

1-1 By: Hughes S.B. No. 944
 1-2 (In the Senate - Filed February 17, 2017; March 1, 2017,
 1-3 read first time and referred to Committee on State Affairs;
 1-4 March 28, 2017, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; March 28, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the adoption of the Uniform Foreign-Country Money
 1-20 Judgments Recognition Act.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subtitle C, Title 2, Civil Practice and Remedies
 1-23 Code, is amended by adding Chapter 36A to read as follows:

1-24 CHAPTER 36A. ENFORCEMENT OF JUDGMENTS OF OTHER COUNTRIES

1-25 Sec. 36A.001. SHORT TITLE. This chapter may be cited as the
 1-26 Uniform Foreign-Country Money Judgments Recognition Act.

1-27 Sec. 36A.002. DEFINITIONS. In this chapter:

1-28 (1) "Foreign country" means a government other than:

1-29 (A) the United States;

1-30 (B) a state, district, commonwealth, territory,
 1-31 or insular possession of the United States; or

1-32 (C) any other government with respect to which
 1-33 the decision in this state as to whether to recognize a judgment of
 1-34 that government's court is initially subject to determination under
 1-35 Section 1, Article IV, United States Constitution (the full faith
 1-36 and credit clause).

1-37 (2) "Foreign-country judgment" means a judgment of a
 1-38 court of a foreign country.

1-39 Sec. 36A.003. APPLICABILITY. (a) Except as otherwise
 1-40 provided in Subsection (b), this chapter applies to a
 1-41 foreign-country judgment to the extent that the judgment:

1-42 (1) grants or denies recovery of a sum of money; and

1-43 (2) under the law of the foreign country in which the
 1-44 judgment is rendered, is final, conclusive, and enforceable.

1-45 (b) This chapter does not apply to a foreign-country
 1-46 judgment that grants or denies recovery of a sum of money to the
 1-47 extent that the judgment is:

1-48 (1) a judgment for taxes;

1-49 (2) a fine or other penalty; or

1-50 (3) a judgment for divorce, support, or maintenance,
 1-51 or other judgment rendered in connection with domestic relations.

1-52 (c) A party seeking recognition of a foreign-country
 1-53 judgment has the burden of establishing that this chapter applies
 1-54 to the foreign-country judgment.

1-55 Sec. 36A.004. STANDARDS FOR RECOGNITION OF FOREIGN-COUNTRY
 1-56 JUDGMENT. (a) Except as otherwise provided in Subsections (b) and
 1-57 (c), a court of this state shall recognize a foreign-country
 1-58 judgment to which this chapter applies.

1-59 (b) A court of this state may not recognize a
 1-60 foreign-country judgment if:

1-61 (1) the judgment was rendered under a judicial system

2-1 that does not provide impartial tribunals or procedures compatible
 2-2 with the requirements of due process of law;

2-3 (2) the foreign court did not have personal
 2-4 jurisdiction over the defendant; or

2-5 (3) the foreign court did not have jurisdiction over
 2-6 the subject matter.

2-7 (c) A court of this state is not required to recognize a
 2-8 foreign-country judgment if:

2-9 (1) the defendant in the proceeding in the foreign
 2-10 court did not receive notice of the proceeding in sufficient time to
 2-11 enable the defendant to defend;

2-12 (2) the judgment was obtained by fraud that deprived
 2-13 the losing party of an adequate opportunity to present the party's
 2-14 case;

2-15 (3) the judgment or the cause of action on which the
 2-16 judgment is based is repugnant to the public policy of this state or
 2-17 the United States;

2-18 (4) the judgment conflicts with another final and
 2-19 conclusive judgment;

2-20 (5) the proceeding in the foreign court was contrary
 2-21 to an agreement between the parties under which the dispute in
 2-22 question was to be determined otherwise than by proceedings in the
 2-23 foreign court;

2-24 (6) jurisdiction was based only on personal service
 2-25 and the foreign court was a seriously inconvenient forum for the
 2-26 trial of the action;

2-27 (7) the judgment was rendered in circumstances that
 2-28 raise substantial doubt about the integrity of the rendering court
 2-29 with respect to the judgment;

2-30 (8) the specific proceeding in the foreign court
 2-31 leading to the judgment was not compatible with the requirements of
 2-32 due process of law; or

2-33 (9) it is established that the foreign country in
 2-34 which the judgment was rendered does not recognize judgments
 2-35 rendered in this state that, but for the fact that they are rendered
 2-36 in this state, would constitute foreign-country judgments to which
 2-37 this chapter would apply under Section 36A.003.

2-38 (d) A party resisting recognition of a foreign-country
 2-39 judgment has the burden of establishing that a ground for
 2-40 nonrecognition stated in Subsection (b) or (c) exists.

2-41 Sec. 36A.005. PERSONAL JURISDICTION. (a) A
 2-42 foreign-country judgment may not be refused recognition for lack of
 2-43 personal jurisdiction if:

2-44 (1) the defendant was served with process personally
 2-45 in the foreign country;

2-46 (2) the defendant voluntarily appeared in the
 2-47 proceeding, other than for the purpose of protecting property
 2-48 seized or threatened with seizure in the proceeding or of
 2-49 contesting the jurisdiction of the court over the defendant;

2-50 (3) the defendant, before commencement of the
 2-51 proceeding, agreed to submit to the jurisdiction of the foreign
 2-52 court with respect to the subject matter involved;

2-53 (4) the defendant was domiciled in the foreign country
 2-54 when the proceeding was instituted or was a corporation or other
 2-55 form of business organization whose principal place of business was
 2-56 in, or that was organized under the laws of, the foreign country;

2-57 (5) the defendant had a business office in the foreign
 2-58 country and the proceeding in the foreign court involved a cause of
 2-59 action arising out of business done by the defendant through that
 2-60 office in the foreign country; or

2-61 (6) the defendant operated a motor vehicle or airplane
 2-62 in the foreign country and the proceeding involved a cause of action
 2-63 arising out of that operation.

2-64 (b) The list of bases for personal jurisdiction in
 2-65 Subsection (a) is not exclusive. A court of this state may
 2-66 recognize bases of personal jurisdiction other than those listed in
 2-67 Subsection (a) as sufficient to support a foreign-country judgment.

2-68 Sec. 36A.006. PROCEDURE FOR RECOGNITION OF FOREIGN-COUNTRY
 2-69 JUDGMENT. (a) If recognition of a foreign-country judgment is

3-1 sought as an original matter, the issue of recognition may be raised
3-2 by filing an action seeking recognition of the foreign-country
3-3 judgment.

3-4 (b) If recognition of a foreign-country judgment is sought
3-5 in a pending action, the issue of recognition may be raised by
3-6 counterclaim, cross-claim, or affirmative defense.

3-7 Sec. 36A.007. EFFECT OF RECOGNITION OF FOREIGN-COUNTRY
3-8 JUDGMENT. If the court in a proceeding under Section 36A.006 finds
3-9 that the foreign-country judgment is entitled to recognition under
3-10 this chapter, then, to the extent that the foreign-country judgment
3-11 grants or denies recovery of a sum of money, the foreign-country
3-12 judgment is:

3-13 (1) conclusive between the parties to the same extent
3-14 as the judgment of a sister state entitled to full faith and credit
3-15 in this state would be conclusive; and

3-16 (2) enforceable in the same manner and to the same
3-17 extent as a judgment rendered in this state.

3-18 Sec. 36A.008. STAY OF PROCEEDINGS PENDING APPEAL OF
3-19 FOREIGN-COUNTRY JUDGMENT. If a party establishes that an appeal
3-20 from a foreign-country judgment is pending or will be taken, the
3-21 court may stay any proceedings with regard to the foreign-country
3-22 judgment until:

3-23 (1) the appeal is concluded;

3-24 (2) the time for appeal expires; or

3-25 (3) the appellant has had sufficient time to prosecute
3-26 the appeal and has failed to do so.

3-27 Sec. 36A.009. STATUTE OF LIMITATIONS. An action to
3-28 recognize a foreign-country judgment must be brought within the
3-29 earlier of:

3-30 (1) the time during which the foreign-country judgment
3-31 is effective in the foreign country; or

3-32 (2) 15 years from the date that the foreign-country
3-33 judgment became effective in the foreign country.

3-34 Sec. 36A.010. UNIFORMITY OF INTERPRETATION. In applying
3-35 and construing this chapter, consideration must be given to the
3-36 need to promote uniformity of the law with respect to the subject
3-37 matter of this chapter among states that enact a law based on the
3-38 uniform act on which this chapter is based.

3-39 Sec. 36A.011. SAVING CLAUSE. This chapter does not prevent
3-40 the recognition under principles of comity or otherwise of a
3-41 foreign-country judgment not within the scope of this chapter.

3-42 SECTION 2. Chapter 36, Civil Practice and Remedies Code, is
3-43 repealed.

3-44 SECTION 3. This Act applies to a pending suit in which the
3-45 issue of recognition of a foreign-country money judgment is or has
3-46 been raised without regard to whether the suit was commenced
3-47 before, on, or after the effective date of this Act.

3-48 SECTION 4. This Act takes effect immediately if it receives
3-49 a vote of two-thirds of all the members elected to each house, as
3-50 provided by Section 39, Article III, Texas Constitution. If this
3-51 Act does not receive the vote necessary for immediate effect, this
3-52 Act takes effect September 1, 2017.

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