

1-1 By: McQueeney, et al. (Senate Sponsor - Hancock) H.B. No. 4281  
 1-2 (In the Senate - Received from the House May 14, 2025;  
 1-3 May 15, 2025, read first time and referred to Committee on State  
 1-4 Affairs; May 25, 2025, reported favorably by the following vote:  
 1-5 Yeas 10, Nays 0; May 25, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7	X			
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	X			
1-18	X			

1-19 A BILL TO BE ENTITLED  
 1-20 AN ACT

1-21 relating to a civil cause of action for fraudulent crowdfunding.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Title 4, Civil Practice and Remedies Code, is  
 1-24 amended by adding Chapter 100B to read as follows:

1-25 CHAPTER 100B. LIABILITY FOR FRAUDULENT CROWDFUNDING

1-26 Sec. 100B.001. DEFINITION. In this chapter, "fraudulent  
 1-27 crowdfunding" means collecting donations on behalf of a donee with  
 1-28 the intent to keep the donations instead of giving the donations to  
 1-29 the donee on whose behalf the donations were made.

1-30 Sec. 100B.002. LIABILITY FOR FRAUDULENT CROWDFUNDING. A  
 1-31 person who engages in fraudulent crowdfunding is liable to the  
 1-32 donee on whose behalf the donations were made or the donee's estate.

1-33 Sec. 100B.003. DAMAGES. (a) A court shall award a donee or  
 1-34 donee's estate who prevails in an action brought under this  
 1-35 chapter:

1-36 (1) 125 percent of the amount of donations the  
 1-37 defendant collected on behalf of the donee through the fraudulent  
 1-38 crowdfunding; and

1-39 (2) reasonable and necessary attorney's fees.

1-40 (b) Nothing in this section prevents the donee or the  
 1-41 donee's estate from pursuing a claim for exemplary damages under  
 1-42 Chapter 41 for the defendant's fraudulent crowdfunding.

1-43 SECTION 2. Chapter 100B, Civil Practice and Remedies Code,  
 1-44 as added by this Act, applies only to a cause of action that accrues  
 1-45 on or after the effective date of this Act.

1-46 SECTION 3. This Act takes effect September 1, 2025.

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