

BILL ANALYSIS

Senate Research Center

H.B. 1692
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under the doctrine of forum non conveniens, a court may dismiss a lawsuit if another court is a more appropriate forum to hear the case. The doctrine allows a Texas court to dismiss a lawsuit with little or no connection to the state.

Most jurisdictions consider the legal residency of the plaintiff as one of many factors in a balancing test, but Texas uses residency alone as the basis to maintain a lawsuit in Texas. Additionally, the Texas definition of legal resident is so broad as to allow resident intervenors or derivative plaintiffs to bring a case from non-residents into the state.

H.B. 1692 aims to preserve Texas courts for Texas residents by requiring non-residents to establish that claims arising in another state or country have a significant connection to Texas.

H.B. 1692 amends current law relating to the doctrine of forum non conveniens.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 71.051(e) and (h), Civil Practice and Remedies Code, as follows:

(e) Prohibits the court from staying or dismissing a plaintiff's claim under Subsection (b) (requiring a court of this state, if the court finds that a claim or action would be more properly heard in a forum outside this state, to decline to exercise jurisdiction under the doctrine of forum non conveniens) if the plaintiff is a legal resident of this state or a derivative claimant of a legal resident of this state. Requires that the determination of whether a claim may be stayed or dismissed under Subsection (b) be made with respect to each plaintiff without regard to whether the claim of any other plaintiff may be stayed or dismissed under Subsection (b) and without regard to a plaintiff's country of citizenship or national origin. Requires the court, if an action involves both plaintiffs who are legal residents of this state and plaintiffs who are not, to consider the factors provided by Subsection (b) and determine whether to deny the motion or to stay or dismiss the claim of any plaintiff who is not a legal resident of this state.

Deletes existing text of Subsection (e) prohibiting the court, if an action involves both plaintiffs who are legal residents of this state and plaintiffs who are not, from staying or dismissing the action under Subsection (b) if the plaintiffs who are legal residents of this state are properly joined in the action and the action arose out of a single occurrence. Deletes existing text requiring the court to dismiss a claim under Subsection (b) if the court finds by a preponderance of the evidence that a party was joined solely for the purpose of obtaining or maintaining jurisdiction in this state and the party's claim would be more properly heard in a forum outside this state.

(h) Defines "derivative claimant" rather than "legal resident" and redefines "plaintiff."

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2015.