



## **129th MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2019

**Legislative Document** 

No. 1250

H.P. 911

House of Representatives, March 14, 2019

An Act To Prohibit Sexual Harassment as a Subject Matter of Mandatory Arbitration in Employment Contracts

Reference to the Committee on Labor and Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative TIPPING of Orono. Cosponsored by Senator LAWRENCE of York and Representatives: BAILEY of Saco, DAUGHTRY of Brunswick, GRAMLICH of Old Orchard Beach, MELARAGNO of Auburn, SYLVESTER of Portland, Senator: POULIOT of Kennebec.

- 1 Be it enacted by the People of the State of Maine as follows:
- 2 Sec. 1. 26 MRSA §806, sub-§§1-B and 3-A are enacted to read:
- 3 <u>**1-B. Arbitration.**</u> "Arbitration" means the use of a decision-making forum 4 conducted by an arbitrator or panel of arbitrators within the meaning of and subject to 5 <u>Title 14, chapter 706.</u>

6 **3-A. Mandatory arbitration clause.** "Mandatory arbitration clause" means a term 7 or provision in a written contract that requires the parties to the contract to submit any 8 matter arising under the contract to arbitration prior to the commencement of any legal 9 action to enforce the provisions of the contract.

10 Sec. 2. 26 MRSA §808 is enacted to read:

## 11 §808. Mandatory arbitration clauses related to sexual harassment prohibited

1. Prohibition. Except when inconsistent with federal law, a written contract 12 entered into on or after the effective date of this section may not contain a mandatory 13 arbitration clause that requires as a condition of the enforcement of the contract or 14 obtaining remedies under the contract that the parties submit to mandatory arbitration to 15 resolve any allegation or claim of an unlawful discriminatory practice of sexual 16 harassment and that also further provides language to the effect that the facts found or 17 determination made by the arbitrator or panel of arbitrators in its application to a party 18 19 alleging an unlawful discriminatory practice based on sexual harassment is final and not subject to independent court review. 20

- 21 2. Exceptions. Nothing in this section may be construed to impair or prohibit an
  22 employer from incorporating within a contract a clause or other mandatory arbitration
  23 provision not prohibited under subsection 1 upon which the parties agree.
- 3. Mandatory arbitration clause related to sexual harassment void. Except when
  inconsistent with federal law, the provisions of a clause prohibited under subsection 1 are
  void. The inclusion of such a clause in a written contract does not impair the
  enforceability of any other provision of the contract.
- 28 <u>4. Conflict.</u> If there is a conflict between any collective bargaining agreement and
  29 <u>this section, the agreement controls.</u>
- 30 Sec. 3. Maine Revised Statutes headnote amended; revision clause. In the 31 Maine Revised Statutes, Title 26, chapter 7, subchapter 4-B, in the subchapter headnote, 32 the words "sexual harassment policies" are amended to read "sexual harassment" and the 33 Revisor of Statutes shall implement this revision when updating, publishing or 34 republishing the statutes.

## SUMMARY

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This bill prohibits an employment contract entered into after the effective date of this legislation from including a clause that requires arbitration of a sexual harassment

- 1 allegation or claim and makes any such clause void. The bill does not affect the ability of
- 2 an employer to include any other arbitration clause in a contract or to enforce the 3 provisions of a contract other than the prohibited clause.

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