

BILL SUMMARY
1st Session of the 54th Legislature

Bill No.:	SB15X
Version:	Engrossed
Request Number:	NA
Author:	Speaker Shannon
Date:	9/6/2013
Impact:	Not Required

Research Analysis

SB15X mirrors the language of sections 66 through 73 contained in HB1603 (2009).

The measure creates the Innocent Successor Asbestos-Related Liability Fairness Act to protect successor companies that have purchased companies with an earlier asbestos exposure. The cumulative successor asbestos-related liabilities of an innocent successor corporation are limited to the fair market value of the total gross assets of the transferor at the time of the merger or consolidation. Furthermore, if the transferor had assumed or incurred successor asbestos-related liabilities in connection with a prior merger with a prior transferor, then the fair market value of total assets of the prior transferor will be used to determine innocent successor's liability. Fair market value may be calculated using the going concern value of the assets, the purchase price paid for the assets in an arm's length transaction or the value of the assets recorded on a balance sheet.

Prepared By: Quyen Do

Fiscal Analysis

Not required.

Prepared By: Mark Tygret

Other Considerations

None.