H.B. No. 45 By: Flynn

A BILL TO BE ENTITLED

	TO BE ENTITIED
1	AN ACT
2	relating to the application of foreign laws and foreign forum
3	selection in this state.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Title 6, Civil Practice and Remedies Code, is
6	amended by adding Chapter 148 to read as follows:
7	CHAPTER 148. APPLICATION OF FOREIGN LAWS; SELECTION OF FOREIGN
8	<u>FORUM</u>
9	Sec. 148.001. DEFINITION. In this chapter, "foreign law"
10	means a law, rule, or legal code of a jurisdiction outside of the
11	states and territories of the United States. The term does not
12	include a law of a Native American tribe of a state or territory of
13	the United States.

- 14 Sec. 148.002. DECISION BASED ON FOREIGN LAW. A ruling or decision of a court, arbitrator, or administrative adjudicator may
- 16 not be based on a foreign law if the application of that law would
- violate a right guaranteed by the United States Constitution or the 17
- 18 constitution of this state.
- Sec. 148.003. CHOICE OF FOREIGN LAW OR FORUM IN CONTRACT. 19
- (a) A contract provision providing that a foreign law is to govern 20
- 21 a dispute arising under the contract is void to the extent that the
- 22 application of the foreign law to the dispute would violate a right
- guaranteed by the United States Constitution or the constitution of 23
- this state. 24

15

- 1 (b) A contract provision providing that the forum to resolve
- 2 a dispute arising under the contract is located outside the states
- 3 and territories of the United States is void if the foreign law that
- 4 would be applied to the dispute in that forum would, as applied,
- 5 violate a right guaranteed by the United States Constitution or the
- 6 constitution of this state.
- 7 Sec. 148.004. LIMITATION ON FORUM NON CONVENIENS. If a
- 8 resident of this state commences an action in this state, a court
- 9 may not grant a motion for forum non conveniens if the foreign law
- 10 that would be applied to the dispute in the forum to which the
- 11 moving party seeks to have the action removed would, as applied,
- 12 violate a right guaranteed by the United States Constitution or the
- 13 constitution of this state.
- 14 SECTION 2. (a) Section 148.002, Civil Practice and
- 15 Remedies Code, as added by this Act, applies only to a ruling or
- 16 decision that becomes final on or after the effective date of this
- 17 Act. A ruling or decision that becomes final before the effective
- 18 date of this Act and any appeal of that ruling or decision are
- 19 governed by the law in effect immediately before the effective date
- 20 of this Act, and that law is continued in effect for that purpose.
- 21 (b) Section 148.003, Civil Practice and Remedies Code, as
- 22 added by this Act, applies only to a contract entered into on or
- 23 after the effective date of this Act. A contract entered into
- 24 before the effective date of this Act is governed by the law in
- 25 effect immediately before that date, and that law is continued in
- 26 effect for that purpose.
- (c) Section 148.004, Civil Practice and Remedies Code, as

H.B. No. 45

- 1 added by this Act, applies only to a motion for forum non conveniens
- 2 made on or after the effective date of this Act. A motion for forum
- 3 non conveniens made before the effective date of this Act is
- 4 governed by the law in effect immediately before that date, and that
- 5 law is continued in effect for that purpose.
- 6 SECTION 3. This Act takes effect September 1, 2017.