

**SUBJECT:** Relating to recovery of attorney's fees in certain civil cases

**COMMITTEE:** Judiciary and Civil Jurisprudence — favorable, without amendment

**VOTE:** 9 ayes — Leach, Davis, Dutton, Julie Johnson, Krause, Middleton, Moody, Schofield, Smith

0 nays

**SENATE VOTE:** On final passage, April 19 — 31-0

**WITNESSES:** None

**BACKGROUND:** Civil Practice and Remedies Code sec. 38.001 allows a person to recover reasonable attorney's fees from an individual or corporation, in addition to the amount of a valid claim and costs, in the case of certain claims.

**DIGEST:** SB 808 would expand the entities from which reasonable attorney's fees could be recovered in certain civil cases by specifying that such fees could be recovered from "another person," rather than from "an individual or corporation."

The bill would take effect September 1, 2021, and would apply only to an award of attorney's fees in an action commenced on or after that date.

**SUPPORTERS SAY:** SB 808 would address challenges related to the recovery of attorney's fees from certain business entities by expanding the entities from which attorney's fees would be recoverable in certain civil cases. Under current statute, recovery of reasonable attorney's fees is limited to recovery from individuals and corporations, making recovery difficult from other types of organizations or entities, such as limited liability companies. Replacing the "individual or corporation" language in the current statute, which has been interpreted by courts as applying only to corporations as a specific business entity, with "another person" would make it easier and more accessible to recover reasonable attorney's fees from a more encompassing list of entities.

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CRITICS  
SAY:

No concerns identified.

NOTES:

The House companion bill, HB 3377 by Krause, was considered by the House Judiciary and Civil Jurisprudence Committee in a public hearing on March 31, reported favorably on April 8, and sent to the Calendars Committee.