code, is amended by amending Subdivisions (9) and (10) and adding Subdivisions (11-a) and (14) to read as follows:

(9)  "Future damages" means damages that in reasonable probability can be expected to be [~~are~~] incurred after the date of the judgment. The term does [~~Future damages do~~] not include exemplary damages.

(10)  "Future loss of earnings" means a pecuniary loss from reductions in income, wages, or earning capacity that in reasonable probability can be expected to be incurred after the date of the judgment. The term does not include[~~, including:~~

[~~(A)  loss of income, wages, or earning capacity; and~~

[~~(B)~~]  loss of inheritance.

(11-a) "Mental or emotional pain or anguish" means grievous and debilitating angst, distress, torment, or emotional suffering or turmoil that causes a substantial disruption in a person's daily routine. The term includes mental or emotional pain or anguish arising from loss of consortium, loss of companionship and society, loss of enjoyment of life, disfigurement, and physical impairment.

(14)  "Physical pain and suffering" means a painful or distressing sensation associated with an injury or damage to a part of a person's body that:

(A)  is consciously felt;

(B)  is significant in magnitude; and

(C)  arises from an observable injury, disfigurement, or impairment or is shown to exist through objectively verifiable medical evaluation or testing.

SECTION 5.  Section 41.002(d), Civil Practice and Remedies Code, is amended to read as follows:

(d)  Notwithstanding any provision to the contrary, the provisions of this chapter regarding exemplary damages do [~~does~~] not apply to:

(1)  Section 15.21, Business & Commerce Code (Texas Free Enterprise and Antitrust Act of 1983);

(2)  an action brought under the Deceptive Trade Practices-Consumer Protection Act (Subchapter E, Chapter 17, Business & Commerce Code) except as specifically provided in Section 17.50 of that Act;

(3)  an action brought under Chapter 36, Human Resources Code; or

(4)  an action brought under Chapter 21, Insurance Code.

SECTION 6.  Chapter 41, Civil Practice and Remedies Code, is amended by adding Subchapter B, and a heading is added to that subchapter to read as follows:

SUBCHAPTER B. EXEMPLARY DAMAGES

SECTION 7.  Sections 41.003, 41.004, 41.005, 41.006, 41.007, 41.010, 41.011, 41.0115, 41.012, and 41.013, Civil Practice and Remedies Code, are transferred to Subchapter B, Chapter 41, Civil Practice and Remedies Code, as added by this Act, redesignated as Sections 41.051, 41.052, 41.053, 41.054, 41.055, 41.056, 41.057, 41.058, 41.059, and 41.060, Civil Practice and Remedies Code, respectively, and amended to read as follows:

Sec. 41.051  [~~41.003~~].  STANDARDS FOR RECOVERY [~~OF EXEMPLARY DAMAGES~~]. (a) Except as provided by Subsection (c), exemplary damages may be awarded only if the claimant proves by clear and convincing evidence that the harm with respect to which the claimant seeks recovery of exemplary damages results from:

(1)  fraud;

(2)  malice; or

(3)  gross negligence.

(b)  The claimant must prove by clear and convincing evidence the elements of exemplary damages as provided by this section. This burden of proof may not be shifted to the defendant or satisfied by evidence of ordinary negligence, bad faith, or a deceptive trade practice.

(c)  If the claimant relies on a statute establishing a cause of action and authorizing exemplary damages in specified circumstances or in conjunction with a specified culpable mental state, exemplary damages may be awarded only if the claimant proves by clear and convincing evidence that the damages result from the specified circumstances or culpable mental state.

(d)  Exemplary damages may be awarded only if the jury was unanimous in regard to finding liability for and the amount of exemplary damages.

(e)  In all cases where the issue of exemplary damages is submitted to the jury, the following instruction shall be included in the charge of the court:

"You are instructed that, in order for you to find exemplary damages, your answer to the question regarding the amount of such damages must be unanimous."

Sec. 41.052  [~~41.004~~].  FACTORS PRECLUDING RECOVERY. (a) Except as provided by Subsection (b), exemplary damages may be awarded only if damages other than nominal damages are awarded.

(b)  Exemplary damages may not be awarded to a claimant who elects to have his recovery multiplied under another statute.

Sec. 41.053  [~~41.005~~].  HARM RESULTING FROM CRIMINAL ACT. (a) In an action arising from harm resulting from an assault, theft, or other criminal act, a court may not award exemplary damages against a defendant because of the criminal act of another.

(b)  The exemption provided by Subsection (a) does not apply if:

(1)  the criminal act was committed by an employee of the defendant;

(2)  the defendant is criminally responsible as a party to the criminal act under the provisions of Chapter 7, Penal Code;

(3)  the criminal act occurred at a location where, at the time of the criminal act, the defendant was maintaining a common nuisance under the provisions of Chapter 125, Civil Practice and Remedies Code, and had not made reasonable attempts to abate the nuisance; or

(4)  the criminal act resulted from the defendant's intentional or knowing violation of a statutory duty under Subchapter D, Chapter 92, Property Code, and the criminal act occurred after the statutory deadline for compliance with that duty.

(c)  In an action arising out of a criminal act committed by an employee, the employer may be liable for punitive damages but only if:

(1)  the principal authorized the doing and the manner of the act;

(2)  the agent was unfit and the principal acted with malice in employing or retaining the agent [~~him~~];

(3)  the agent was employed in a managerial capacity and was acting in the scope of employment; or

(4)  the employer or a manager of the employer ratified or approved the act.

Sec. 41.054 [~~41.006~~].  AWARD SPECIFIC TO DEFENDANT. In any action in which there are two or more defendants, an award of exemplary damages must be specific as to a defendant, and each defendant is liable only for the amount of the award made against that defendant.

Sec. 41.055 [~~41.007~~].  PREJUDGMENT INTEREST. Prejudgment interest may not be assessed or recovered on an award of exemplary damages.

Sec. 41.056 [~~41.010~~].  CONSIDERATIONS IN MAKING AWARD. (a) Before making an award of exemplary damages, the trier of fact shall consider the definition and purposes of exemplary damages as provided by Section 41.001.

(b)  Subject to Section 41.008, the determination of whether to award exemplary damages and the amount of exemplary damages to be awarded is within the discretion of the trier of fact.

Sec. 41.057 [~~41.011~~].  EVIDENCE RELATING TO AMOUNT OF EXEMPLARY DAMAGES. (a) In determining the amount of exemplary damages, the trier of fact shall consider evidence, if any, relating to:

(1)  the nature of the wrong;

(2)  the character of the conduct involved;

(3)  the degree of culpability of the wrongdoer;

(4)  the situation and sensibilities of the parties concerned;

(5)  the extent to which such conduct offends a public sense of justice and propriety; and

(6)  the net worth of the defendant.

(b)  Evidence that is relevant only to the amount of exemplary damages that may be awarded is not admissible during the first phase of a bifurcated trial.

Sec. 41.058 [~~41.0115~~].  DISCOVERY OF EVIDENCE OF NET WORTH FOR EXEMPLARY DAMAGES CLAIM. (a) On the motion of a party and after notice and a hearing, a trial court may authorize discovery of evidence of a defendant's net worth if the court finds in a written order that the claimant has demonstrated a substantial likelihood of success on the merits of a claim for exemplary damages. Evidence submitted by a party to the court in support of or in opposition to a motion made under this subsection may be in the form of an affidavit or a response to discovery.

(b)  If a trial court authorizes discovery under Subsection (a), the court's order may only authorize use of the least burdensome method available to obtain the net worth evidence.

(c)  When reviewing an order authorizing or denying discovery of net worth evidence under this section, the reviewing court may consider only the evidence submitted by the parties to the trial court in support of or in opposition to the motion described by Subsection (a).

(d)  If a party requests net worth discovery under this section, the court shall presume that the requesting party has had adequate time for the discovery of facts relating to exemplary damages for purposes of allowing the party from whom net worth discovery is sought to move for summary judgment on the requesting party's claim for exemplary damages under Rule 166a(i), Texas Rules of Civil Procedure.

Sec. 41.059 [~~41.012~~].  JURY INSTRUCTIONS. In a trial to a jury, the court shall instruct the jury with regard to Sections 41.001, 41.051 [~~41.003~~], 41.056 [~~41.010~~], and 41.057 [~~41.011~~].

Sec. 41.060 [~~41.013~~].  JUDICIAL REVIEW OF AWARD. (a) Except as provided for in Subsection (b), an appellate court that reviews the evidence with respect to a finding by a trier of fact concerning liability for exemplary damages or with respect to the amount of exemplary damages awarded shall state, in a written opinion, the court's reasons for upholding or disturbing the finding or award. The written opinion shall address the evidence or lack of evidence with specificity, as it relates to the liability for or amount of exemplary damages, in light of the requirements of this chapter.

(b)  This section does not apply to the supreme court with respect to its consideration of a petition for review [~~an application for writ of error~~].

SECTION 8.  Chapter 41, Civil Practice and Remedies Code, is amended by adding Subchapters C and D to read as follows:

SUBCHAPTER C. RECOVERY OF HEALTH CARE EXPENSES AS ECONOMIC DAMAGES

Sec. 41.101.  DEFINITIONS. In this subchapter:

(1)  "Health care expenses" means amounts paid or owed or that may be paid or owed to a provider for health care services, supplies, or devices provided to a patient.

(2)  "Health care services" means services provided by a provider to an individual to diagnose, prevent, alleviate, cure, treat, or heal the individual's condition, illness, or injury, including:

(A)  rehabilitative services provided to the individual; or

(B)  personal care provided to the individual on a short-term or long-term basis.

(3)  "Injured individual" means the individual whose injury or death is the subject of a civil action to which this subchapter applies.

(4)  "Letter of protection" means an agreement, regardless of the name, that includes an express or implied promise of payment to a health care provider from a judgment or settlement of an injured individual's civil action or that makes a payment to the provider contingent on the resolution of the action.

(5)  "Physician" means:

(A)  an individual licensed to practice medicine; and

(B)  a professional association, partnership, limited liability partnership, or other type of entity formed or organized by an individual physician or group of physicians to provide medical care to patients.

(6)  "Provider" means a person, including an individual, partnership, professional association, corporation, facility, or institution, who is licensed, certified, registered, chartered, or otherwise authorized, in this state or elsewhere, to provide health care services, including:

(A)  an acupuncturist;

(B)  a chiropractor;

(C)  a dentist;

(D)  a health care institution of a type described by Section 74.001(11);

(E)  a health care collaborative;

(F)  a nonprofit health organization;

(G)  a nurse, including a licensed vocational nurse, nurse practitioner, and registered nurse;

(H)  an occupational therapist;

(I)  an ophthalmologist;

(J)  an optometrist;

(K)  a pharmacist;

(L)  a physical therapist;

(M)  a physician;

(N)  a physician's assistant; and

(O)  a podiatrist.

(7)  "Third-party payor" means an entity, plan, or program that has a legal or contractual obligation to pay, reimburse, or otherwise contract with a provider to pay the provider for the provision of a health care service, supply, or device to a patient, including:

(A)  an insurance company providing health or dental insurance;

(B)  an employer-provided plan or any other sponsor or administrator of a health or dental plan;

(C)  a health maintenance organization operating under Chapter 843, Insurance Code, an insurer providing a preferred provider benefit plan under Chapter 1301, Insurance Code, or other similar entity;

(D)  Medicare;

(E)  the state Medicaid program, including the Medicaid managed care program operating under Chapter 540, Government Code; and

(F)  workers' compensation insurance or insurance provided instead of subscribing to workers' compensation insurance.

Sec. 41.102.  APPLICABILITY OF SUBCHAPTER. This subchapter applies to any civil action in which the claimant seeks recovery of health care expenses as economic damages in a personal injury or wrongful death action.

Sec. 41.103.  CONFLICT WITH OTHER LAW. If there is a conflict between this subchapter and Section 41.0105, this subchapter controls.

Sec. 41.104.  ADMISSIBLE EVIDENCE OF HEALTH CARE EXPENSES. (a) In addition to any other limitation provided by law, the evidence that may be offered to prove the amount of the economic damages that may be awarded to a claimant for health care services provided in the past to an injured individual is limited to evidence of:

(1)  amounts third-party payors paid to providers for health care services provided to the injured individual;

(2)  amounts paid by the injured individual or paid on behalf of the injured individual by non-third-party payors to providers for health care services provided to the injured individual, but not to purchase an account receivable or as a loan, if paid without a formal or informal agreement for the provider to refund, rebate, or remit money to the payor, injured individual, claimant, or claimant's attorney or anyone associated with the payor, injured individual, claimant, or claimant's attorney; and

(3)  if Subdivisions (1) and (2) do not apply, amounts that, on the date each service was provided to the injured individual, do not exceed 300 percent of the Medicare fee schedule for the service.

(b)  In addition to any other limitation provided by law, the evidence that may be offered to prove the amount of economic damages that may be awarded to a claimant for health care services that in reasonable probability can be expected to be provided to the injured individual in the future because of the injury-causing event shall be limited to evidence of the amounts of the reasonable value of necessary services, except that the amounts may not exceed 300 percent of the Medicare fee schedule applicable to each service as of the date the trial commenced.

(c)  Health care provider statements or invoices presented for purposes of Subsection (a) or (b) must be in a form that would comply with the clean claim requirements of Chapter 1301, Insurance Code. If a service does not have an industry-recognized billing code, no amount of money may be awarded to the claimant for that service.

Sec. 41.105.  CLAIMANT DISCLOSURE REQUIREMENTS. (a) In addition to other items required to be provided by law, in an action to which this subchapter applies, the claimant shall provide to each other party a copy of:

(1)  all statements or invoices generated by health care providers showing health care services provided to the injured individual because of the injury-causing event that is the basis for the action;

(2)  any letter of protection related to the action; and

(3)  any written agreement under which a provider may refund, rebate, or remit money to a payor, injured individual, claimant, claimant's attorney, or person associated with the payor, injured individual, claimant, or claimant's attorney.

(b)  In a civil action to which this subchapter applies, the claimant shall, in addition to other requirements of law:

(1)  identify any provider who provided health care services to the injured individual in relation to the injury caused to the injured individual in the event giving rise to the action and provide an authorization to all other parties to the case that will allow those parties to obtain from the provider all of the injured individual's medical records;

(2)  disclose any unwritten agreement under which a provider may refund, rebate, or remit money to a payor, injured individual, claimant, claimant's attorney, or person associated with the payor, injured individual, claimant, or claimant's attorney; and

(3)  if the injured individual was referred to a provider for services and the provider will provide testimony that is presented to the trier of fact in the action, disclose:

(A)  the name, address, and telephone number of the person who made the referral, regardless of whether that person is the injured individual's attorney;

(B)  if the person making the referral was not the injured individual's attorney, the relationship between the person making the referral and the injured individual or the injured individual's attorney; and

(C)  if the person making the referral was the injured individual's attorney:

(i)  an anonymized list of persons referred by the attorney to the provider in the preceding two years;

(ii)  the date and amount of each payment made to the provider in the preceding two years by or at the direction of the attorney;

(iii)  if applicable, each person anonymously described under Subparagraph (i) on whose behalf a payment described by Subparagraph (ii) was made; and

(iv)  other aspects of any financial relationship between the attorney and the provider.

(c)  For purposes of Subsection (b)(3)(C), a referral is considered to have been made by the injured individual's attorney even if made by another person when the injured individual's attorney knew or had reason to know that the referral would be made.

Sec. 41.106.  CLAIMANT'S OBLIGATION OF PROOF NOT AFFECTED. Nothing in this subchapter affects the claimant's obligation to prove that the health care services provided to the injured individual were necessary and causally connected to a defendant's acts or omissions.

Sec. 41.107.  MATTERS ADMISSIBLE INTO EVIDENCE. In an action to which this subchapter applies, the following matters are admissible into evidence by any party:

(1)  a document or information provided by the claimant under Section 41.105(a);

(2)  if the injured individual was referred to a health care provider for services by the injured individual's attorney and the provider will provide testimony that is presented to the trier of fact in the action, the information disclosed by the claimant under Section 41.105(b)(3)(C); and

(3)  treatment guidelines and drug formularies approved by the Workers' Compensation Division of the Texas Department of Insurance as evidence relating to the necessity of health care services provided to the injured individual.

SUBCHAPTER D. NONECONOMIC DAMAGES

Sec. 41.151.  STANDARDS FOR RECOVERY OF CERTAIN NONECONOMIC DAMAGES. (a) An award of damages for physical pain and suffering or mental or emotional pain or anguish:

(1)  must provide fair and reasonable compensation to a claimant for the claimant's injury for the period of time the pain, suffering, or anguish has persisted or reasonably can be expected to persist in the future;

(2)  must be based on evidence of the nature, duration, and severity of the injury and reflect a rational connection, grounded in the evidence, between the injury suffered and the dollar amount necessary to provide fair and reasonable compensation to a claimant;

(3)  may not be used to penalize or punish a defendant, make an example to others, or serve a social good; and

(4)  may not include amounts that are properly considered economic losses, such as lost earnings caused by physical impairment or medical expenses incurred for emotional or psychological care.

(b)  In an action to which this chapter applies, it is reversible error for a court to allow an attorney, witness, or other person through argument, the introduction of evidence, or otherwise to state or suggest that the trier of fact should determine the amount of damages to award to a claimant for physical pain and suffering or mental or emotional pain or anguish by referring to objects, values, units of time, or other matters having no rational connection to the facts of the case.

(c)  Except to the extent of a conflict, this section supplements court decisions and rules of procedure and evidence.

Sec. 41.152.  JURY INSTRUCTIONS. In a trial to a jury in which noneconomic damages are sought, the court shall provide the jury definitions and instructions required by this chapter and other law and ask the jury, if appropriate, to determine the amount of money that will fairly and reasonably compensate the claimant for:

(1)  past physical pain and suffering;

(2)  future physical pain and suffering;

(3)  past mental or emotional pain or anguish;

(4)  future mental or emotional pain or anguish;

(5)  past injury to reputation; and

(6)  future injury to reputation.

SECTION 9.  Section 304.102, Finance Code, is amended to read as follows:

Sec. 304.102.  PREJUDGMENT INTEREST REQUIRED IN CERTAIN CASES. A judgment in a wrongful death, personal injury, or property damage case earns prejudgment interest on amounts awarded in the judgment for economic losses, calculated from the date:

(1) the health care expenses are actually paid by the claimant, if applicable; or

(2)  other economic losses are actually suffered by the claimant.

SECTION 10.  Sections 18.001(f) and (g), Civil Practice and Remedies Code, are repealed.

SECTION 11.  (a) Except as provided by Subsection (b) of this section:

(1)  the changes in law made by this Act apply only to an action commenced on or after the effective date of this Act; and

(2)  an action commenced before the effective date of this Act is governed by the law applicable to the action immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(b)  Section 41.001, Civil Practice and Remedies Code, as amended by this Act, and Subchapters C and D, Chapter 41, Civil Practice and Remedies Code, as added by this Act, apply to an action:

(1)  commenced on or after the effective date of this Act; or

(2)  pending on the effective date of this Act and in which a trial, or a new trial or retrial following a motion, appeal, or otherwise, begins on or after January 1, 2026.

SECTION 12.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

\* \* \* \* \*