86R11057 BRG-D

By:  J. Johnson of Dallas H.B. No. 2375

A BILL TO BE ENTITLED

AN ACT

relating to the enforcement of certain arbitration agreements.

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

SECTION 1.  Subchapter B, Chapter 171, Civil Practice and Remedies Code, is amended by adding Section 171.0221 to read as follows:

Sec. 171.0221.  CERTAIN ARBITRATION AGREEMENTS UNENFORCEABLE. (a) In this section:

(1)  "Antitrust dispute" means a dispute involving a claim for damages caused by a violation of an antitrust law in which plaintiffs seek certification as a class.

(2)  "Civil rights dispute" means a dispute regarding a violation of the United States Constitution, the constitution of this state, or a statute that prohibits discrimination on the basis of race, sex, disability, religion, or national origin in which a party alleging a violation is an individual.

(3)  "Consumer dispute" means a dispute between an individual who seeks or acquires real or personal property, services, securities or other investments, money, or credit for personal, family, or household purposes and a seller or provider of the property, services, investments, money, or credit.

(4)  "Employment dispute" means a dispute between an employer and an employee.

(b)  A court may not enforce 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.

(c)  This section does not apply to an agreement to arbitrate between an employer and a labor union or between labor unions.

SECTION 2.  This Act applies only to an agreement to arbitrate entered into on or after the effective date of this Act.

SECTION 3.  This Act takes effect September 1, 2019.