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BUSINESS LAW SECTION STATE BAR OF TEXAS TEXAS LEGISLATIVE UPDATE

February 13, 2015

The opening phase of the 84th Session continues as committees start to organize and the introduction and referral of bills shifts to full speed.

Both the House and Senate's budget writing committees have been meeting and are focusing on specific articles of the state's biennial budget. Several Senate Committees are beginning to hear bills, including the Senate Committee on State Affairs, which heard high-profile bills that would permit concealed handguns on campus and the open carrying of licensed guns.

Foundation bills remain in the drafting stage and we expect Legislative Council to complete work on those drafts soon.

The BLS is tracking legislation in nine (9) general subject-matter categories. Periodic updates will come in two parts, the first part, below, is a summary of the categories. The second part contains a detailed list of all bills being tracked within the categories.

Section Prepared Bills

Bills in this category are proposed by the Texas Business Law Foundation ("TBLF"). The TBLF's suggested support legislative package includes legislation in the following areas:

Business Organization Code -- Corporations

Substantive and technical amendments to the BOC affecting corporations and fundamental business transactions developed by the BLS BOC Drafting Committee.

Business Organization Code -- Partnerships and LLCs

Substantive and technical amendments to the BOC affecting partnerships and limited liabilities companies developed by the BLS BOC Drafting Committee

Uniform Commercial Code

Modifies the definition of a “person” to include a “particular series of an entity” in Chapter 1 of the Business and Commerce Code to reconcile with definitions in the UCC.

Chancery Court

An initiative by State Rep. Jason Villalba (R-Dallas) to create a chancery court system in Texas to handle specified complex business litigation.

Business Entities

[SB 433 \(Burton\)](#) – Amends the BOC code to make section 101.112, relating to member’s membership interest subject to a charging order, applicable to both single-member limited liability companies and multiple-member limited liability companies.

UCC

Awaiting the filing of additional bills and identification as to relevancy.

Securities

Awaiting the filing of additional bills and identification as to relevancy.

Financial Institutions

Awaiting the filing of additional bills and identification as to relevancy.

Business Liability

Human Trafficking

[HB 968](#) (Hernandez) – Applies to certain legal entities under the BOC and would make a shareholder or member of an entity jointly liable under Sec. 98.002 of the Civil Practices and Remedies Code for damages arising from trafficking of a person if the shareholder or member caused or had knowledge of the entity to be used for trafficking. Staff indicates the bill is modeled after Section 21.223 (b) of the Business and Commerce Code regarding existing lawsuit liability for shareholders in fraud cases and are open to suggested language.

Real Estate and Related Topics

Awaiting the filing of additional bills and identification as to relevancy.



Choice of Law

Application of Foreign and International Law

Efforts to restrict the impact in Texas courts of certain perceived repugnant foreign laws or doctrines, or so called "Anti-Sharia" laws, continue. Several bills have been filed impacting foreign judgment enforcement, and contractual choice of law and venue provisions.

SBOT BUSINESS LAW SECTION LEGISLATIVE TRACKING REPORT

02-13-2015 - 15:48:46

 - Action in the date range  - Link to Related Information () - Priority

1 - Section Prepared

2- Business Entities

HB 1029	Wray, John (F)(R)	Relating to trusts.
	Companions:	SB 387 Rodriguez, Jose (Identical) 2- 2-15 S Introduced and referred to committee on Senate State Affairs
	Bill History:	01-28-15 H Filed
HB 1120	Sanford, Scott(R)	Relating to creation of entities affiliated with a church organized as a nonprofit corporation.
	Bill History:	02-04-15 H Filed
SB 387	Rodriguez, Jose(D)	Relating to trusts.
	Companions:	HB 1029 Wray, John (F) (Identical) 1-28-15 H Filed
	Bill History:	02-02-15 S Introduced and referred to committee on Senate State Affairs
SB 433	Burton, Konni (F)(R)	Relating to a membership interest in a limited liability company subject to a charging order.
	Bill History:	02-09-15 S Introduced and referred to committee on Senate Business and Commerce

SB 500 Burton, Konni (F)(R) Relating to self-settled asset protection trusts.

Bill History: 02-11-15 S Introduced and referred to committee on Senate State Affairs

3- UCC

4 - Securities

HB 870 Smith, Wayne(R) Relating to the investment training requirement for certain local government officers.

Bill History: 01-22-15 H Filed

5 - Financial Institutions

HB 146 Menendez, Jose(D) Relating to requiring photo identification for certain credit card purchases.

Bill History: 02-09-15 H Introduced and referred to committee on House Investments and Financial Services

HB 149 Menendez, Jose(D) Relating to photo identification requirements for certain stored value card purchases.

Bill History: 02-09-15 H Introduced and referred to committee on House Investments and Financial Services

HB 371 McClendon, Ruth Jones(D) Relating to certain extensions of consumer credit facilitated by a credit access business for certain military personnel or their dependents.

Bill History: 02-12-15 H Introduced and referred to committee on House Investments and Financial Services

HB 411 Turner, Chris(D) Relating to prohibiting telemarketing calls by a credit access business.

Bill History: 12-01-14 H Filed

HB 483 Capriglione, Giovanni(R) Relating to the establishment and administration of a state bullion depository.

Bill History: 02-12-15 H Introduced and referred to committee on House Appropriations

HB 704 Farrar, Jessica(D) Relating to disclosures on selection or modification of an account by a customer of a financial institution.

Bill History: 01-14-15 H Filed

HB 705 Farrar, Jessica(D) Relating to access to a financial institution account of a person who dies intestate.

Bill History: 01-14-15 H Filed

HB 852 Sanford, Scott(R) Relating to the creation of a joint interim committee to study and make recommendations regarding the storage of biometric identifiers.

Bill History: 01-21-15 H Filed

HB 1020 Giddings, Helen(D) Relating to credit services organizations and extensions of consumer credit facilitated by credit services organizations.

Companions: SB 121 West, Royce (Identical)
1-27-15 S Introduced and referred to committee on Senate Business and Commerce

Bill History: 01-28-15 H Filed

HB 1208 Bell, Cecil(R) Relating to lender notice to contractors regarding a construction loan or financing agreement for the improvement of real property and related procedures for suspending contractors' and subcontractors' performance.

Bill History: 02-06-15 H Filed

HCR 26 Flynn, Dan(R) Urging the United States Congress to repeal the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Bill History: 11-10-14 H Filed

SB 91 Ellis, Rodney(D) Relating to a restriction on charges charged for certain extensions of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining.

Bill History: 01-26-15 S Introduced and referred to committee on Senate Business and Commerce

SB 92 Ellis, Rodney(D) Relating to regulation of certain credit services organizations and to certain extensions of consumer credit the organizations obtain for a consumer or assist a consumer in obtaining.

Bill History: 01-26-15 S Introduced and referred to committee on Senate Business and Commerce

SB 121 West, Royce(D) Relating to credit services organizations and extensions of consumer credit facilitated by credit services organizations.

Companions: [HB 1020](#) Giddings, Helen (Identical)
1-28-15 H Filed

Bill History: 01-27-15 S Introduced and referred to committee on Senate Business and Commerce

6 - Business Liability

HB 94 Gonzalez, Mary(D) Relating to a database of employers penalized for failure to pay wages or convicted of certain offenses involving wage theft.

Bill History: 02-09-15 H Introduced and referred to committee on House Business and Industry

HB 162 Gonzalez, Mary(D) Relating to administrative penalties assessed by the Texas Workforce Commission against certain employers for failure to pay wages.

Companions: [SB 152](#) Rodriguez, Jose (Identical)
1-27-15 S Introduced and referred to committee on Senate Natural Resources and Economic Develop

Bill History: 02-11-15 H Introduced and referred to committee on House Business and Industry

HB 187	Thompson, Senfronia(D)	Relating to unlawful employment practices regarding discrimination in payment of compensation.
Companions:		SB 65 Ellis, Rodney (Identical) 1-26-15 S Introduced and referred to committee on Senate Natural Resources and Economic Develop
Bill History:		02-11-15 H Introduced and referred to committee on House Business and Industry
HB 247	Raymond, Richard(D)	Relating to limits on certain actions arising out of attorney's fee agreements.
Bill History:		11-12-14 H Filed
HB 610	Davis, Sarah(R)	Relating to the statute of limitations for an action on a credit card account.
Bill History:		01-06-15 H Filed
HB 968	Hernandez, Ana(D)	Relating to civil liability of shareholders and members of certain legal entities that engage in the trafficking of persons.
Bill History:		01-27-15 H Filed
SB 65	Ellis, Rodney(D)	Relating to unlawful employment practices regarding discrimination in payment of compensation.
Companions:		HB 187 Thompson, Senfronia (Identical) 2-11-15 H Introduced and referred to committee on House Business and Industry
Bill History:		01-26-15 S Introduced and referred to committee on Senate Natural Resources and Economic Develop
SB 152	Rodriguez, Jose(D)	Relating to administrative penalties assessed by the Texas Workforce Commission against certain employers for failure to pay wages.
Companions:		HB 162 Gonzalez, Mary (Identical) 2-11-15 H Introduced and referred to committee on House Business and Industry

Bill History: 01-27-15 S Introduced and referred to committee on Senate Natural Resources and Economic Develop

7 - Taxation/Related Topics

HB 79 Guillen, Ryan(D) Relating to exemptions from the sales and use tax and the franchise tax for certain businesses during an initial period of operation in the state.

Bill History: 02-09-15 H Introduced and referred to committee on House Ways and Means

HB 193 Murphy, Jim(R) Relating to the phaseout and repeal of the franchise tax.

Bill History: 02-10-15 H Introduced and referred to committee on House Ways and Means

HB 250 Leach, Jeff(R) Relating to the phaseout and repeal of the franchise tax.

Companions: [HB 552](#) Huberty, Dan (Identical)
12-18-14 H Filed

Bill History: 02-11-15 H Introduced and referred to committee on House Ways and Means

HB 321 Keough, Mark (F)(R) A bill relating to the repeal of the franchise tax.

Bill History: 02-11-15 H Introduced and referred to committee on House Ways and Means

HB 358 Button, Angie(R) Relating to the inclusion of the costs of accepting credit and debit cards in the cost of goods sold for purposes of computing the franchise tax.

Bill History: 02-12-15 H Introduced and referred to committee on House Ways and Means

HB 419 Wu, Gene(D) Relating to federal income tax liability for certain damages awarded in certain civil actions.

Bill History: 12-01-14 H Filed

HB 525	Riddle, Debbie(R)	Relating to a franchise tax credit for wages paid to certain employees.												
	Bill History:	12-16-14 H Filed												
HB 552	Huberty, Dan(R)	Relating to the phaseout and repeal of the franchise tax.												
	Companions:	<table border="0"> <tr> <td>HB 250</td> <td>Leach, Jeff</td> <td>(Identical)</td> </tr> <tr> <td></td> <td colspan="2">2-11-15 H Introduced and referred to committee on House Ways and Means</td> </tr> </table>	HB 250	Leach, Jeff	(Identical)		2-11-15 H Introduced and referred to committee on House Ways and Means							
HB 250	Leach, Jeff	(Identical)												
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	Bill History:	12-18-14 H Filed												
HB 668	Farney, Marsha(R)	Relating to the franchise tax liability of certain taxable entities.												
	Bill History:	01-12-15 H Filed												
HB 850	Goldman, Craig(R)	Relating to the repeal of the franchise tax.												
	Companions:	<table border="0"> <tr> <td>SB 105</td> <td>Estes, Craig</td> <td>(Identical)</td> </tr> <tr> <td></td> <td colspan="2">1-27-15 S Introduced and referred to committee on Senate Finance</td> </tr> <tr> <td>SB 175</td> <td>Huffines, Donald (F)</td> <td>(Identical)</td> </tr> <tr> <td></td> <td colspan="2">1-27-15 S Introduced and referred to committee on Senate Finance</td> </tr> </table>	SB 105	Estes, Craig	(Identical)		1-27-15 S Introduced and referred to committee on Senate Finance		SB 175	Huffines, Donald (F)	(Identical)		1-27-15 S Introduced and referred to committee on Senate Finance	
SB 105	Estes, Craig	(Identical)												
	1-27-15 S Introduced and referred to committee on Senate Finance													
SB 175	Huffines, Donald (F)	(Identical)												
	1-27-15 S Introduced and referred to committee on Senate Finance													
	Bill History:	01-21-15 H Filed												
HB 1001	Davis, Yvonne(D)	Relating to restrictions on tax and fee benefits for certain private entities that outsource jobs to foreign countries.												
	Bill History:	01-28-15 H Filed												
HB 1134	Metcalfe, Will (F)(R)	Relating to the use of certain surplus state revenue to provide for a rebate of state franchise taxes.												
	Companions:	<table border="0"> <tr> <td>SB 331</td> <td>Creighton, Brandon (F)</td> <td>(Identical)</td> </tr> <tr> <td></td> <td colspan="2">2- 2-15 S Introduced and referred to committee on Senate Finance</td> </tr> </table>	SB 331	Creighton, Brandon (F)	(Identical)		2- 2-15 S Introduced and referred to committee on Senate Finance							
SB 331	Creighton, Brandon (F)	(Identical)												
	2- 2-15 S Introduced and referred to committee on Senate Finance													
	Bill History:	02-04-15 H Filed												
HB 1152	Turner, Scott(R)	Relating to the phaseout and repeal of the franchise tax.												
	Companions:	<table border="0"> <tr> <td>SB 138</td> <td>Perry, Charles (F)</td> <td>(Identical)</td> </tr> </table>	SB 138	Perry, Charles (F)	(Identical)									
SB 138	Perry, Charles (F)	(Identical)												

		1-27-15 S Introduced and referred to committee on Senate Finance
	Bill History:	02-05-15 H Filed
HB 1314	Bohac, Dwayne(R)	Relating to the phaseout and repeal of the franchise tax.
	Bill History:	02-11-15 H Filed
HB 1315	Bohac, Dwayne(R)	Relating to temporary permissive alternate rates for the franchise tax.
	Bill History:	02-11-15 H Filed
HB 1316	Bohac, Dwayne(R)	Relating to decreasing the rates of the franchise tax.
	Bill History:	02-11-15 H Filed
HCR 27	Stephenson, Phil(R)	Urging the U.S. Congress to abolish the current income-based system of taxation and to enact a national retail sales tax, and urging repeal of the Sixteenth Amendment.
	Bill History:	11-10-14 H Filed
HJR 80	Metcalf, Will (F)(R)	Proposing a constitutional amendment concerning the use of unencumbered surplus state revenues to provide for a rebate of state franchise taxes.
	Companions:	SJR 23 Creighton, Brandon (F) (Identical) 2- 2-15 S Introduced and referred to committee on Senate Finance
	Bill History:	02-04-15 H Filed
SB 52	Nelson, Jane(R)	Relating to the computation of the franchise tax.
	Bill History:	01-26-15 S Introduced and referred to committee on Senate Finance
SB 105	Estes, Craig(R)	Relating to the repeal of the franchise tax.
	Companions:	HB 850 Goldman, Craig (Identical) 1-21-15 H Filed SB 175 Huffines, Donald (F) (Identical) 1-27-15 S Introduced and referred to committee on Senate Finance

Bill History: 01-27-15 S Introduced and referred to committee on Senate Finance

SB 134 Schwertner, Charles(R) Relating to the total revenue exemption for the franchise tax.

Bill History: 01-27-15 S Introduced and referred to committee on Senate Finance

SB 138 Perry, Charles (F)(R) Relating to the phaseout and repeal of the franchise tax.

Companions: HB 1152 Turner, Scott (Identical)
2- 5-15 H Filed

Bill History: 01-27-15 S Introduced and referred to committee on Senate Finance

SB 175 Huffines, Donald (F)(R) Relating to the repeal of the franchise tax.

Companions: HB 850 Goldman, Craig (Identical)
1-21-15 H Filed
SB 105 Estes, Craig (Identical)
1-27-15 S Introduced and referred to committee on Senate Finance

Bill History: 01-27-15 S Introduced and referred to committee on Senate Finance

SB 186 Creighton, Brandon (F)(R) Relating to the franchise tax and alternative revenue sources and spending priorities for this state.

Bill History: 01-27-15 S Introduced and referred to committee on Senate Finance

SB 330 Creighton, Brandon (F)(R) Relating to the computation of the franchise tax.

Bill History: 02-02-15 S Introduced and referred to committee on Senate Finance

SB 331 Creighton, Brandon (F)(R) Relating to the use of certain surplus state revenue to provide for a rebate of state franchise taxes.

Companions: HB 1134 Metcalf, Will (F) (Identical)
2- 4-15 H Filed

Bill History: 02-02-15 S Introduced and referred to committee on Senate Finance

SJR 23 Creighton, Brandon (F)(R) Proposing a constitutional amendment concerning the use of unencumbered surplus state revenues to provide for a rebate of state franchise taxes.

Companions: HJR 80 Metcalf, Will (F) (Identical)
2- 4-15 H Filed

Bill History: 02-02-15 S Introduced and referred to committee on Senate Finance

8 - Real Estate/Related Topics

HB 703 Farrar, Jessica(D) Relating to authorizing a revocable deed that transfers real property at the transferor's death.

Companions: SB 462 Huffman, Joan (Identical)
2-10-15 S Introduced and referred to committee on Senate State Affairs

Bill History: 01-14-15 H Filed

HB 971 Bohac, Dwayne(R) Relating to requirements governing officers and directors of condominium unit owners' associations and property owners' associations.

Bill History: 01-27-15 H Filed

HB 1239 Walle, Amando(D) Relating to the provision of accounting statements by mortgage servicers for certain loans secured by a lien on residential real property.

Bill History: 02-09-15 H Filed

SB 462 Huffman, Joan(R) Relating to authorizing a revocable deed that transfers real property at the transferor's death.

Companions: HB 703 Farrar, Jessica (Identical)
1-14-15 H Filed

Bill History: 02-10-15 S Introduced and referred to committee on Senate State Affairs

9 - Choice of Law

HB 562 Leach, Jeff(R) Relating to the application of foreign laws and foreign forum selection in a proceeding involving marriage, a suit for dissolution of a marriage, or a suit affecting the parent-child relationship in this state.

Companions: SB 531 Campbell, Donna (Identical)
2-10-15 S Filed

Bill History: 12-19-14 H Filed

HB 670 Flynn, Dan(R) Relating to the application of foreign laws and foreign forum selection in this state.

Bill History: 01-12-15 H Filed

HB 828 Zedler, Bill(R) Relating to the application of foreign and international laws and doctrines in this state and requiring a court of this state to uphold and apply certain laws, including the doctrine requiring courts to refrain.

Bill History: 01-21-15 H Filed

HB 899 Fallon, Pat(R) Relating to the application of foreign laws and foreign forum selection in certain family law proceedings.

Bill History: 01-23-15 H Filed

SB 531 Campbell, Donna(R) Relating to the application of foreign laws and foreign forum selection in a proceeding involving marriage, a suit for dissolution of a marriage, or a suit affecting the parent-child relationship in this state.

Companions: HB 562 Leach, Jeff (Identical)
12-19-14 H Filed

Bill History: 02-10-15 S Filed