

By: Dutton

H.B. No. 371

A BILL TO BE ENTITLED

1 AN ACT

2 relating to certain restrictions on the arbitration of an
3 employment dispute.

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

5 SECTION 1. Subtitle A, Title 2, Labor Code, is amended by
6 adding Chapter 26 to read as follows:

7 CHAPTER 26. MANDATORY ARBITRATION AGREEMENTS

8 Sec. 26.001. MANDATORY ARBITRATION PROHIBITED FOR NEW
9 EMPLOYEES. An employer may not require an at-will employee to agree
10 to mandatory arbitration as a condition of employment before the
11 91st day after the date on which the employee begins the employment.

12 SECTION 2. (a) This Act takes effect September 1, 2003.

13 (b) The change in law made by this Act applies only to an
14 employer requiring arbitration as a condition of employment for an
15 employee who begins employment on or after the effective date of
16 this Act. An employer requiring arbitration as a condition of
17 employment for an employee who began employment before that date is
18 governed by the law in effect immediately before the effective date
19 of this Act, and the former law is continued in effect for that
20 purpose.