

1-1 By: Vasut, et al. (Senate Sponsor - Hughes) H.B. No. 4081  
1-2 (In the Senate - Received from the House May 6, 2025;  
1-3 May 7, 2025, read first time and referred to Committee on State  
1-4 Affairs; May 25, 2025, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;  
1-6 May 25, 2025, sent to printer.)

1-7 COMMITTEE VOTE

1-8	Yea	Nay	Absent	PNV
1-9 Hughes	X			
1-10 Paxton	X			
1-11 Bettencourt	X			
1-12 Birdwell	X			
1-13 Hall	X			
1-14 Hinojosa of Nueces	X			
1-15 Middleton	X			
1-16 Parker	X			
1-17 Perry			X	
1-18 Schwertner			X	
1-19 Zaffirini	X			

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 4081 By: Hughes

1-21 A BILL TO BE ENTITLED  
1-22 AN ACT

1-23 relating to the sealing of certain documents alleged to contain  
1-24 trade secrets.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Chapter 134A, Civil Practice and Remedies Code,  
1-27 is amended by adding Section 134A.0065 to read as follows:

1-28 Sec. 134A.0065. SEALING OF CERTAIN DOCUMENTS. (a) A party  
1-29 to an action under this chapter seeking to seal a document  
1-30 containing the party's own alleged trade secret must:

- 1-31 (1) file with the trial court:  
1-32 (A) a notice of sealing; and  
1-33 (B) an affidavit:  
1-34 (i) generally describing the type of  
1-35 information contained in the document;  
1-36 (ii) providing contact information for  
1-37 subsequent notice of any motion to unseal the document; and  
1-38 (iii) setting forth the factual basis for  
1-39 the party's allegation that the information constitutes a trade  
1-40 secret;

1-41 (2) deliver a copy of the document to be sealed to the  
1-42 trial court in a sealed envelope labeled to identify the notice of  
1-43 sealing to which the document corresponds; and

1-44 (3) serve a copy of the notice, affidavit, and  
1-45 document on each other party to the action.

1-46 (b) A party to an action under this chapter filing a  
1-47 document the party knows another person alleges to contain the  
1-48 person's trade secret shall:

- 1-49 (1) file with the trial court:  
1-50 (A) a notice of sealing; and  
1-51 (B) a statement:  
1-52 (i) generally describing the type of  
1-53 information contained in the document; and

1-54 (ii) identifying the person who alleges the  
1-55 document contains the person's trade secret;

1-56 (2) deliver a copy of the document to be sealed to the  
1-57 trial court in a sealed envelope labeled to identify the notice of  
1-58 sealing to which the document corresponds; and

1-59 (3) serve a copy of the notice, statement, and  
1-60 document on:

(A) each other party to the action; and  
 (B) any person who alleges the document contains the person's trade secret who is not a party to the action.

(c) Not later than the 14th day after the date a person who alleges a document contains the person's trade secret receives a notice under Subsection (b) with respect to the document, the person must file with the trial court in the same numbered cause an affidavit:

(1) generally describing the type of information contained in the document;

(2) providing contact information for subsequent notice of any motion to unseal the document; and

(3) setting forth the factual basis for the person's allegation that the information in the document constitutes a trade secret.

(d) If the trial court receives a notice, statement, and sealed document under Subsection (b):

(1) the document shall be treated as filed under seal until the time for filing an affidavit under Subsection (c) expires; and

(2) if no affidavit is timely filed under Subsection (c), the document shall be treated as publicly filed until an affidavit described by that subsection is filed.

(e) Once the trial court receives a notice, affidavit, and sealed document under Subsection (a) or a notice, statement, affidavit, and sealed document under Subsections (b) and (c), the document shall be treated as permanently filed under seal.

(f) Any person may intervene as a matter of right at any time before or after judgment in an action under this chapter to seal or unseal a document. If a person alleges the person's trade secret was filed of public record, the person may seal the document containing the alleged trade secret by taking the same actions with respect to the document that a party to an action under this chapter is authorized to take with respect to the party's alleged trade secret under Subsection (a).

(g) The trial court retains continuing jurisdiction to seal or unseal a document filed in an action under this chapter.

(h) Any person may move to unseal any document filed under seal under this section. The motion, and notice of hearing, shall be served on the parties to the action in which the document was filed, and the person who submitted an affidavit under Subsection (c) or (f), by certified mail, return receipt requested, not later than the 14th day before any hearing on the motion in the trial court. The trial court shall grant the motion and unseal all or part of the document if the person who alleges that the document contains the person's trade secrets fails to demonstrate by a preponderance of the evidence that the document, or a part of the document, contains a trade secret.

(i) If the trial court determines that only a part of the document should be unsealed, the trial court shall redact all information that contains a trade secret before providing the document to the movant.

(j) An order granting or denying a motion to unseal a document under Subsection (h) is considered to be severed from the action and is a final judgment that may be appealed by any party or intervenor who participated in the hearing preceding the issuance of the order.

(k) Notwithstanding Section 22.004, Government Code, the supreme court may not adopt rules in conflict with this section.

SECTION 2. The change in law made by this Act applies only to a document filed in an action on or after the effective date of this Act. A document filed before the effective date of this Act is governed by the law applicable to the document immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2025.

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