

**Enrolled**  
**House Bill 3450**

Sponsored by Representative CAMERON; Representatives GILLIAM, HUFFMAN, THATCHER

CHAPTER .....

AN ACT

Relating to employment agreements; creating new provisions; and amending ORS 36.620.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 36.620 is amended to read:

36.620. (1) An agreement contained in a record to submit to arbitration any existing or subsequent controversy arising between the parties to the agreement is valid, enforceable and irrevocable except upon a ground that exists at law or in equity for the revocation of a contract.

(2) Subject to ORS 36.625 (8), the court shall decide whether an agreement to arbitrate exists or a controversy is subject to an agreement to arbitrate.

(3) An arbitrator shall decide whether a condition precedent to arbitrability has been fulfilled.

(4) If a party to a judicial proceeding challenges the existence of, or claims that a controversy is not subject to, an agreement to arbitrate, the arbitration proceeding may continue pending final resolution of the issue by the court, unless the court otherwise orders.

(5) A written arbitration agreement entered into between an employer and employee and otherwise valid under subsection (1) of this section is voidable and may not be enforced by a court unless:

*[(a) The employer informs the employee in a written employment offer received by the employee at least two weeks before the first day of the employee's employment that an arbitration agreement is required as a condition of employment; or]*

**(a) At least 72 hours before the first day of the employee's employment, the employee has received notice in a written employment offer from the employer that an arbitration agreement is required as a condition of employment, and the employee has been provided with the required arbitration agreement that meets the requirements of, and includes the acknowledgment set forth in, subsection (6) of this section; or**

(b) The arbitration agreement is entered into upon a subsequent bona fide advancement of the employee by the employer.

**(6) The acknowledgment required by subsection (5) of this section must be signed by the employee and must include the following language in boldfaced type:**

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**I acknowledge that I have received and read or have had the opportunity to read this arbitration agreement. I understand that this arbitration agreement requires that disputes that involve the matters subject to the agreement be submitted to mediation or arbitration pursuant to the arbitration agreement rather than to a judge and jury in court.**

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**SECTION 2. The amendments to ORS 36.620 by section 1 of this 2011 Act apply to arbitration agreements entered into on or after the effective date of this 2011 Act.**

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**Passed by House March 22, 2011**

**Received by Governor:**

**Repassed by House June 13, 2011**

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Ramona Kenady Line, Chief Clerk of House

**Approved:**

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Bruce Hanna, Speaker of House

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John Kitzhaber, Governor

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Arnie Roblan, Speaker of House

**Filed in Office of Secretary of State:**

.....M,....., 2011

**Passed by Senate June 9, 2011**

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Peter Courtney, President of Senate

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Kate Brown, Secretary of State