

SUBJECT: Establishing a database for settlement agreements for certain lawsuits

COMMITTEE: Judiciary and Civil Jurisprudence — favorable, without amendment

VOTE: 8 ayes — Leach, Farrar, Y. Davis, Krause, Meyer, Neave, Smith, White

0 nays

1 absent — Julie Johnson

WITNESSES: For — (*Registered, but did not testify*: Dennis Borel, Coalition of Texans with Disabilities; Lee Parsley, Texans for Lawsuit Reform; Billy Phenix, Texas Alliance for Patient Access; Luke Dow, Texas Trial Lawyers Association; Thomas Parkinson)

Against — None

On — (*Registered, but did not testify*: David Slayton, Office of Court Administration)

DIGEST: HB 770 would require the Office of Court Administration (OCA) to establish and maintain an electronic database containing personal injury or wrongful death settlement agreements for which a minor or incapacitated person was the beneficiary.

The settlement agreement recorded in the database would be confidential, and OCA would be required to ensure that the agreement could be accessed only by the parties to the agreement, a party's attorney, or a party's guardian, next friend, or guardian ad litem.

The bill would authorize OCA to set and collect a fee to record a settlement in an amount sufficient to cover the costs of maintaining the database, not to exceed \$50 per agreement. The fee would be a court cost to be included for payment in the settlement agreement.

HB 770 would take effect September 1, 2019, and would apply to a suit

filed on behalf of a minor or incapacitated person pending in trial court on the effective date of the bill or that was filed on or after the effective date.

**SUPPORTERS
SAY:**

HB 770 would ensure minors and incapacitated persons affected by tragic events had access to the financial compensation to which they were entitled by creating a confidential database to store settlement agreements.

In personal injury and wrongful death lawsuits that resulted in settlements before going to trial, the parties involved could choose to exclude the settlement agreement from the court records, requiring each party to maintain a private record. In such cases, minors and incapacitated persons often rely on a guardian, next friend, or court-appointed guardian to maintain their private records. However, if for any reason those records are lost, the beneficiary currently has no way to find the details of the settlement or determine what may have happened to any recovered funds. HB 770 would create a way to confidentially preserve records for minors and incapacitated persons.

Use of the electronic database would not be mandatory but would be available for a fee of up to \$50. The fees would allow the database to be self-sustaining, requiring no taxpayer funds.

**OPPONENTS
SAY:**

No concerns identified.