

HB 503 -- ARBITRATION AGREEMENTS

SPONSOR: Schroer

This bill provides that in arbitration agreements between an employer and an at-will employee the arbitrator must make all initial decisions as to arbitrability, including deciding whether the parties have agreed to arbitrate, whether the arbitration agreement is enforceable, and whether specific claims are arbitrable. For this type of matter, the arbitrator or arbitrators will be selected by mutual agreement of the parties or, if no mutual agreement, by a strike and ranking process. The bill establishes certain criteria for when the arbitrator must determine that the arbitration agreement is valid.

The bill also provides that any clause in a predispute arbitration agreement requiring the proceedings or results thereof to be confidential, as to claims of sexual harassment, sexual assault, human trafficking, or a criminal offense under Chapter 566, RSMo, or claims of discrimination or harassment based upon any protected status under federal or state law, shall not be enforceable.

On motion by a party showing an arbitration agreement between an employer and an at-will employee that does not expressly delegate the issue of arbitrability to the court, the court must stay any action before the court and order the parties to proceed to arbitration. The provisions of this bill do not apply to or affect enforceability of arbitration provisions in collective bargaining agreements.

This bill is the same as SB 154 (2019) and similar to HCS HB 2552 and HB 1512 (2018).