

BILL ANALYSIS

Senate Research Center

S.B. 648
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Technology & Business Growth
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As Filed

DIGEST

Currently, under Texas law, there is a conflict of case law concerning the validity of venue selection clauses, particularly as relates to large commercial transactions. This bill authorizes the specification of venue for actions arising from certain major transactions.

PURPOSE

As proposed, S.B. 648 authorizes the specification of venue for actions arising from certain major transactions.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 15B, Civil Practice and Remedies Code, by adding Section 15.020, as follows:

Sec. 15.020. MAJOR TRANSACTIONS: SPECIFICATION OF VENUE BY AGREEMENT. Defines “major transaction.” Requires an action arising from a major transaction to be brought in a county if the party against whom the action is brought has agreed in writing that a suit arising from the transaction may be brought in that county. Prohibits an action arising from a major transaction from being brought in a county under certain conditions, notwithstanding any other provision of this title. Provides that this section does not apply to an action under certain conditions. Provides that this section does not affect venue and jurisdiction in an action that is not a major transaction.

SECTION 2. Makes application of this Act prospective.
Effective date: 90 days after adjournment.