

BILL ANALYSIS

C.S.H.B. 3377
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Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised regarding the interpretation of a provision providing for the recovery of attorney's fees in certain civil actions. Interested parties contend that the fees could be recovered from any person under the original law, but when the law was codified "person" was changed to "individual or corporation." Since that codification, Texas courts have interpreted "corporation" to apply only to that specific type of business organization and not more broadly to limited liability companies and other entities not specifically listed. It has been argued that there is no public policy reason to recognize a right to recovery of fees from certain types of entities but not others. C.S.H.B. 3377 seeks to authorize the recovery of attorney's fees from any person in these actions.

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. 3377 amends the Civil Practice and Remedies Code to expand the entities from which attorney's fees may be recovered in civil actions involving specified claims to include any person.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3377 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.

The substitute omits provisions included in the original that authorized a defendant who prevails in an action for an oral or written contract to recover reasonable attorney's fees.