

Filing in the Texas Business Court

General Information

The Texas Business Court is a statewide, specialized trial court created to resolve certain complex business disputes. The business court is composed of eleven divisions. Each division is made up of the counties that compose the existing eleven <u>Administrative Judicial Regions</u>. (Please see Attachments A and B for a map of the business court divisions and a list of the counties composing them.) Divisions 1, 3, 4, 8 and 11 will be operational beginning September 1, 2024, and will each have two judges that are appointed by the Governor. The remaining six divisions will be abolished unless reauthorized by the Texas Legislature during the 2025 legislative session and funded through legislative appropriations.

Business Court Clerk

The administrative presiding judge of the Business Court will appoint a business court clerk, whose office will be in Austin at the William P. Clements Building at 300 W. 15th Street, Suite 606, Austin, Texas 78701. The clerk shall accept all filings for the business court and fulfill the legal and administrative functions of a district clerk.

If you have questions prior to the appointment of the clerk, please direct them to Interim Clerk, Beverly Crumley via email at <u>BCClerk@txcourts.gov</u> or by phone at (512) 463-1616.

Filing Fees

In the Business Court:

filing fee for action originally filed in the business court	
additional filing fee for action originally filed in the business court	\$137
filing fee for action removed to the business court	\$2500
any action listed in Loc. Gov't Code § 133.151(a)(2)	\$80
any other motion	\$50
fees for services performed by the clerk sam	ne as fees in Gov't Code §§ 51.318–.319
jury fee	as ordered by the business court

Original Filings in Business Court

An original case filed in the business court shall be e-filed through eFileTexas to the business court clerk. The filer shall determine the proper jurisdiction by selecting the proper division within the process developed in the e-file system. If a business court division has multiple courts, the clerk will rotate assignment of the cases between the courts in the division.

New Case Filing				
1 Case information	2 Parties	3 Filings	4 Service	5 Fees
	Case information			
	* Court Location Business Court			× •
	Business Court Div	ision 1		
	Business Court Div	ision 11		
	Business Court Div	ision 3		
	Business Court Div	ision 4		
	Business Court Div	ision 8		_

If the business court or assigned division of a business court does not have jurisdiction of the action, at the option of the party filing the action, the court shall:

- (1) Transfer the action to the proper division within the business court;
- (2) Transfer the action to the proper district or county court at law in the county of proper jurisdiction; or
- (3) Dismiss the action without prejudice to the party's rights.

Removals to Business Court – Applies only to actions filed after 9/1/2024

A party to an action filed in district court or county court at law that is within the jurisdiction of the business court may agree to remove the action to the business court.

Notice of Removal Required A party to an action originally filed in a district court or county court at law may remove the action to the business court by filing a notice of removal with:

- (1) the court from which removal is sought; and
- (2) the business court.

The notice of removal filing with the business court must be filed through the e-filetexas.gov system to the business court as an initial filing along with the appropriate filing fees. See above **Filing Fees schedule.

Notice Deadline

- (1) When Agreed. A party may file a notice of removal reflecting the agreement of all parties at any time during the pendency of the action to have the case "transferred" to business court.
- (2) When Not Agreed. The notice of removal **must** be filed:
 - (A) Within 30 days after the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's authority to hear the action; or
 - (B) If an application for temporary injunction is pending on the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's authority to hear the action, within 30 days after the date the application is granted, denied, or denied by operation of law.

Clerk Duties On receipt of the notice of removal, the clerk of the court from which removal is sought **must** immediately transfer the action to the business court as a subsequent filing, using the same procedures as a transfer of venue and include the Notice of Removal with all other file documents of the file including a docket sheet and/or case summary or index of all pleadings, service documents, and orders in the case file. A transfer certificate should be used which is provided at this link: <u>transfer certificate</u>. If the party has not filed a notice of removal with the business court, the clerk of the original court of jurisdiction should inform the party so that they may file the required notice with the business court and the clerk of the original court of jurisdiction may transfer the case to the business court under the case number issued upon receiving the notice of removal. The business court clerk will notify the parties and original court of jurisdiction of the receipt of notice of removal and business court cause number upon the filing of the notice from the party.

Customary fees for transferring a case would apply and be paid by the party requesting the transfer.

Remand Process

If the business court does not have jurisdiction of the action, the business court shall remand the action to the court in which the action was originally filed.

- (1) When required. If the business court determines, on motion or its own initiative, that the filing of the case in the business court was improper, the business court must remand the action to the court from which the action was removed.
- (2) Motion To Remand.
 - (A) A party may file a motion to remand the action in the business court on improper filing in the business court jurisdiction, except as provided in (B), the motion must be filed within 30 days after the notice of removal is filed.
 - (B) If a party is served with process after the notice of removal is filed, the party seeking remand must file a motion to remand within 30 days after party enters an appearance.
- (3) On Business Court's Own Initiative. The business court must provide the parties 10 days' notice of its intent to remand on its own initiative providing an opportunity to be heard on any objection.

Clerk Duties On receipt of the notice of remand, the clerk of the business court *must* transfer the action to the original court of jurisdiction, using same procedures as a transfer of venue. Customary fees for transferring a case would apply and be paid by the party requesting the transfer. The business court clerk

will transfer all documents filed with the business court during the pendency of the case in the business court.

Actions Transferred to the Business Court - Applies only to actions filed after 9/1/2024

Transfer Request On its own initiative, a court may request the presiding judge for the administrative judicial region in which the court is located to transfer an action pending in the court to the business court if the business court has the authority to hear the action. In this rule, the "regional presiding judge" means the presiding judge for the administrative judicial region in which the court is located.

Notice and Hearing The court must notify all parties of the transfer request and, if any party objects, must set a hearing on the transfer request in consultation with the regional presiding judge. The regional presiding judge must self-assign to the court, conduct a hearing on the request, and rule on the request.

Transfer The regional presiding judge may transfer the action to the business court if the regional presiding judge finds the transfer will facilitate the fair and efficient administration of justice. A party may challenge the regional presiding judge's denial of a motion to transfer by filing a petition for writ of mandamus in the court of appeals district for the requesting court's county.

Remand A party may seek remand from the business court under Rule 355 within 30 days after transfer of the case.

Clerk Duties The clerk of original jurisdiction must transfer the case using efiletexas.gov and with guidance from the parties determine the proper region of the business court to transfer to. The business clerk must review and determine the transfer was assigned to the appropriate operating division of the business court. If the division has more than one judge, then the business clerk must alternate assignment of the case within the division.

Jury Practice and Procedure; Venue for Jury Trial

A jury trial in a case filed initially in business court shall be held in any county in which the case could have been filed, as chosen by the plaintiff. If a case were removed to the business court, the jury trial shall be held in the county in which the action was originally filed. The business court and/or clerk will contact the district court and/or clerk of the appropriate county to make arrangements for the jury trial to be scheduled. The local county will follow usual procedures for summonsing jurors, creating a list of available jurors, and compensating jurors for the business court.

The practice would be like a change of venue proceeding.

The business court will set the jury fee in an order. The local jurisdiction providing the jury service must submit an invoice to the business court providing the information necessary to issue a jury fee order. The fee will include a \$300.00 fee for staff time in summonsing jurors and the use of a jury summons system; a fee for any needed security; a fee for juror pay and a fee for actual processing costs related to summonsing jurors, including postage, printing costs, and copy costs. The business court will allocate these fees between the parties, and the fees will be paid directly to the jurisdiction providing the services.

Rules Adopted by Supreme Court regarding Business Court

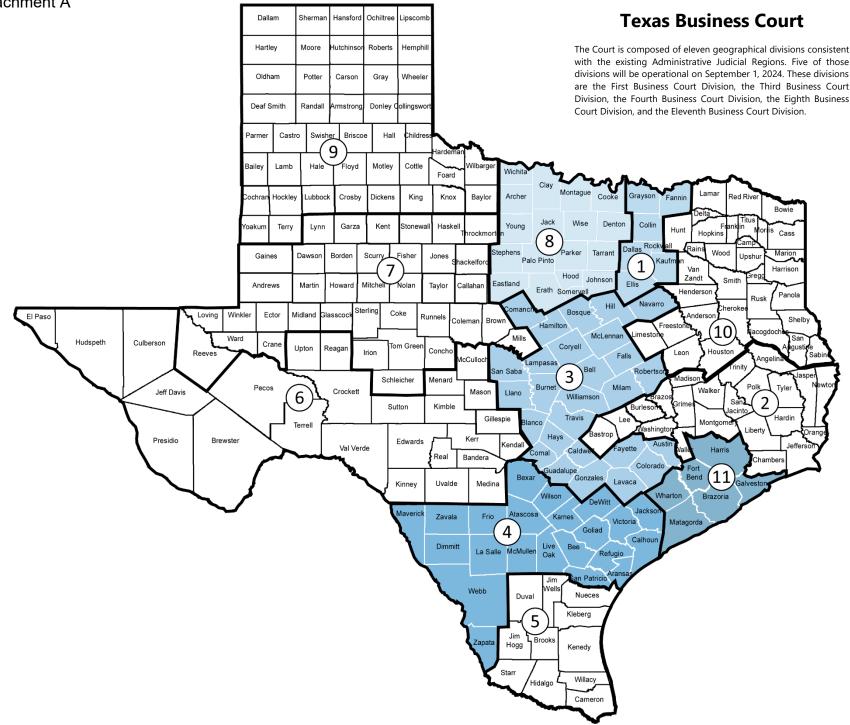
Supreme Court Rules for the Business Court

Supreme Court Order for Filing Fees

Enclosed Attachments

Attachment A:	Map of Business Court Divisions
Attachment B:	Counties served by each Business Court Division
Attachment C:	SCOTX Rules for the Business Court
Attachment D:	SCOTX Fee Schedule
Attachment E:	HB 19 (88R)

Attachment A





TEXAS BUSINESS COURT

Counties served by Business Court Division

1 st Division	3 rd Division	4 th Division	8 th Division	11 th Division
Collin	Austin	Aransas	Archer	Brazoria
Dallas	Bell	Atascosa	Clay	Fort Bend
Ellis	Blanco	Bee	Cooke	Galveston
Fannin	Bosque	Bexar	Denton	Harris
Grayson	Burnet	Calhoun	Eastland	Matagorda
Kaufman	Caldwell	De Witt	Erath	Wharton
Rockwall	Colorado	Dimmit	Hood	
	Comal	Frio	Jack	
	Comanche	Goliad	Johnson	
	Coryell	Jackson	Montague	
	Falls	Karnes	Palo Pinto	
	Fayette	La Salle	Parker	
	Gonzales	Live Oak	Somervell	
	Guadalupe	Maverick	Stephens	
	Hamilton	McMullen	Tarrant	
	Hays	Refugio	Wichita	
	Hill	San Patricio	Wise	
	Lampasas	Victoria	Young	
	Lavaca	Webb		
	Llano	Wilson		
	McLennan	Zapata		
	Milam	Zavala		
	Navarro			
	Robertson			
	San Saba			
	Travis			
	Williamson			

Supreme Court of Texas

Misc. Docket No. 24-9037

Final Approval of Rules for the Business Court

ORDERED that:

- 1. On February 6, 2024, in Misc. Dkt. No. 24-9004, the Court preliminarily approved Texas Rules of Civil Procedure 352-359 and amendments to Texas Rule of Civil Procedure 2, Canon 6 of the Code of Judicial Conduct, and Texas Rules of Judicial Administration 2, 3, 4, 6.1, and 7, and invited public comment.
- 2. Following the public comment period, the Court made revisions to the rules. Except as provided in paragraph 3, this Order incorporates the revisions and contains the final version of the new and amended rules, effective September 1, 2024. The new rules are shown in clean form, whereas the amendments are demonstrated in redline form.
- 3. Amendments to Rule of Judicial Administration 7, including the proposed changes in Misc. Dkt. No. 24-9004, were finalized on February 20, 2024, in Misc. Dkt. No. 24-9006. Accordingly, those changes are not included in this Order.
- 4. The Clerk is directed to:
 - a. file a copy of this Order with the Secretary of State;
 - b. cause a copy of this Order to be mailed to each registered member of the State Bar of Texas by publication in the *Texas Bar Journal*;
 - c. send a copy of this Order to each elected member of the Legislature; and
 - d. submit a copy of this Order for publication in the *Texas Register*.

Dated: June 28, 2024.

Nathan L. Hecht, Chief Justice

Debra H. Lehrmann, Justice

Je 5 Just ce

John ⁵. Dev Justic ne

es D. Blacklock, Justice Ja

ett Busby, Justice

ne N. Bland, Justice

Rebeca A. Huddle, Justice

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TEXAS RULES OF CIVIL PROCEDURE

RULE 2. SCOPE OF RULES

These rules shall govern the procedure in the justice, county, and district, and business courts of the State of Texas in all actions of a civil nature, with such exceptions as may be hereinafter stated. Where any statute in effect immediately prior to September 1, 1941, prescribed a rule of procedure in lunacy, guardianship, or estates of decedents, or any other probate proceedings in the county court differing from these Rules, and not included in the "List of Repealed Statutes," such statute shall apply; and where any statute in effect immediately prior to September 1, 1941, and not included in the "List of Repealed Statutes," prescribed a rule of procedure in any special statutory proceeding differing from these rules, such statute shall apply. All statutes in effect immediately prior to September 1, 1941, prescribing rules of procedure in bond or recognizance forfeitures in criminal cases are hereby continued in effect as rules of procedure governing such cases, but where such statutes prescribed no rules of procedure in such cases, these rules shall apply. All statutes in effect immediately prior to September 1, 1941, prescribing rules of procedure in tax suits are hereby continued in effect as rules of procedure governing such cases, but where such statutes prescribed no rules of procedure in such cases, these rules shall apply; provided, however, that Rule 117a shall control with respect to citation in tax suits.

Notes and Comments

<u>Comment to 2024 change: Rule 2 is revised to modernize the rule and clarify</u> that the Texas Rules of Civil Procedure govern the procedures in the business court.

PART III – RULES OF PROCEDURE FOR THE COURTS OF APPEALSPRACTICE IN THE BUSINESS COURT

RULE 352. THE BUSINESS COURT GENERALLY

Chapter 25A, Government Code, and Parts I, II, III, and VI of these rules govern the procedures in the business court. If there is any conflict between Parts I, II, and VI and Part III, Part III controls.

Notes and Comments

Comment to 2024 change: Part III of these rules is adopted to implement Texas Government Code Chapter 25A.

RULE 353. FEES FOR BUSINESS COURT ACTIONS

The Office of Court Administration and the business court must publish a schedule of business court fees. Parties must pay the fees as specified in the schedule, except the business court must waive fees for inability to afford payment of court costs, consistent with Rule 145, and may otherwise waive fees in the interest of justice.

Notes and Comments

Comment to 2024 change: Rule 353 is adopted to implement Texas Government Code Section 25A.018.

RULE 354. ACTION ORIGINALLY FILED IN THE BUSINESS COURT

- (a) *Pleading Requirements.* For an action originally filed in the business court, an original pleading that sets forth a claim for relief—whether an original petition, counterclaim, cross-claim, or third party claim—must, in addition to the pleading requirements specified in Part II of these rules, plead facts to establish the business court's authority to hear the action. An original petition must also plead facts to establish venue in a county in an operating division of the business court.
- (b) *Clerk Duties*. The business court clerk must assign the action to a division of the business court. If the division has more than one judge, then the clerk must randomly assign the action to a specific judge within that division.

- (c) *Challenges.*
 - To Venue. A motion challenging venue must comply with Rules 86 and 87.
 - (2) To Authority. A motion challenging the business court's authority to hear an action must be filed within 30 days of the movant's appearance.
- (d) Transfer or Dismissal.
 - (1) Venue Transfer. If the business court determines, on a party's motion, that the division's geographic territory does not include a county of proper venue for the action, the business court must:
 - (A) if an operating division of the business court includes a county of proper venue, transfer the action to that division; or
 - (B) if there is not an operating division of the business court that includes a county of proper venue, at the request of the party filing the action, transfer the action to a district court or county court at law in a county of proper venue.
 - (2) Authority. If the business court determines, on a party's motion or its own initiative, that it does not have the authority to hear the action, the business court must:
 - (A) if the determination was made on its own initiative, provide at least 10 days' notice of the intent to transfer or dismiss and an opportunity to be heard on any objection; and
 - (B) at the request of the party filing the action:
 - (i) transfer the action to a district court or county court at law in a county of proper venue; or
 - (ii) dismiss the action without prejudice to the parties' claims.

Comment to 2024 change: Rule 354 is adopted to implement Texas Government Code Sections 25A.006(a)-(c) and 25A.020(a)(2). Texas Government Code Section 25A.004 specifies the business court's authority to hear an action.

RULE 355. ACTION REMOVED TO THE BUSINESS COURT

- (a) *Notice of Removal Required.* A party to an action originally filed in a district court or county court at law may remove the action to the business court by filing a notice of removal with:
 - (1) the court from which removal is sought; and
 - (2) the business court.
- (b) *Notice Contents.* The notice must:
 - (1) state whether all parties agree to the removal;
 - (2) plead facts to establish:
 - (A) the business court's authority to hear the action; and
 - (B) venue in a county in an operating division of the business court; and
 - (3) contain a copy of the district court's or county court at law's docket sheet and all process, pleadings, and orders in the action.
- (c) *Notice Deadline.*
 - (1) When Agreed. A party may file a notice of removal reflecting the agreement of all parties at any time during the pendency of the action.
 - (2) When Not Agreed. If all parties have not agreed to remove the action, the notice of removal must be filed:
 - (A) within 30 days after the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's authority to hear the action; or
 - (B) if an application for temporary injunction is pending on the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's authority to hear the action, within 30 days after the date the application is granted, denied, or denied by operation of law.

- (d) *Effect of Notice*. A notice of removal to the business court is not subject to due order of pleading rules. Filing a notice of removal does not waive a defect in venue or constitute an appearance waiving a challenge to personal jurisdiction.
- (e) *Clerk Duties.* On receipt of a notice of removal, the clerk of the court from which removal is sought must immediately transfer the action to the business court. The business court clerk must assign the action to the appropriate operating division of the business court. If the division has more than one judge, then the clerk must randomly assign the action to a specific judge within that division.
- (f) *Remand.*
 - (1) When Required. If the business court determines, on motion or its own initiative, that removal was improper, the business court must remand the action to the court from which the action was removed.
 - (2) Motion to Remand.
 - (A) A party may file a motion to remand the action in the business court based on improper removal. Except as provided in (B), the motion must be filed within 30 days after the notice of removal is filed.
 - (B) If a party is served with process after the notice of removal is filed, the party seeking remand must file a motion to remand within 30 days after the party enters an appearance.
 - (3) On Business Court's Own Initiative. The business court must provide the parties 10 days' notice of its intent to remand on its own initiative and an opportunity to be heard on any objection.

Comment to 2024 change: Rule 355 is adopted to implement Texas Government Code Section 25A.006(d)-(g), (i)-(j) and Section 25A.020(a).

RULE 356. ACTION TRANSFERRED TO THE BUSINESS COURT

(a) *Transfer Request.* On its own initiative, a court may request the presiding judge for the administrative judicial region in which the court is located to transfer an action pending in the court to the business court if the business court has the authority to hear the action. In this rule, the "regional presiding judge" means the presiding judge for the administrative judicial region in which the court is located.

- (b) *Notice and Hearing.* The court must notify all parties of the transfer request and, if any party objects, must set a hearing on the transfer request in consultation with the regional presiding judge. The regional presiding judge must self-assign to the court, conduct a hearing on the request, and rule on the request.
- (c) *Transfer*. The regional presiding judge may transfer the action to the business court if the regional presiding judge finds the transfer will facilitate the fair and efficient administration of justice. A party may challenge the regional presiding judge's denial of a motion to transfer by filing a petition for writ of mandamus in the court of appeals district for the requesting court's county.
- (d) *Remand*. A party may seek remand from the business court under Rule 355 within 30 days after transfer of the case.
- (e) *Clerk Duties.* The business court clerk must assign the action to the appropriate operating division of the business court. If the division has more than one judge, then the clerk must randomly assign the action to a specific judge within that division.

Comment to 2024 change: Rule 356 is adopted to implement Texas Government Code Section 25A.006(k).

RULE 357. EFFECT OF DISMISSAL OF AN ACTION OR CLAIM

If the business court dismisses an action or claim and the same action or claim is filed in a different court within 60 days after the dismissal becomes final, the applicable statute of limitations is suspended for the period between the filings.

RULE 358. APPEARANCE AT BUSINESS COURT PROCEEDINGS

Rule 21d governs remote proceedings in the business court, except:

- (a) the business court must not require a party or lawyer to appear electronically for a proceeding in which oral testimony is heard absent agreement of the parties; and
- (b) the business court must not allow or require a participant to appear electronically for a jury trial.

Comment to 2024 change: Rule 358 is adopted to implement Texas Government Code Section 25A.017.

RULE 359. MAKING A RECORD

Each judge of the business court must appoint an official court reporter from a pool selected by the Office of Court Administration. A court reporter for the business court may serve more than one judge. Unless otherwise requested by the parties, a court may make a record by electronic recording consistent with Texas Rule of Appellate Procedure 13.

RULE 360. WRITTEN OPINIONS IN BUSINESS COURT ACTIONS

- (a) *When Required*. A business court judge must issue a written opinion:
 - (1) in connection with a dispositive ruling, on the request of a party; and
 - (2) on an issue important to the jurisprudence of the state, regardless of request.
- (b) *When Permitted.* A business court judge may issue a written opinion in connection with any order.

Notes and Comments

Comment to 2024 change: Rule 359 is adopted to implement Texas Government Code Section 25A.016.

TEXAS CODE OF JUDICIAL CONDUCT

Canon 6: Compliance with the Code of Judicial Conduct

A. The following persons shall comply with all provisions of this Code:

- (1) An active, full-time justice or judge of one of the following courts:
 - (a) the Supreme Court,
 - (b) the Court of Criminal Appeals,
 - (c) courts of appeals,
 - (d) district courts,
 - (e) criminal district courts,
 - (f) statutory county courts, and
 - (g) statutory probate courts., and
 - (h) the business court.

TEXAS RULES OF JUDICIAL ADMINISTRATION

Rule 2. Definitions

In these rules:

a. "Chief Justice" means the Chief Justice of the Supreme Court.

b. "Presiding Judge" means the presiding judge of an administrative region.

c. "Administrative region" means an administrative judicial region created by Section 74.042 of the Texas Government Code.

d. "Statutory county court" means a court created by the legislature under Article V, Section 1, of the Texas Constitution, including county courts at law, county criminal courts, county criminal courts of appeals, and county civil courts at law, but not including statutory probate courts as defined by Section 3(ii) of the Texas Probate Code.

e. <u>"Business court" means a court created by Section 25A.002 of the Texas</u> <u>Government Code.</u>

Rule 3. Council of Presiding Judges

a. There is hereby created the Council of Presiding Judges, composed of the Chief Justice as chairman and the <u>nineeleven</u> presiding judges of the administrative regions.

Rule 4. Council of Judges

a. There is hereby created in each of the administrative regions a Council of Judges, composed of the Presiding Judge as Chairman, judges of the district courts, and statutory county courts, and business court within the region, senior judges, and former district and statutory county court judges residing in the region who have qualified to serve as judicial officers under the provisions of Section 74.055 of the Texas Government Code.

b. The Presiding Judge shall call at least one meeting each year of the Council of Judges of the administrative region, at a time and place designated by the Presiding Judge, for consultation and counseling on the state of the dockets and the civil and criminal business in the district and statutory county courts of the administrative region and arranging for the disposition of cases and other business pending on the court dockets. At the meeting, the Council shall study and act upon the matters listed in Rule 3.e and such other matters as may be presented to the meeting by the judges in attendance.

c. The Council of Judges shall adopt rules for the administration of the affairs of the district and statutory county courts within the administrative region, including, but not limited to, rules for:

(1) management of the business, administrative and nonjudicial affairs of the courts;

(2) docket management systems to provide the most efficient use of available court resources;

(3) the reporting of docket status information to reflect not only the numbers of cases on the dockets but also the types of cases relevant to the time needed to dispose of them;

(4) meaningful procedures for achieving the time standards for the disposition of cases provided by Rule 6;

(5) such other matters necessary to the administrative operations of the courts; and

(6) judicial budget matters.

d. The expenses of judges attending meetings of the Council of Judges may be paid from funds provided by law.

Rule 6. Time Standards for the Disposition of Cases.

Rule 6.1 District, and Statutory County, and Business Courts.

District-<u>, and statutory county court</u>, and business court judges of the county in which cases are filed should, so far as reasonably possible, ensure that all cases are brought to trial or final disposition in conformity with the following time standards:

Supreme Court of Texas

Misc. Docket No. 24-9047

Fees Charged in the Supreme Court, in Civil Cases in the Courts of Appeals, Before the Judicial Panel on Multi-District Litigation, and in the Business Court

ORDERED that:

Effective September 1, 2024, the following fees apply except to persons exempt by law.

In the Supreme Court:

petition for review	\$155
additional fee if petition for review is granted	\$75
original proceeding	\$155
additional fee if original proceeding is granted	\$75
certified question from a federal court of appeals	\$180
direct appeal to the Supreme Court	\$205
any other proceeding filed in the Supreme Court	\$180
administering an oath with sealed certificate of oath	\$5
certified copy including certificate and seal \$0.50 per j	page, \$5 minimum
comparing and certifying copy of document \$0.50 per j	page, \$5 minimum
motion for rehearing	\$15
motion not otherwise listed	\$10
exhibit tendered for oral argument	\$25

In the Courts of Appeals:

appeal from a district or county court	\$205
original proceeding	\$155
administering an oath with sealed certificate of oath	\$5
certified copy including certificate and seal certification \$1.00 per page,	\$5 minimum
comparing and certifying copy of document\$1.00 per page,	\$5 minimum
motion for rehearing or for en banc reconsideration	\$15
motion not otherwise listed	\$10

exhibit tendered for oral argument\$25
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In the Supreme Court and the Courts of Appeals:

¹ A Court may authorize additional, reasonable charges for personnel, overhead, or document retrieval for services provided by the clerk or by contract with an outside entity.

Before the Judicial Panel on Multi-District Litigation:

motion to transfer to pretrial court	\$275
appeal of a pretrial court order by motion for rehearing	
any other motion or document	\$50

In the Business Court:

filing fee for action originally filed in the business court ²	\$2500
additional filing fee for action originally filed in the business court ³	\$137
filing fee for action removed to the business court ²	\$2500
any action listed in Loc. Gov't Code § 133.151(a)(2) ⁴	\$80
any other motion ²	\$50
fees for services performed by the clerk ² same as fees in Gov't Code §§ 51	1.318–.319
jury fee ⁵ as ordered by the busi	ness court

 2 This fee will be distributed to the fund to cover the costs for administering the business court.

 3 This fee stems from Loc. Gov't Code § 133.151 and will be distributed to the various state funds that would normally receive the fee as set out in that section.

⁴ This fee stems from Loc. Gov't Code §§ 133.151 and 135.101 and will be distributed as follows: \$45 to the various state funds that would normally receive the fee as set out in § 133.151 and \$35 to the fund to cover the costs for administering the business court.

⁵ The business court will set the jury fee in an order. The fee will include a \$300 fee for staff time in summonsing jurors and the use of a jury summons

system; a fee for any needed security; a fee for juror pay pursuant to Gov't Code §§ 61.001, 61.002, and 61.0015; and a fee for actual processing costs related to summonsing jurors, including postage, printing costs, and copy costs. The jurisdiction providing the jury services must submit an invoice so that the business court will have the information necessary to issue the jury fee order. The business court will allocate these fees between the parties, and the fees will be paid directly to the jurisdiction providing the services.

The fees for filings and actions in the business court have been adopted pursuant to H.B. 19. *See* Act of May 25, 2023, 88th Leg., R.S., ch. 380, § 1 (H.B. 19) (adopting TEX. GOV'T CODE § 25A.018). The order supersedes the fee provisions in Misc. Docket Nos. 15-9158 (August 28, 2015), 13-9127 (August 16, 2013), 07-9138 (August 28, 2007), 03-9151 (September 10, 2003), and 98-9120 (July 21, 1998).

Dated: July 26, 2024.

Nathan L. Hecht, Chief Justice

Debra H. Lehrmann, Justice

Je Just ce

John P. Dev Justice ne

D. Blacklock, Justice Ja

t Busby, Justice

ne N. Bland, Justice

Rebeca A. Huddle, Justice

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AN ACT relating to the creation of a specialty trial court to hear certain cases; authorizing fees. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Subtitle A, Title 2, Government Code, is amended by adding Chapter 25A to read as follows: CHAPTER 25A. BUSINESS COURT <u>25A.001. DEFINITIONS. In this chapter:</u> (1) "Controlling person" means a person who directly Sec. or indirectly controls a governing person, officer, or organization. (2)"Derivative proceeding" means a civil action brought in the right of a domestic or foreign corporation, a domestic or foreign limited liability company, or a domestic foreign limited partnership, to the extent provided by the Business Organizations Code. (3) "Governing documents" means the instruments, documents, or agreements adopted under an organization's governing law to govern the organization's formation and internal affairs. The term includes: a certificate of formation, articles of (A) articles of organization; incorporation, and (B) bylaws; (C) a partnership agreement; (D) a company agreement or operating agreement; (E) <u>a shareholder agreement;</u> (F) a voting agreement or voting trust agreement; and (G) an agreement among owners restricting the transfer of ownership interests. (4) "Governing law" means the law governing the formation and internal affairs of an organization. (5) "Governing person" means a person who is entitled, (5) "Governing person" means a person who is entitled, (5) "Governing person" means a person who is entitled, alone or as part of a group, to manage and direct an organization's affairs under the organization's governing documents and governing law. The term includes: (A) a member of the board of directors of a corporation or other organization; (B) a general partner of a general or limited <u>partnership;</u> (C) a manager of a limited liability company that is managed by its managers; (D) a member of a limited liability company that is managed by its members; (E) a trust manager of a real estate investment trust; and (F) a trustee of a business trust. "Governmental entity" means: (6) (A) this state; or
 (B) a political subdivision of this state, including a municipality, a county, or any kind of district. (7) "Internal affairs" means: (A) the rights, powers, and duties of an organization's governing persons, officers, owners, and members; <u>and</u> matters relating to the organization's (B) <u>membership or ownership interests.</u> (8) "Managerial official" means a governing person or officer. (9) "Officer" means a person elected, appointed, or designated as an officer of an organization by the organization's governing persons or governing documents. (10) "Organization" means a foreign or domestic entity or association, regardless of whether the organization is for profit or nonprofit. The term includes: (A) a corporation; (B) a limited partnership; (C) a general partnership;
 (D) a limited liability partnership;
 (E) a limited liability company; <u>a business trust;</u> (F) (G) <u>a real estate investment trust;</u> <u>a joint venture;</u> a joint stock company; (H) (T)

(J) a cooperative; (K) a bank; (L) <u>a credit union;</u> (M) a savings and loan association; (N) an insurance company; and a series of a limited liability company or of (0) another entity. $(\bar{1}1)$ "Owner" means an owner of an organization. The term includes: (A) a shareholder or stockholder of a corporation <u>or other organization;</u> (B) <u>a general or limited partner of a partnership</u> or an assignee of a partnership interest in a partnership; (C) a member of, or an assignee of a membership interest in, a limited liability company; and (D) a member of a nonprofit organization. "Ownership interest" means an owner's interest in (12) an organization, including an owner's economic, voting, and management rights. (13) "Publicly traded company" means an entity whose voting equity securities are listed on a national securities exchange registered with the United States Securities and Exchange Commission under Section 6, Securities Exchange Act of 1934 (15 U.S.C. Section 78f) and any entity that is majority owned or controlled by such an entity. (14) "Qualified transaction" means a transaction, other than a transaction involving a loan or an advance of money or credit by a bank, credit union, or savings and loan institution, under which a party: (A) pays or receives, or is obligated to pay or is entitled to receive, consideration with an aggregate value of at least \$10 million; or (B) lends, advances, borrows, receives, is obligated to lend or advance, or is entitled to borrow or receive money or credit with an aggregate value of at least \$10 million. Sec. 25A.002. CREATION. The business court is a statutory <u>Sec. 25A.003.</u> BUSINESS COURT JUDICIAL DISTRICT; DIVISIONS. The judicial district of the business court is composed of all court (a) counties in this state. The business court is composed of divisions as provided (b) by this section. (c) The First Business Court Division is composed of the counties composing the First Administrative Judicial Region under Section 74.042(b). (d) The Second Business Court Division is composed of the counties composing the Second Administrative Judicial Region under Section 74.042(c), subject to funding through legislative appropriations. The division is abolished September 1, 2026, unless reauthorized by the legislature and funded through additional <u>legislative appropriations.</u> (e) The Third Business Court Division is composed of the counties composing the Third Administrative Judicial Region under Section 74.042(d). (f) The Fourth Business Court Division is composed of the counties composing the Fourth Administrative Judicial Region under <u>Section 74.042(e).</u> (g) The Fifth Business Court Division is composed of the counties composing the Fifth Administrative Judicial Region under <u>Section 74.042(f), subject to funding through legislative</u> appropriations. The division is abolished on September 1, 2<u>026,</u> unless reauthorized by the legislature and funded through additional legislative appropriations. (h) The Sixth Business Court Division is composed of the counties composing the Sixth Administrative Judicial Region under Section 74.042(g), subject to funding through legislative appropriations. The division is abolished on September 1, 2026, unless reauthorized by the legislature and funded through additional legislative appropriations. (i) The Seventh Business Court Division is composed of the counties composing the Seventh Administrative Judicial Region under Section 74.042(h), subject to funding through legislative appropriations. The division is abolished on September 1, 2026, unless reauthorized by the legislature and funded through additional legislative appropriations. (j) The Eighth Business Court Division is composed of the counties composing the Eighth Administrative Judicial Region under Section 74.042(i). (k) The Ninth Business Court Division is composed of the

<u>counties composing the Ninth Administrative Judicial Region under</u> <u>Section 74.042(j), subject to funding through legislative</u>

appropriations. The division is abolished on September 1, 2026, unless reauthorized by the legislature and funded through additional legislative appropriations. (1) The Tenth Business Court Division is composed of the counties composing the Tenth Administrative Judicial Region under Section 74.042(k), subject to funding through legislative

appropriations. The division is abolished on September 1, unless reauthorized by the legislature and funded through 2026, additional legislative appropriations. (m) The Eleventh Business Court Division is composed of the

counties composing the Eleventh Administrative Judicial Region under Section 74.042(1).

(n) This subsection and Subsections (d), (g), (h), (i), (k), (1) expire September 1, 2026. Sec. 25A.004. JURISDICTION AND POWERS. (a) Subject to and

Subsections (b), (c), (d), (e), and (f), the business court has the powers provided to district courts by Chapter 24, including the power to:

(1) issue writs of injunction, mandamus, sequestration, attachment, garnishment, and supersedeas; and (2) grant any relief that may be granted by a district <u>court.</u>

(b) Subject to Subsection (c), the business court has civil jurisdiction concurrent with district courts in the following actions in which the amount in controversy exceeds \$5 million, excluding interest, statutory damages, exemplary damages, penalties, attorney's fees, and court costs: (1) a derivative proceeding;

an action regarding the governance, governing (2)documents, or internal affairs of an organization;

(3) an action in which a claim under a state or federal securities or trade regulation law is asserted against: (A) an organization;

(B) a controlling person or managerial official of an organization for an act or omission by the organization or by the person in the person's capacity as a controlling person or managerial official;

(C) an underwriter of securities issued by the organization; or

(D) the auditor of an organization;

(4) an action by an organization, or an owner of an organization, if the action: (A) is brought against an owner, controlling

person, or managerial official of the organization; and (B) alleges an act or omission by the person in

the person's capacity as an owner, controlling person, or managerial official of the organization;

(5) an action alleging that an owner, controlling person, or managerial official breached a duty owed to an organization or an owner of an organization by reason of the person's status as an owner, controlling person, or managerial official, including the breach of a duty of loyalty or good faith; (6) an action seeking to hold an owner or governing

person of an organization liable for an obligation of the organization, other than on account of a written contract signed by the person to be held liable in a capacity other than as an owner or governing person; and

(7) an action arising out of the Business Organizations Code.

(c) The business court has civil jurisdiction concurrent with district courts in an action described by Subsection (b) regardless of the amount in controversy if a party to the action is a publicly traded company.

(d) The business court has civil jurisdiction concurrent with district courts in the following actions in which the amount in controversy exceeds \$10 million, excluding interest, statutory damages, exemplary damages, penalties, attorney's fees, and court costs:

(1)an action arising out of a qualified transaction; (2) an action that arises out of a contract or commercial transaction in which the parties to the contract or

transaction agreed in the contract or a subsequent agreement that the business court has jurisdiction of the action, except an action that arises out of an insurance contract; and

(3) subject to Subsection (g), an action that arises out of a violation of the Finance Code or Business & Commerce Code <u>by an organization or an officer or governing person acting on</u> behalf of an organization other than a bank, credit union, or savings and loan association.

(e) The business court has civil jurisdiction concurrent with district courts in an action seeking injunctive relief or a declaratory judgment under Chapter 37, Civil Practice and Remedies Code, involving a dispute based on a claim within the court's jurisdiction under Subsection (b), (c), or (d).

(f) Except as provided by Subsection (h) the business court has supplemental jurisdiction over any other claim related to a case or controversy within the court's jurisdiction that forms part of the same case or controversy. A claim within the business court's supplemental jurisdiction may proceed in the business court only on the agreement of all parties to the claim and a judge of the division of the court before which the action is pending. If the parties involved in a claim within the business court's supplemental jurisdiction do not agree on the claim proceeding in the business court, the claim may proceed in a court of original jurisdiction concurrently with any related claims proceeding in the <u>business court.</u> (q) Unless the claim falls within the business court's supplemental jurisdiction, the business court does not have jurisdiction of: (1)civil action: а (A) brought by or against a governmental entity; or (B) to foreclose on a lien on real or personal property; (2) <u>a claim arising out of:</u> (A) Subchapter E, Chapter 15, and Chapter 17, Business & Commerce Code; (B) the Estates Code; the Family Code; the Insurance Code; (C) (<u>D</u>) or (E) Chapter 53 and Title 9, Property Code;

(3) a claim arising out of the production or sale of a farm product, as that term is defined by Section 9.102, Business & Commerce Code:

(4) a claim related to a consumer transaction, as that term is defined by Section 601.001, Business & Commerce Code, to which a consumer in this state is a party, arising out of a violation of federal or state law; or

(5) a claim related to the duties and obligations under an insurance policy.

(h) The business court does not have jurisdiction of the following claims regardless of whether the claim is otherwise within the court's supplemental jurisdiction under Subsection (f): (1) a claim arising under Chapter 74, Civil Practice and Remedies Code;

(2) a claim in which a party seeks recovery of monetary damages for bodily injury or death; or

(3) a claim of legal malpractice.

Sec. 25A.005. JUDICIAL AUTHORITY. A business court judge has all powers, duties, immunities, and privileges of a district judge.

Sec. 25A.006. INITIAL FILING; REMOVAL AND REMAND. (a) An action within the jurisdiction of the business court may be filed in the business court. The party filing the action must plead facts to establish venue in a county in a division of the business court, and the business court shall assign the action to that division. Venue may be established as provided by law or, if a written contract specifies a county as venue for the action, as provided by the contract.

(b) If the business court does not have jurisdiction of the action, the court shall, at the option of the party filing the action:

(1) transfer the action to a district court or county court at law in a county of proper venue; or (2) dismiss the action without prejudice to the

party's rights.

(c) If, after an action is assigned to a division of the business court, the court determines that the division's geographic territory does not include a county of proper venue for the action, the court shall:

(1) if an operating division of the court includes a county of proper venue, transfer the action to that division; or

(2) if there is not an operating division of the court that includes a county of proper venue, at the option of the party filing the action, transfer the action to a district court or county court at law in a county of proper venue.

(d) A party to an action filed in a district court or county court at law that is within the jurisdiction of the business court may remove the action to the business court. If the business court does not have jurisdiction of the action, the business court shall remand the action to the court in which the action was originally filed.

A party to an action filed in a district court or county at law in a county of proper venue that is not within an court operating division of the business court or the judge of the court in which the action is filed may not remove or transfer the action to the business court.

(f) A party may file an agreed notice of removal at any time during the pendency of the action. If all parties to the action have not agreed to remove the action, the notice of removal must be filed:

(1) not later than the 30th day after the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's <u>jurisdiction over the action; or</u>

(2) if an application for temporary injunction is pending on the date the party requesting removal of the action discovered, or reasonably should have discovered, facts establishing the business court's jurisdiction over the action, not later than the 30th day after the date the application is granted, not denied, or denied as a matter of law.

(g) The notice of removal must be filed with the business and the court in which the action was originally filed. On <u>cour</u>t receipt of the notice, the clerk of the court in which the action was originally filed shall immediately transfer the action to the business court in accordance with rules adopted by the supreme court, and the business court clerk shall assign the action to the appropriate division of the business court.

(h) The filing of an action or a notice of removal in the business court is subject to Section 10.001, Civil Practice and Remedies Code.

(i) Removal of a case to the business court is not subject to the statutes or rules governing the due order of pleading. (j) Removal of a case does not waive a defect in venue or

constitute an appearance to determine personal jurisdiction.

(k) The judge of a court in which an action is filed may request the presiding judge for the court's administrative region to transfer the action to the business court if the action is within the business court's jurisdiction. The judge shall notify all parties of the transfer request and request a hearing on the transfer request. After a hearing on the request, the presiding judge may transfer the action to the business court if the presiding judge finds the transfer will facilitate the fair and efficient administration of justice. The business court clerk shall assign an action transferred under this subsection to the appropriate

division of the business court. (1) The business court judge on establishment of jurisdiction and venue over an action shall by order declare the county in which any jury trial for the action will be held as determined under Section 25A.015. Sec. 25A.007. APPEALS. (a) Notwithstanding any other law

and except as provided by Subsection (b) and in instances when the supreme court has concurrent or exclusive jurisdiction, the Fifteenth Court of Appeals has exclusive jurisdiction over an appeal from an order or judgment of the business court or an original proceeding related to an action or order of the business <u>court.</u>

(b) If the Fifteenth Court of Appeals is not created, appeal from an order or judgment of the business court or an original proceeding related to an action or order of the business court shall be filed in the court of appeals with appellate jurisdiction of civil cases for the county declared in an order Section 25A.006(1). under

(c) The procedure governing an appeal or original proceeding from the business court is the same as the procedure for an appeal or original proceeding from a district court. Sec. 25A.008. OUALIFICATIONS OF JUDGE. (a) A business judge must: court (1) be at least 35 years of age;

(2)

be a United States citizen; have been a resident of a county within the (3)

division of the business court to which the judge is appointed for at least five years before appointment; and (4) be a licensed attorney in this state who has 10 or

more years of experience in:

(A) practicing complex civil business litigation;

(B) practicing business transaction law; (C) serving as a judge of a court in this state

with civil jurisdiction; or (D) any combination of experience described by Paragraphs (A)-(C)

(b) A business court judge may not have had the judge's

license to practice law revoked, suspended, or subject to a probated suspension.

Sec. 25A.009. APPOINTMENT OF JUDGES; TERM; PRESIDING JUDGE; EXCHANGE OF BENCHES. (a) The governor, with the advice and consent of the senate, shall appoint:

(1) two judges to each of the First, Third, Fourth, Eighth, and Eleventh Divisions of the business court; and

(2) one judge to each of the Second, Fifth, Sixth, Seventh, Ninth, and Tenth Divisions of the business court.

(b) A business court judge shall serve for a term of two years, beginning on September 1 of every even-numbered year. (c) A business court judge may be reappointed.

(d) Not later than the seventh day after the first day of a term, the business court judges by majority vote shall select a judge of the court to serve as administrative presiding judge for the duration of the term. If a vacancy occurs in the position of administrative presiding judge, the remaining business court judges shall select a judge of the court to serve as administrative presiding judge for the remainder of the unexpired term as soon as practicable.

(e) A business court judge shall take the constitutional oath of office required of appointed officers of this state and file the oath with the secretary of state.

(f) To promote the orderly and efficient administration of justice, the business court judges may exchange benches and sit and act for each other in any matter pending before the court.

Sec. 25A.010. VAČANCY. If a vacancy occurs in an office of a business court judge, the governor, with the advice and consent of the senate, shall appoint, in the same manner as the original appointment, another person to serve for the remainder of the unexpired term.

Sec. 25A.011. JUDGE'S SALARY. The salary of a business court judge is the amount provided by Section 659.012 and shall be paid in equal monthly installments.

Sec. 25A.012. REMOVAL; DISQUALIFICATION AND RECUSAL. (a) A business court judge may be removed from office in the same manner and for the same reasons as a district judge.

and for the same reasons as a district judge. (b) A business court judge is disqualified and subject to mandatory recusal for the same reasons a district judge is subject to disqualification or recusal in a pending case. Disqualification or recusal of a business court judge shall be governed by the same procedure as disqualification or recusal of a district judge.

Sec. 25A.013. PRIVATE PRACTICE OF LAW. A business court judge shall diligently discharge the duties of the office on a full-time basis and may not engage in the private practice of law. Sec. 25A.014. VISITING JUDGE. (a) A retired or former

Sec. 25A.014. VISITING JUDGE. (a) A retired or former judge or justice who has the qualifications prescribed by Section 25A.008 may be assigned as a visiting judge of a division of the business court by the chief justice of the supreme court. A visiting judge of a division of the business court is subject to objection, disqualification, or recusal in the same manner as a retired or former judge or justice is subject to objection, disqualification, or recusal if appointed as a visiting district judge.

(b) Before accepting an assignment as a visiting judge of a division of the business court, a retired or former judge or justice shall take the constitutional oath of office required of appointed officers of this state and file the oath with the secretary of state.

Sec. 25A.015. JURY PRACTICE AND PROCEDURE; VENUE FOR JURY TRIAL. (a) A party in an action pending in the business court has the right to a trial by jury when required by the constitution. (b) Subject to Subsection (d), a jury trial in a case filed

(b) Subject to Subsection (d), a jury trial in a case filed initially in the business court shall be held in any county in which the case could have been filed under Section 15.002, Civil Practice and Remedies Code, as chosen by the plaintiff.

(c) Subject to Subsections (b) and (d), a jury trial in a case removed to the business court shall be held in the county in which the action was originally filed.

(d) A jury trial for a case in which a written contract specifies a county as venue for suits shall be held in that county. (e) The parties and the business court judge may agree to

(e) The parties and the business court judge may agree to hold the jury trial in any other county. A party may not be required to agree to hold the jury trial in a different county.

(f) The drawing of jury panels, selection of jurors, and other jury-related practice and procedure in the business court shall be the same as for the district court in the county in which the trial is held.

the trial is held. (g) Practice, procedure, rules of evidence, issuance of process and writs, and all other matters pertaining to the conduct of trials, hearings, and other business in the business court are governed by the laws and rules prescribed for district courts, unless otherwise provided by this chapter.

Sec. 25A.016. WRITTEN OPINIONS. The supreme court shall rules for the issuance of written opinions by the business adopt <u>court.</u>

Sec. 25A.017. COURT LOCATION; STAFFING. (a) In this section, "remote proceeding" means a proceeding before the business court in which one or more of the participants, including a judge, party, attorney, witness, court reporter, or other individual <u>attends the proceeding remotely through the use of technology.</u>

(b) The administrative presiding judge of the business <u>court</u> shall manage administrative and personnel matters on behalf of the court. The administrative presiding judge of the business <u>court shall appoint a clerk, whose office shall be located in Travis</u> <u>County in facilities provided by this state. The clerk shall:</u>

(1) accept all filings in the business court; and (2)fulfill the legal and administrative functions of

a district clerk.

(c) Each business court judge shall maintain chambers in the county the judge selects within the geographic boundaries of the division to which the judge is appointed in facilities provided by this state. For purposes of this section, the Office of Court Administration of the Texas Judicial System may contract for the <u>use of facilities with a county.</u> (d) Subject to Section 25A.015, a business court judge may

hold court at any courtroom within the geographic boundaries of the <u>division to which the judge is appointed as the court determines</u> necessary or convenient for a particular civil action. To the extent practicable, a county using existing courtrooms and facilities shall accommodate the business court in the conduct of the court's hearings and other proceedings. (e) The business court may conduct a proceeding other than a

jury trial as a remote proceeding to facilitate the resolution of a matter before the court. The business court may not require a party or attorney to remotely attend a court proceeding in which oral testimony is heard, absent the agreement of the parties.

(f) The business court shall conduct a remote proceeding from a courtroom or the facilities provided to a business court judge by this state.

(g) The business court shall provide reasonable notice to the public that a proceeding will be conducted remotely and an opportunity for the public to observe the remote proceeding.

(h) In a county in which a division of the business court sits, the sheriff shall in person or by deputy attend the business court as required by the court. The sheriff or deputy is entitled to reimbursement from this state for the cost of attending the business court.

(i) The business court may appoint personnel necessary for the operation of the court, including:

(1) personnel to assist the clerk of the court;

(2)

staff attorneys for the court; staff attorneys for each judge of the business (3)

court;

(4) court coordinators; and (5) administrative assistants.

Subject to Subsection (k), the court officials shall perform the duties and responsibilities of their offices and are entitled to the compensation, fees, and allowances prescribed by law for the offices.

(k) All personnel, including the business court clerk, appointed under this section are employees of the Office of Court Administration of the Texas Judicial System and are state employees for all purposes, including accrual of leave time, insurance

benefits, retirement benefits, and travel regulations. Sec. 25A.0171. ADMINISTRATIVE ATTACHMENT TO OFFICE OF COURT ADMINISTRATION; REPORT. (a) The business court is administratively attached to the Office of Court Administration of

the Texas Judicial System. (b) The Office of Court Administration of the Texas Judicial System shall provide administrative support to the business court as necessary to enable the business court to carry out its duties

under this chapter. (c) The Office of Court Administration of the Texas Judicial <u>System may employ personnel necessary to provide administrative</u> <u>support to the business court under this chapter.</u> (d) Only the business court may exercise the duties of the

business court under this chapter. Except as otherwise provided by this chapter, the Office of Court Administration of the Texas Judicial System does not have any authority or responsibility related to the duties of the business court under this chapter. (e) Not later than December 1 of each year, the Office of

Court Administration of the Texas Judicial System shall submit to the legislature a report on the number and types of cases heard by

the business court in the preceding year. Sec. 25A.018. FEES. The supreme court shall set fees for filings and actions in the business court in amounts sufficient to cover the costs of administering this chapter, taking into account fee waivers necessary for the interest of justice. Sec. 25A.019. SEAL. The seal of the business court is the

same as that provided by law for a district court except that the seal must contain the name "The Business Court of Texas." Sec. 25A.020. RULES. (a) The supreme court shall adopt rules of civil procedure as the court determines necessary,

including rules providing for:

(1) the timely and efficient removal and remand of cases to and from the business court; and

(2) the assignment of cases to judges of the business <u>court.</u>

(b) The business court may adopt rules of practice and procedure consistent with the Texas Rules of Civil Procedure and the Texas Rules of Evidence. SECTION 2. Sections 659.012(a) and (e), Government Code,

are amended to read as follows:

(a) Notwithstanding Section 659.011 and subject to

Subsections (b) and (b-1): (1) a judge of a district court <u>or a division of the</u> <u>business court</u> is entitled to an annual base salary from the state as set by the General Appropriations Act in an amount equal to at least \$140,000, except that the combined base salary of a district judge or judge of a division of the business court from all state and county sources, including compensation for any extrajudicial services performed on behalf of the county, may not exceed the amount that is \$5,000 less than the maximum combined base salary from all state and county sources for a justice of a court of appeals other than a chief justice as determined under this subsection;

a justice of a court of appeals other than the (2) chief justice is entitled to an annual base salary from the state in the amount equal to 110 percent of the state base salary of a district judge as set by the General Appropriations Act, except that the combined base salary of a justice of the court of appeals other than the chief justice from all state and county sources, including compensation for any extrajudicial services performed on behalf of the county, may not exceed the amount that is \$5,000 less than the base salary for a justice of the supreme court as determined under this subsection;

(3) a justice of the supreme court other than the chief justice or a judge of the court of criminal appeals other than the presiding judge is entitled to an annual base salary from the state in the amount equal to 120 percent of the state base salary of a district judge as set by the General Appropriations Act; and

(4) the chief justice or presiding judge of an appellate court is entitled to an annual base salary from the state in the amount equal to \$2,500 more than the state base salary provided for the other justices or judges of the court, except that the combined base salary of the chief justice of a court of appeals from all state and county sources may not exceed the amount equal to \$2,500 less than the base salary for a justice of the supreme court as determined under this subsection.

(e) For the purpose of salary payments by the state, the comptroller shall determine from sworn statements filed by the justices of the courts of appeals, [and] district judges, and business court judges that the required salary limitations provided by Subsection (a) are maintained. If the state base salary for a judge or justice prescribed by Subsection (a) combined with additional compensation from a county would exceed the limitations provided by Subsection (a), the comptroller shall reduce the salary payment made by the state by the amount of the excess. SECTION 3. Section 837.001(a), Government Code, is amended

to read as follows:

(a) Membership [Except as provided by Subsection (b), membership] in the retirement system is limited to persons who have never been eligible for membership in the Judicial Retirement System of Texas or the Judicial Retirement System of Texas Plan One and who at any time on or after the effective date of this Act are judges, justices, or commissioners of:

- (1)the supreme court; the court of criminal appeals; (2) (3) a court of appeals;
- (4) the business court;
 (5) a district court; or

(6) [(5)] a commission to a court specified in this

subsection. SECTION 4. (a) The Texas Supreme Court has exclusive and original jurisdiction over a challenge to the constitutionality of this Act or any part of this Act and may issue injunctive or declaratory relief in connection with the challenge.

(b) If the appointment of judges by the governor to the divisions of the business court under Section 25A.009, Government Code, as added by this Act, is held by the Texas Supreme Court as unconstitutional, the business court shall be staffed by retired or former judges or justices who are appointed to the court as provided by Section 25A.014, Government Code, as added by this Act. SECTION 5. Except as otherwise provided by this Act, the

business court is created September 1, 2024.

SECTION 6. (a) As soon as practicable after the effective date of this Act, the governor shall appoint judges to the First, Third, Fourth, Eighth, and Eleventh Business Court Divisions as required by Section 25A.009, Government Code, as added by this Act. (b) On or before September 1, 2026, but not before July 1, 2026, the governor shall appoint judges to the Second, Fifth, Sixth, Seventh, Ninth, and Tenth Business Court Divisions as required by Section 25A.009 Covernment Code as added by this Act.

required by Section 25A.009, Government Code, as added by this Act. SECTION 7. (a) Notwithstanding Chapter 25A, Government Code, as added by this Act, the business court is not created unless the legislature makes a specific appropriation of money for that purpose. For purposes of this subsection, a specific appropriation is an appropriation identifying the business court or an Act of the 88th Legislature, Regular Session, 2023, relating to the creation of a specialty trial court to hear certain cases or of the business court.

(b) Notwithstanding Section 25A.007(a), Government Code, as added by this Act, a court of appeals retains the jurisdiction the court had on August 31, 2024, if the business court is not created as a result of Subsection (a) of this section.

SECTION 8. The changes in law made by this Act apply to civil actions commenced on or after September 1, 2024. SECTION 9. This Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 19 was passed by the House on May 2, 2023, by the following vote: Yeas 90, Nays 51, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 19 on May 25, 2023, by the following vote: Yeas 86, Nays 53, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 19 was passed by the Senate, with amendments, on May 12, 2023, by the following vote: Yeas 24, Nays 6.

Secretary of the Senate

APPROVED: _____ Date

Governor