

**SUBJECT:** Setting the limitations periods for claims in arbitration proceedings

**COMMITTEE:** Judiciary and Civil Jurisprudence — committee substitute recommended

**VOTE:** 9 ayes — Leach, Farrar, Y. Davis, Julie Johnson, Krause, Meyer, Neave, Smith, White

0 nays

**WITNESSES:** For — John Boyce, Texas Arbitration Council; (*Registered, but did not testify*: Steve Perry, Chevron USA; Lee Loftis, Independent Insurance Agents of Texas; Lee Parsley, Texans for Lawsuit Reform; Eric Knustrom, Texas Arbitration Council; Ned Munoz, Texas Association of Builders; Carol Sims, Texas Civil Justice League; Ware Wendell, Texas Watch; John Fleming)

Against — None

**BACKGROUND:** Concerns have been raised that the limitations periods for asserting claims in arbitration proceedings are unclear.

**DIGEST:** CSHB 1744 would prohibit a party from asserting a claim in an arbitration proceeding that could not have been brought in court due to the expiration of the applicable limitations period, unless:

- the party had brought suit for the claim in court within the limitations period; and
- the parties to the claim agreed or were ordered by a court to arbitrate the claim.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.