

BILL ANALYSIS

Senate Research Center
76R4058 MDR-D

S.C.R. 8
By: Lindsay
Jurisprudence
2/9/1999
As Filed

DIGEST

Currently, ARAMARK Sports and Entertainment Services of Texas, Inc. (ARAMARK), formerly doing business as Araserve Campus Dining Services of Texas, Inc., alleges that it entered into an agreement with Texas Southern University (TSU) in 1981 to provide food and beverages, and other products and services, and sold and delivered certain goods and services from November 24, 1989 to August 23, 1991. ARAMARK also alleges that on or about November 3, 1993, it filed a lawsuit against TSU for failure to remit certain principal and interest payments due under the terms of the 1981 agreement. This legislation authorizes ARAMARK to sue the State of Texas and TSU.

PURPOSE

As proposed, S.C.R. 8 submits the following resolutions:

That ARAMARK Sports and Entertainment Services of Texas (ARAMARK) is authorized to sue the State of Texas and Texas Southern University (TSU) subject to Chapter 107, Civil Practice and Remedies Code.

That the suit shall be brought in Harris County, except if the contract that is the subject of the suit requires that the suit be brought in another county.

That ARAMARK may not plead an amount in excess of \$400,000 in damages, including any court costs, attorney's fees, and prejudgment interest awarded under law.

That payment of any damages awarded in a suit from the state treasury is subject to appropriation.

That any damages awarded in a suit are required to be paid from money appropriated or available to TSU. Provides that any additional money should not be appropriated for the purpose of paying those damages.

That the remedies available to ARAMARK are limited to the remedies available for breach of contract and quasi-contract, except that ARAMARK cannot recover consequential damages resulting from any breach of contract, and that this resolution does not authorize suit on any claim that sounds in tort.

That ARAMARK and TSU may agree to submit the matter that is the subject of this resolution to binding arbitration.

That none of the court records, pleadings, motions, or discovery related to the suit may be sealed by the court or the parties from public inspection.

That the provisions of this resolution are not severable or held to be invalid by a court of competent jurisdiction.

That the president of TSU is served process as provided by Section 107.002(a)(3), Civil Practice and Remedies Code.