

By: Landgraf

H.B. No. 2884

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the required disclosure of certain financial
3 relationships in civil actions against United States defense
4 contractors.

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

6 SECTION 1. Subtitle B, Title 2, Civil Practice and Remedies
7 Code, is amended by adding Chapter 28 to read as follows:

8 CHAPTER 28. ACTIONS AGAINST UNITED STATES DEFENSE CONTRACTORS

9 Sec. 28.001. DEFINITIONS. In this chapter:

10 (1) "Defense contractor" means any entity that:

11 (A) is engaged in the production, manufacturing,
12 or provision of goods or services to the United States Department of
13 Defense; and

14 (B) is a party to a contract subject to the Arms
15 Export Control Act (22 U.S.C. Section 2778), as implemented by the
16 International Traffic in Arms Regulations under 22 C.F.R. Parts
17 120-130.

18 (2) "Sanctioned or embargoed nation" means any foreign
19 nation subject to sanctions or an embargo under the Arms Export
20 Control Act (22 U.S.C. Section 2751 et seq.), as determined by the
21 United States Department of State.

22 Sec. 28.002. APPLICABILITY OF CHAPTER. This chapter
23 applies only to a civil action brought against a defense
24 contractor.

1 Sec. 28.003. REQUIRED DISCLOSURES RELATED TO FUNDING OR
2 FUNDING SOURCES. (a) In a civil action subject to this chapter, a
3 claimant must disclose, as part of initial disclosures required
4 under Rule 194, Texas Rules of Civil Procedure:

5 (1) whether the claimant or the claimant's attorney
6 has received, directly or indirectly, funding or financial support
7 from any individual, entity, or government affiliated with a
8 sanctioned or embargoed nation; and

9 (2) the identity of all sources of funding or
10 financial support described by Subdivision (1).

11 (b) A claimant has a continuing obligation to supplement the
12 disclosures required under this section during the pendency of the
13 action with information on the following that occur after the
14 initial disclosures are made:

15 (1) the claimant or the claimant's attorney receiving,
16 directly or indirectly, money from an individual, entity, or
17 government affiliated with a sanctioned or embargoed nation; and

18 (2) the claimant or the claimant's attorney
19 identifying a source of funding or financial support described by
20 Subsection (a)(1).

21 (c) A claimant must make a disclosure required by this
22 section not later than the 10th day after the date the claimant or
23 the claimant's attorney receives the money or identifies a source
24 of funding or financial support, as applicable.

25 (d) A disclosure required by this section must be made under
26 oath and filed with the court.

27 Sec. 28.004. WITHHOLDING DISCLOSURE PROHIBITED. (a) A

1 disclosure required by Section 28.003 may not be delayed, excluded,
2 or withheld for any reason, including because of a claim the
3 information is privileged or otherwise exempted from disclosure.

4 (b) A court may not grant a motion by a claimant to limit the
5 disclosure of proprietary or confidential information related to
6 money or sources of funding or financial support described by
7 Section 28.003.

8 Sec. 28.005. SANCTIONS. In addition to any other sanctions
9 the court is permitted to impose under law, if a claimant fails to
10 comply with this chapter, the court may:

11 (1) stay the proceeding until the required disclosure
12 is made; or

13 (2) dismiss the action with prejudice on a finding of
14 wilful noncompliance.

15 SECTION 2. Chapter 28, Civil Practice and Remedies Code, as
16 added by this Act, applies only to an action that is pending in a
17 trial court on the effective date of this Act or that is filed on or
18 after the effective date of this Act.

19 SECTION 3. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2025.