

By: Smithee, Jetton

H.B. No. 1255

A BILL TO BE ENTITLED

AN ACT

relating to limitations periods in arbitration proceedings.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 16, Civil Practice and Remedies Code, is amended by adding Section 16.073 to read as follows:

Sec. 16.073. APPLICABILITY OF LIMITATIONS PERIODS TO ARBITRATION. (a) A party may not assert a claim in an arbitration proceeding if the party could not bring suit for the claim in court due to the expiration of the applicable limitations period.

(b) A party may assert a claim in an arbitration proceeding after expiration of the applicable limitations period if:

(1) the party brought suit for the claim in court before the expiration of the applicable limitations period; and

(2) the parties to the claim agreed to arbitrate the claim or a court ordered the parties to arbitrate the claim.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.