

CIVIL PRACTICE AND REMEDIES CODE
TITLE 2. TRIAL, JUDGMENT, AND APPEAL
SUBTITLE D. APPEALS
CHAPTER 52. SECURITY FOR JUDGMENTS PENDING APPEAL

Sec. 52.001. DEFINITION. In this chapter, "security" means a bond or deposit posted, as provided by the Texas Rules of Appellate Procedure, by a judgment debtor to suspend execution of the judgment during appeal of the judgment.

Added by Acts 1989, 71st Leg., ch. 1178, Sec. 1, eff. Sept. 1, 1989.

Sec. 52.005. CONFLICT WITH TEXAS RULES OF APPELLATE PROCEDURE. (a) To the extent that this chapter conflicts with the Texas Rules of Appellate Procedure, this chapter controls.

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

(c) The Texas Rules of Appellate Procedure apply to any proceeding, cause of action, or claim to which Section 52.002 does not apply.

Added by Acts 1989, 71st Leg., ch. 1178, Sec. 1, eff. Sept. 1, 1989.

Sec. 52.006. AMOUNT OF SECURITY FOR MONEY JUDGMENT. (a) Subject to Subsection (b), when a judgment is for money, the amount of security must equal the sum of:

(1) the amount of compensatory damages awarded in the judgment;

(2) interest for the estimated duration of the appeal;
and

(3) costs awarded in the judgment.

(b) Notwithstanding any other law or rule of court, when a judgment is for money, the amount of security must not exceed the lesser of:

(1) 50 percent of the judgment debtor's net worth; or

(2) \$25 million.

(c) On a showing by the judgment debtor that the judgment debtor is likely to suffer substantial economic harm if required to post security in an amount required under Subsection (a) or (b), the

trial court shall lower the amount of the security to an amount that will not cause the judgment debtor substantial economic harm.

(d) An appellate court may review the amount of security as allowed under Rule 24, Texas Rules of Appellate Procedure, except that when a judgment is for money, the appellate court may not modify the amount of security to exceed the amount allowed under this section.

(e) Nothing in this section prevents a trial court from enjoining the judgment debtor from dissipating or transferring assets to avoid satisfaction of the judgment, but the trial court may not make any order that interferes with the judgment debtor's use, transfer, conveyance, or dissipation of assets in the normal course of business.

Added by Acts 2003, 78th Leg., ch. 204, Sec. 7.02, eff. Sept. 1, 2003.

Sec. 52.007. ALTERNATIVE SECURITY IN CERTAIN CASES.

(a) This section applies only to a judgment debtor with a net worth of less than \$10 million.

(b) On a showing by the judgment debtor that posting security in the amount required under Section 52.006(a) or (b) would require the judgment debtor to substantially liquidate the judgment debtor's interests in real or personal property necessary to the normal course of the judgment debtor's business, the trial court shall allow the judgment debtor to post alternative security with a value sufficient to secure the judgment.

(c) During an appeal, the judgment debtor shall continue to manage, use, and receive earnings from interests in real or personal property in the normal course of business.

(d) If an appellate court reduces the amount of the judgment that the trial court used to set security, the judgment debtor is entitled, pending appeal of the judgment to a court of last resort, to a redetermination of the amount of security required to suspend enforcement of a judgment under Section 52.006 or under Rule 24, Texas Rules of Appellate Procedure.

Added by Acts 2023, 88th Leg., R.S., Ch. 763 (H.B. 4381), Sec. 1, eff. September 1, 2023.