

119TH CONGRESS
2D SESSION

H. R. 7015

To amend title 28, United States Code, to protect legal proceedings from manipulation and provide for transparency and oversight of third-party beneficiaries in civil actions.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 12, 2026

Mr. ISSA (for himself, Mr. FITZGERALD, and Mr. BAUMGARTNER) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 28, United States Code, to protect legal proceedings from manipulation and provide for transparency and oversight of third-party beneficiaries in civil actions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Third Party
5 Litigation Funding From Abuse Act” or the “Protecting
6 TPLF From Abuse Act”.

1 **SEC. 2. TRANSPARENCY AND OVERSIGHT OF THIRD-PARTY**
2 **BENEFICIARIES IN CIVIL CASES.**

3 (a) IN GENERAL.—Chapter 111 of title 28, United
4 States Code, is amended by adding at the end the fol-
5 lowing:

6 **“§ 1660. Initial disclosures regarding third-party**
7 **beneficiaries**

8 “(a) IN GENERAL.—Except as provided in subsection
9 (b), in any civil action, a party or any counsel of record
10 for a party shall—

11 “(1) disclose in writing to the court and all
12 other named parties to the civil action the identity
13 of any person (other than counsel of record) that
14 has a legal right to receive any payment or thing of
15 value that is contingent in any respect on the out-
16 come or proceeds of the civil action or a group of
17 civil actions of which the civil action is a part, in-
18 cluding—

19 “(A) any portion of a settlement, a judg-
20 ment, or an award of attorney’s fees from the
21 civil action or group of civil actions; or

22 “(B) any other proceeds from the civil ac-
23 tion or group of civil actions;

24 “(2) produce to the court, for in camera review,
25 any agreement creating a legal right described in

1 paragraph (1), including any ancillary agreement or
2 document; and

3 “(3) after the review conducted under para-
4 graph (2), produce to each other named party to the
5 civil action, for inspection and copying, each docu-
6 ment produced under paragraph (2), subject to any
7 protective order, use limitation, or any other limita-
8 tion or exclusion ordered by the court, including—

9 “(A) any limitation or exclusion relating to
10 attorney-client privilege, the attorney work
11 product doctrine, or any other applicable privi-
12 lege; or

13 “(B) any limitation or exclusion to protect
14 from disclosure to any party or non-party the
15 identity of any member, donor, or associate of
16 the person that has a legal right described in
17 paragraph (1), except to the extent that the
18 member, donor, or associate also has a legal
19 right to receive any payment or thing of value
20 described in subsection (a)(1) and is not ex-
21 cepted from disclosure under subsection (b)(1).

22 “(b) EXCEPTIONS AND LIMITATIONS.—

23 “(1) IN GENERAL.—The requirements under
24 subsection (a) shall not apply with respect to a per-
25 son that has a legal right to receive any payment or

1 thing of value described in subsection (a)(1) if the
2 legal right is solely regarding—

3 “(A) the repayment of the principal of a
4 loan;

5 “(B) the repayment of the principal of a
6 loan plus interest that does not exceed the high-
7 er of 10 percent or a rate three times the an-
8 nual average 30-year constant maturity Treas-
9 ury yield, as published by the Board of Gov-
10 ernors of the Federal Reserve System, for the
11 year preceding the date on which the relevant
12 agreement was executed;

13 “(C) the reimbursement of attorney’s fees
14 paid to counsel of record for services provided
15 in the civil action; or

16 “(D) the reimbursement of a grant.

17 “(2) DONOR, MEMBER, AND ASSOCIATE IDEN-
18 TITY.—The requirements under subsection (a)(1)
19 shall not apply with respect to any donor, member,
20 or associate of the person that has a legal right de-
21 scribed in subsection (a)(1) unless the donor, mem-
22 ber, or associate also has a legal right to receive any
23 payment or thing of value described in subsection
24 (a)(1) and is not excepted from disclosure under
25 subsection (b)(1).

1 “(3) DONOR AND MEMBER LIST.—The require-
2 ments under subsections (a)(2) and (a)(3) shall not
3 require the production of lists of members, donors,
4 or associates, and the court shall permit redactions
5 of the identity of any member, donor, or associate
6 from materials disclosed pursuant to subsection
7 (a)(3), unless that member, donor, or associate also
8 has a legal right to receive any payment or thing of
9 value described in subsection (a)(1) and is not ex-
10 cepted from disclosure under subsection (b)(1).

11 “(4) ADMISSIBILITY AND DISCOVERY.—Nothing
12 in this Section may be construed to render admis-
13 sible any disclosure, document, or thing provided
14 under this Section, or any information therein, or to
15 affect whether any disclosure, document, or thing is
16 discoverable except as expressly provided in this sec-
17 tion.

18 “(c) TIMING.—The disclosures required by subsection
19 (a) shall be made not later than the later of—

20 “(1) 10 days after the execution of any agree-
21 ment described in subsection (a)(2);

22 “(2) the time of initial disclosures made pursu-
23 ant to Federal Rule of Civil Procedure 26(a)(1); or

24 “(3) the time set by the court for such disclo-
25 sures.

1 “(d) DUTY TO CORRECT.—A party or counsel of
 2 record that made a disclosure required by this section shall
 3 supplement or correct each such disclosure in a timely
 4 manner—

5 “(1) if such party or counsel of record learns
 6 that the disclosure is or has become incomplete or
 7 incorrect in some material respect, if the additional
 8 or corrective information has not otherwise been
 9 made known to the other parties during the dis-
 10 covery process or in writing; or

11 “(2) as ordered by the court.”.

12 (b) CLERICAL AMENDMENT.—The table of sections
 13 for chapter 111 of title 28, United States Code, is amend-
 14 ed by adding at the end the following:

“1660. Third-party beneficiary disclosure.”.

15 **SEC. 3. APPLICABILITY.**

16 The amendments made by this Act shall apply to any
 17 civil action pending on or commenced after the date of
 18 enactment of this Act.

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