

AN ACT

relating to discovery of evidence of the net worth of a defendant in connection with a claim for exemplary damages.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 41.001, Civil Practice and Remedies Code, is amended by adding Subdivision (7-a) to read as follows:

(7-a) "Net worth" means the total assets of a person minus the total liabilities of the person on a date determined appropriate by the trial court.

SECTION 2. Chapter 41, Civil Practice and Remedies Code, is amended by adding Section 41.0115 to read as follows:

Sec. 41.0115. DISCOVERY OF EVIDENCE OF NET WORTH FOR EXEMPLARY DAMAGES CLAIM. (a) On the motion of a party and after notice and a hearing, a trial court may authorize discovery of evidence of a defendant's net worth if the court finds in a written order that the claimant has demonstrated a substantial likelihood of success on the merits of a claim for exemplary damages. Evidence submitted by a party to the court in support of or in opposition to a motion made under this subsection may be in the form of an affidavit or a response to discovery.

(b) If a trial court authorizes discovery under Subsection (a), the court's order may only authorize use of the least burdensome method available to obtain the net worth evidence.

(c) When reviewing an order authorizing or denying

1 discovery of net worth evidence under this section, the reviewing
2 court may consider only the evidence submitted by the parties to the
3 trial court in support of or in opposition to the motion described
4 by Subsection (a).

5 (d) If a party requests net worth discovery under this
6 section, the court shall presume that the requesting party has had
7 adequate time for the discovery of facts relating to exemplary
8 damages for purposes of allowing the party from whom net worth
9 discovery is sought to move for summary judgment on the requesting
10 party's claim for exemplary damages under Rule 166a(i), Texas Rules
11 of Civil Procedure.

12 SECTION 3. The change in law made by this Act applies only
13 to an action filed on or after the effective date of this Act.

14 SECTION 4. This Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 735 passed the Senate on April 28, 2015, by the following vote: Yeas 20, Nays 11; and that the Senate concurred in House amendment on May 28, 2015, by the following vote: Yeas 23, Nays 8.

Secretary of the Senate

I hereby certify that S.B. No. 735 passed the House, with amendment, on May 22, 2015, by the following vote: Yeas 93, Nays 44, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor