



## **2019 Texas ADR Legislative Report**

The Center for Public Policy Dispute Resolution is pleased to provide this selection of notable bills from the 2019 legislative session that impact (or could have impacted) the use of alternative dispute resolution in Texas.

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## NOTABLE ADR BILLS PASSED BY THE 86<sup>th</sup> TEXAS LEGISLATURE

### ARBITRATION

#### **SB 2** – Sen. Bettencourt

*Relating to ad valorem taxation; authorizing fees. Also known as the Texas Property Tax Reform and Transparency Act of 2019.*

This bill, in addition to the many changes to property taxation and the Appraisal Review Boards, establishes a number of criteria for those individuals who serve as arbitrators in a binding arbitration appeal with regard to appraisal.

Specifically, the bill discusses the qualification of arbitrators, and as such amends Tax Code 41A.03. Further, the bill established that training of arbitrators be conducted, and specifies that the curriculum for such training must be approved by the comptroller. The bill also includes requirements for the training manual, materials for training and the length of the mandatory training.

#### **HB 1802** – Rep. Bohac

*Relating to a request for binding arbitration of certain appraisal review board orders.*

This bill extends the time for a property owner to file a request for binding arbitration as an appeal from the Appraisal Review Board.

#### **HB 965** – Rep. Gonzalez

*Relating to updating references to certain former health services state agencies and certain terms used to describe persons with intellectual or developmental disabilities in the Education Code.*

This bill amends the Education Code to update references to certain terms used to describe persons with intellectual or developmental disabilities and references to certain health services entities. It also provides that several agencies, including the Texas Education Agency, Health and Human Services, Texas Juvenile Justice, and the Department of Family and Protective Services work to establish a memorandum of understanding that will include matters such as the designation of responsibilities of school districts and residential facilities, other measures for the health and safety of students, as well as providing for binding arbitration of disputes consistent with the Texas Civil Practice and Remedies Code, section 154.027, and the Texas Government Code. This bill also provides that in the event that the commissioner of education and the Department of Health and Human Services cannot resolve a matter between a school district and forensic state living center, then a third party neutral will resolve the matter through a binding decision. In this instance, the commissioners shall

jointly submit a written request to the attorney general to appoint a neutral third party knowledgeable in special education and intellectual and developmental disability issues to resolve each issue on which the district and the center disagree. The decision is not subject to appeal, and the parties must then implement the decision.

**SB 1264** - Sen. Hancock

*Relating to consumer protections against certain medical and health care billing by certain out-of-network providers.*

(Detailed discussion of the mediation provisions is set out in the Mediation section of this report whereas the arbitration provisions follow.)

This bill works to prohibit balance billing medical and health care providers; specifically prohibits billing an amount greater than applicable copay; if done, then the attorney general can file for an injunction.

This bill also creates / expands arbitration and mediation systems. More specifically, the bill requires that the notice of the explanation of benefits provided by the administrator of health care plans must include information required by commissioner rule concerning arbitration and mediation alternatives that are available under Chapter 1467 of the Insurance Code, which provides for out-of-network claim dispute resolution.

The bill establishes mandatory binding arbitration procedures for disputes regarding health benefits claims submitted by out-of-network providers. In establishing the program, the bill requires the commissioner to adopt rules, forms, and procedures including the online request for arbitration. The commissioner must maintain a list of qualified arbitrators, and limits the arbitration decision to a determination of the reasonable amount for the health care or medical services or supplies. The bill provides that arbitration must be requested within 90 days of the disagreement, and that the parties must participate in an informal telephonic settlement conference within 30 days of the request for arbitration. It is clearly stated that the arbitration is not subject to Title 7, Texas Civil Practice and Remedies Code (ADR Act and Arbitration Act). Additional provisions relating to arbitration include the provision that in the event the parties cannot agree on an arbitrator, then the commissioner makes the selection; that no discovery is permitted, and that the fees and costs are to be split evenly. Further, the arbitrator's written decision is to be provided no more than 51 days after the arbitration request; that the parties must make any necessary payment to comply with the decision within 30 days; and that the parties can file another (court) action within 45 days, if not satisfied with the decision.

The bill also contains provision to assure there is no conflict of interest with regard to the arbitration, and finally the bill also defines and discusses bad faith participation

and specifically provides that in the event there is a determination (by a report or other evidence), that an administrative penalty will be assessed against the party by the licensing organization.

**SB 1876** – Sen. Fallon

*Relating to a request for binding arbitration to appeal appraisal review board orders involving two or more contiguous tracts of land.*

This bill provides definitional clarification re: contiguous tracts of land for purposes of allowing property owners to submit a disputed appraisal to arbitration pursuant to Chapter 41A of the Tax Code.

**HB 347** – Rep. King

*Relating to consent annexation requirements.*

This bill deals with tiers of municipalities for purposes of annexation, and it expands the applicability of consent annexation procedures. The bill also provides that in the event of disagreement regarding the amounts or costs owed related to annexation, that the developer and/or the municipality can require non-binding arbitration under the Rules of the American Arbitration Association.

**HB 1545** - Rep. Paddie

*Relating to the continuation and functions of the Texas Alcoholic Beverage Commission, including the consolidation, repeal, and creation of certain licenses and permits; changing fees.*

This bill continues the TABC until September 1, 2031; it expands the commission, revised the types of licenses and permits available, and revises the agency's process for approving, denying, and protesting license and permit applications. This bill provides mediation and informal dispute resolution for application disputes, as well as allowing for mediation or informal dispute resolution for the denial of permits. The bill also provides for arbitration of disputes between distributors and brewers concerning the value of the distributor's business that the brewer owes, should an agreement be cancelled; arbitration is to take place in accordance with Chapter 171, Texas Civil Practice and Remedies Code (General Arbitration); also provides for a 3 person panel, that the award is binding, unless appealed within 10 days, and that the costs for the arbitration are split evenly.

DISPUTE RESOLUTION OR ALTERNATIVE DISPUTE RESOLUTION  
(WITHOUT FURTHER REFERENCE TO PROCESS)

**SB 614** - Sen. Nichols

*Relating to the continuation and functions of the Finance Commission of Texas, the Texas Department of Banking, and the Department of Savings and Mortgage Lending, to the training requirements applicable to the agencies overseen by the Finance Commission of Texas, and to the regulation of certain financial institutions and businesses.*

The Finance Commission of Texas is the policymaking body that oversees the Texas Department of Banking (DOB), Office of Consumer Credit Commissioner (OCCC), and Department of Savings and Mortgage Lending (SML). The three agencies work with the commission to regulate the finance industry in the state.

This bill then amends the existing finance code to continue the Finance Commission of Texas, office of banking commissioner, office of savings and mortgage lending commissioner, and Department of Savings and Mortgage Lending until September 1, 2031, and to provide sunset recommendations. Among other provisions, the bill authorizes the finance commission to address a variety of and changes the process for appealing an order of the banking commissioner.

Generally, the Finance Commission is required to develop a policy to encourage the use of negotiated rulemaking for the drafting of rules for the Department of Banking and the Department of Savings and Mortgage Lending. This bill also provides for the use of alternative dispute resolution for internal and external disputes within the agencies. The bill provides that ADR procedures must conform to the guidelines of the State Office for Administrative Hearings (hereinafter SOAH) for the use of dispute resolution processes in state agencies and calls for training for implementation.

**SB 1519** – Sen. Kolkhorst

*Relating to establishing a council on long-term care facilities and to a dispute resolution process regarding those facilities.*

This bill instructs the Health and Human Services Commission to establish an advisory council to study and make recommendations regarding informal dispute resolution process for a variety of disputes in long-term facilities, as well as a dispute resolution system for statements of violations. As part of the program, the commission would contract with outside parties to adjudicate disputes between facilities and commission regarding violations. The bill also provides for nurses to conduct general dispute resolution for standard of care violations.

**SB 606** – Sen. Watson

*Relating to the Lower Colorado River Authority, following recommendations of the Sunset Advisory Commission.*

This bill revises and updates the governing provisions of the Lower Colorado River Authority (LCRA). The bill requires the board to develop a policy to encourage the use of ADR as under Chapter 2009, Texas Government Code to assist in the resolution of internal and external disputes under LCRA's jurisdiction. It further provides that the ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies, and calls for training for implementation and analysis of the dispute resolution program.

**SB 604** – Sen. Buckingham

*Relating to the continuation and functions of the Texas Department of Motor Vehicles and to the operations of certain other entities performing functions associated with the department.*

This bill continues the Texas Department of Motor Vehicles, and adopts several across-the-board Sunset recommendations, including provisions regarding board member training, board membership, complaints, and alternative dispute resolution. With regard to the dispute resolution provisions, the bill calls for the establishment of a policy to use appropriate alternative dispute resolution procedures under Chapter 2009 of the Texas Government Code. Specifically, it calls for negotiated rulemaking for the adoption of the Department's Rules, and other procedures to assist in the resolution of both internal and external disputes that are under the department's jurisdiction. The bill also notes that ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies.

**HB 1442** – Rep. Paddie

*Relating to the continuation and functions of the Office of Consumer Credit Commissioner, the licensing and registration of persons regulated by that state agency, and certain consumer financial transactions regulated by that state agency.*

This bill continues the Office of Consumer Credit Commissioner, which regulates financial services other than those offered by banks, and educates consumers and creditors in an effort to foster a fair and lawful environment. The commissioner examines licensees for compliance with state and federal laws. The bill also notes that the office must establish a policy to encourage negotiated rulemaking as set forth under Chapter 2009, Texas Government Code for the adoption of rules by the finance commissioner. The policy must also encourage the use of appropriate dispute resolution for internal and external disputes that come under the office's jurisdiction. Additionally, the bill provides that the ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies.

**HB 1535** – Rep. Flynn

*Relating to the continuation and functions of the State Securities Board.*

The State Securities Board was established by the Legislature in 1957 as an independent agency dedicated to protecting the public from securities fraud with ‘securities’ being defined rather broadly. This bill continues the Board, and establishes the use of appropriate alternative dispute resolution procedures under Chapter 2009 of the Texas Government Code. Specifically, the bill notes that the Board is to use negotiated rulemaking for the creation of board rules, and ADR procedures to assist in the resolution of internal and external disputes within the Board’s jurisdiction. The bill also notes that ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies, and that the Board shall provide training as needed to implement the procedures for negotiated rulemaking and ADR.

**HB 1311** – Rep. Thompson

*Relating to the continuation and functions of the Texas Board of Professional Geoscientists.*

This bill amends the Texas Geoscience Practice Act, Occupations Code, to continue the Texas Board of Professional Geoscientists. The bill, among other provisions, revises certain licensing requirements and increases the maximum administrative penalty for a geoscientist's violation. Also included in this bill is a provision that provides that the Board must develop a policy to encourage negotiated rulemaking as under section 2009, Texas Government Code for the adoption of board rules. Further, the bill provides that the policy shall also encourage the use of appropriate alternative dispute resolution for internal and external disputes that come under the board’s jurisdiction and additionally that the ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies. The bill also provides that the Board must coordinate the implementation of the policy, provide training, and collect data regarding the effectiveness of the procedures.

**SB 627** – Sen. Birdwell

*Relating to the Red River Authority, following recommendations of the Sunset Advisory Commission*

The Red River Authority (RRA) was created by the Legislature in 1959 to develop, conserve, and protect from pollution the water of the Red River and its tributaries. This bill mends the law to revise and update the governing provisions of the Red River Authority of Texas, following Sunset Advisory Commission recommendations. The bill also provides that the Authority must establish a policy to encourage the use of appropriate alternative dispute resolution for internal and external disputes that come under the Authority’s jurisdiction. The bill additionally states that the ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution

processes in state agencies. The Authority must also coordinate the implementation of the stated policy, provide training for implementation and collect data.

**HB 1504** - Rep. Paddie

*Relating to the continuation and functions of the Texas Medical Board; authorizing a fee.*

The Texas Medical Board (TMB) licenses and regulates medical practitioners in the state. The board's mission is to protect and enhance the public's health and safety by establishing and maintaining standards of care used in regulating the practice of medicine and ensuring quality health care for Texans through licensure, discipline, and education. This bill continues the Board until September 1, 2031, and provides that the Board establish and implement a policy to encourage the use of negotiated rulemaking as under section 2009, Texas Government Code for any Rules adopted by the Board. The bill further provides that the Board implement a policy to encourage the use of appropriate alternative dispute resolution for the resolution of internal and external disputes falling under the Board's jurisdiction.

**SB 935** – Sen. Hancock

*Relating to reimbursement of federal military treatment facilities under the workers' compensation system.*

This bill addresses the Texas Workers' Compensation Act (Labor Code, Chapter 413) and the Workers' Compensation Health Care Network Act (Insurance Code, Chapter 1305) that govern provider reimbursement policies under the state's workers' compensation system, including reimbursement rates, billing deadlines, preauthorization requirements, and dispute resolution. This bill requires workers' compensation insurance carriers to reimburse a federal military treatment facility for care provided to an injured employee at the same rates that third-party payers were required to reimburse the facility under applicable federal law. The bill also establishes a separate medical dispute resolution process for bills sent directly to an injured employee by a federal military treatment facility.

**HB 1545** – Rep. Paddie

*Relating to the continuation and functions of the Texas Alcoholic Beverage Commission, including the consolidation, repeal, and creation of certain licenses and permits; changing fees.*

This bill continues the TABC until September 1, 2031; it expands the commission, revised the types of licenses and permits available, and revises the agency's process for approving, denying, and protesting license and permit applications. This bill provides mediation and informal dispute resolution for application disputes, as well



as allowing for mediation or informal dispute resolution for the denial of permits. (Also, see additional provisions under arbitration and mediation).

**HB 1501** – Rep. Nevarez

*Relating to the creation of the Texas Behavioral Health Executive Council and to the continuation and transfer of the regulation of psychologists, marriage and family therapists, professional counselors, and social workers to the Texas Behavioral Health Executive Council; providing civil and administrative penalties; authorizing a fee.*

This bill provides for the creation of the Texas Behavioral Health Executive Council and such council works to consolidate the Texas State Board of Examiners of Marriage and Family Therapists, Texas State Board of Examiners of Professional Counselors, and Texas State Board of Social Worker Examiners with the Texas State Board of Examiners of Psychologists. The bill also addresses many of the requirements of such professionals. With regard to dispute resolution, the bill provides that the Council develop a policy to encourage the use of negotiated rulemaking under Chapter 2009 of the Texas Government Code for the adoption of Council Rules. Further that the policy also encourage the use of appropriate alternative dispute resolution processes for internal and external disputes that fall within the jurisdiction of the Council. In addition, the council is instructed that the dispute resolution procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies.

MEDIATION

**SB 1264** - Sen. Hancock

*Relating to relating to consumer protections against certain medical and health care billing by certain out-of-network providers.*

(The detailed discussion of the arbitration provisions is in the Arbitration section of this report whereas the Mediation provisions follow.)

This bill works to prohibit balance billing medical and health care providers; specifically prohibits billing an amount greater than applicable copay; if done, then the attorney general can file for injunctive relief. This bill also creates/expands arbitration and mediation systems. More specifically, the bill requires that the notice of the explanation of benefits provided by the administrator of health care plans must include information required by commissioners rule concerning arbitration and mediation alternatives that are available under Chapter 1467 of the Insurance Code, which provides for out-of-network claim dispute resolution.

The bill establishes a mandatory mediation program for resolving disputes regarding health benefits claims submitted by out-of-network providers. In establishing the

program, the bill requires the commissioner to adopt rules, forms, and procedures including the online request for mediation. The commissioner must maintain a list of mediators. The bill also contains provision to assure there is no conflict of interest with regard to the mediators, and finally the bill also defines and discusses bad faith participation and specifically provides that in the event there is a determination (by a report or other evidence), that an administrative penalty will be assessed against the party by the licensing organization.

**HB 1545** - Rep. Paddie

*Relating to the continuation and functions of the Texas Alcoholic Beverage Commission, including the consolidation, repeal, and creation of certain licenses and permits; changing fees.*

This bill continues the TABC until September 1, 2031; it expands the commission, revised the types of licenses and permits available, and revises the agency's process for approving, denying, and protesting license and permit applications. This bill provides mediation and informal dispute resolution for application disputes, as well as allowing for mediation or informal dispute resolution for the denial of permits.

**HB 1501** – Rep. Nevarez

*Relating to the creation of the Texas Behavioral Health Executive Council and to the continuation and transfer of the regulation of psychologists, marriage and family therapists, professional counselors, and social workers to the Texas Behavioral Health Executive Council; providing civil and administrative penalties; authorizing a fee.*

Many of the general dispute resolution provisions of this bill are set out earlier in the section on dispute resolution processes, generally. In addition, this bill also provides and establishes mechanisms for the authority of individuals to practice Interjurisdictional Telepsychology as part of, or under a Compact set forth in the bill. All of the Compact States are to establish a compact joint public agency, known as the Psychology Interjurisdictional Compact Commission. The bill then also provides that the Commission shall promulgate rules for mediation and binding DR for disputes of Compact States that arise before the Commission.

PASSED, AND VETOED BY GOVERNOR

**HB 1742** – Rep. Smithee

*Relating to the mediation of the settlement of certain health benefit claims involving balance billing by out-of-network laboratories.*

This bill amended the Insurance Code to allow an enrollee of a preferred provider benefit plan or another applicable health benefit plan to request mediation of a settlement of an out-of-network health benefit claim for a laboratory service under certain conditions. The provisions also included a requirement that the enrollee of the plan be notified about the mediation option, and that the location of the mediation is to be the county where the services were rendered.

Governor's Reason for Veto: "In an effort to end surprise medical billing in Texas, I have signed Senate Bill 1264 into law. That leaves no work to be done by House Bill 1742, as the bill itself acknowledges in Section 14. I applaud the Legislature for addressing this critical issue in a number of bills, and I am proud to have signed the broadest one that reached my desk."

#### INTRODUCED, BUT DID NOT PASS

**HB 2895** – Rep. Collier

**SB 797** – Sen. Alvarado

*Relating to collective bargaining and conditions of employment for fire fighters and police officers in certain political subdivisions.*

This bill called for establishing a state policy that political subdivisions provide firefighters and police officers compensation and other benefits that are substantially equal to that provided by comparable subdivisions to fire and police departments. The bill also recognized the essential and emergency nature of the work of police and fire fighters, and thus recognized that a system of arbitration was preferred over strikes. Thus, the bill was to amend the local government code to provide that a public employer and an association that is a bargaining agent must submit to binding arbitration if an impasse is reached in collective bargaining process. The bill also provides some detailed procedures with regard to the arbitration process, including timelines, notices, the method of arbitrator selection, and that the arbitrator list be from the American Arbitration Association or the Federal Mediation and Conciliation Service.

**HB 4146** – Rep. Capriglione

*Relating to the regulation of certain short-term consumer loans; imposing an assessment and fees; requiring an occupational license; authorizing fees.*

This bill deals with the regulation of certain Credit Access Business Transactions, including the fees charged, licensing requirements, refunds and the like. The bill also addresses the requirements of arbitration clauses in contracts between consumers and credit access businesses, and includes requirements such as that the clause must

be conspicuous, must be fair, including rules, that the location of the arbitration be reasonable for the consumer, and arbitration fee allocations.

**HB 1897** - Rep. Bonnen

*Relating to dispute resolution for certain claims arising under insurance policies issued by the Fair Access to Insurance Requirements (FAIR) Plan Association; authorizing fees.*

This bill addresses Chapter 2211 of the Insurance Code governing Fair Access to Insurance Requirements (FAIR) plans. The Texas FAIR Plan Association issues the plans. Under section 2211.051, the insurance commissioner is authorized to establish a FAIR plan to deliver residential property insurance to residents of the state in underserved areas if the commissioner determines such is necessary. More specifically, the bill would have amended claims, disputes, and other processes of the Texas FAIR Plan Association (TFPA). The bill would also create an ombudsman program to assist TFPA policyholders. More specifically, the parties would be obliged to submit to “alternative dispute resolution by remediation or moderated settlement conference as a prerequisite to filing the action”. The association would have 60 days after the claimant files a claim to request ADR, and the resolution would be completed within 60 days of the request.

This bill addresses the conduct of the dispute resolver defined in this bill as the “presiding officer” which encompasses judges, mediators, arbitrators, appraisers or panelists, and provides that the presiding officer be insured under this chapter. Additional provisions include those addressing mediator costs and selection. In addition, the bill had a provision that would allow a person insured by the TFPA to elect to purchase a ‘binding arbitration endorsement’. A person who purchased such an endorsement would have to arbitrate certain disputes relating to claims. Finally, the bill also provided that the ombudsman program was largely educational.

**HB 2375** - Rep. Johnson

*Relating to the enforcement of certain arbitration agreements.*

This bill proposed to make some arbitration agreements unenforceable and specifically would prohibit a court from enforcing an agreement to arbitrate a dispute that had not yet arisen at the time the agreement was made if the agreement would require arbitration of an employment dispute, consumer dispute, antitrust dispute, or civil rights dispute or would have the effect of waiving the right of an employee to seek judicial enforcement of a right arising under federal or state law.

**SB 589** – Sen. Watson

**HB 618** – Rep. Neave

*Relating to the prohibition of certain required nondisclosure and arbitration agreements.*

This bill amends the Labor Code by addition Chapter 25 that provides that any mandatory arbitration agreement between an employer and an employee is void and unenforceable as against the public policy of this state to the extent that it imposes mandatory arbitration of sexual assault or sexual harassment claims. The bill also provides that an employer commits an unlawful employment practice if the employer discriminates in any way against an employee (or potential employee) for refusing to sign such arbitration agreement.

**HB 1061** – Rep. Minjarez

*Relating to mandatory arbitration as a condition of employment.*

This bill would amend the Labor Code by adding Chapter 26, which states that an employer cannot request an employee to sign an arbitration agreement unless certain conditions are met. These include such matters as reviewing the arbitration agreement together, and both signing an acknowledgement of such; that the employer answers any questions about the agreement, and that the agreement is in the employees native language.

**SB 1935** - Sen. Hinojosa

*Relating to the creation of magistrates for Hidalgo County.*

This bill would allow the commissioner’s court and the presiding judge to appoint one or more individuals as part-time or full-time magistrates. The bill also contains provisions stating that those individuals may not engage in private law practice or serve as a mediator or arbitrator or other neutral in dispute resolution proceedings, whether for pay or not.

**HB 1744** – Rep. Smithee

*Relating to limitations periods in arbitration proceedings.*

This bill proposed to provide statutory guidance with regard to the Statute of Limitations in arbitration. Specifically it provides that a party is prohibited 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:

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

**SB 2188** - Sen. Whitmire  
*Relating to community supervision.*

This bill amends the Code of Criminal Procedure to prohibit courts from referring the victim or defendant to mediation, arbitration, dispute resolution, or similar process in prosecutions involving family violence. In addition, the bill enumerates possible conditions of community supervision, and specifically notes that a criminal defendant can be required to participate in victim-defendant mediation, in some offenses, and if there is consent of the victim.

**SB 1783** - Sen. Zaffirini  
*Relating to guardianships, alternatives to guardianship, and supports and services for incapacitated persons.*

Amends the Estates Code to address issues of alternatives to guardianships. The provision that relates to mediation states that if a court refers contested guardianship procedure to mediation, that the parties must still prove to the court that the proposed ward is an incapacitated person. The bill also requires all mediation participants in contested guardianships to evaluate alternatives to the guardianship. It also addresses costs for mediation and the use of local ADR centers.

**HB 571** – Rep. Hinojosa  
*Relating to rules and policies of the Texas Education Agency regarding public involvement, complaints, negotiated rulemaking, alternative dispute resolution, and advisory committees.*

This bill provides for amendments to Chapter 7 of the Education Code. Specifically, it instructs the Texas Education Agency (TEA) to develop a public involvement policy and find ways to engage stakeholders, through committees and other efforts. It also provides a procedure for complaints. The bill addresses negotiated rulemaking and ADR. The bill states that the agency must develop a policy to encourage negotiated rulemaking in accordance with Chapter 2008 of the Government Code for agency rulemaking. It also calls for a policy to encourage the use of appropriate alternative dispute resolution for internal and external disputes that come under the agency's jurisdiction. The bill additionally states that the ADR procedures must conform to the guidelines of SOAH for the use of dispute resolution processes in state agencies. The Authority must also coordinate the implementation of the stated policy, provide training for implementation and collect data.

**HB 2230** – Rep. Johnson

*Relating to the functions of the Texas Juvenile Justice Department.*

This bill addresses employee grievance procedures within the department, and provides that the procedures must include independent mediation and independent non-binding arbitration for dispute concerning termination or recommended termination.

**SB 1591** – Sen. Whitmire

*Relating to prohibited balance billing and an independent dispute resolution program for out-of-network coverage under certain managed care plans; authorizing a fee.*

This bill proposed to add subchapter E to the Insurance Code, to provide that the commissioner establish and administer an Independent Dispute Resolution Program for disputes regarding out-of-network claims. The bill also instructed that the commissioner establish rules and procedures for such program. Additionally, the independent reviewers were limited to a determination of a single issue, that being the reasonableness of the claim. Further, mediation was also to be an option for enrollees, and procedures for informing the enrollee as well and procedures for requesting and participating in mediation were also included.