

SUBJECT:	Applying court limitations periods to arbitration proceedings.
COMMITTEE:	Judiciary & Civil Jurisprudence — favorable, without amendment
VOTE:	9 ayes — Leach, Julie Johnson, Davis, Flores, Moody, Murr, Schofield, Slawson, Vasut 0 nays
WITNESSES:	For — (<i>Registered, but did not testify</i> : Lee Parsley, Texans for Lawsuit Reform; George Christian, Texas Civil Justice League; Laura Tamez, Texas Trial Lawyers Association; Ware Wendell, Texas Watch; John Fleming; Chnequa Kirby Harrison) Against — None
DIGEST:	HB 1255 would prohibit a party from bringing a claim to arbitration if the applicable limitations period for the claim had expired. The bill would create an exception to this provision if: <ul style="list-style-type: none">• the party brought the claim to court before the applicable limitations had expired; and• the parties to the claim agreed to arbitrate the claim or a court ordered the parties to arbitrate the claim. <p>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, 2023.</p>
SUPPORTERS SAY:	HB 1255 would provide better clarity on how statutes of limitations applied to arbitration proceedings. A lack of clarity in the law has led to inconsistency in the judicial system, with some courts dismissing attempts to transfer cases from a court to arbitration following the expiration of the limitations period. HB 1255 would provide courts with more certainty as to which exceptions applied.

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CRITICS
SAY:

No concerns identified.