# STATE OF NEW YORK

7898

2025-2026 Regular Sessions

# IN ASSEMBLY

April 11, 2025

Introduced by M. of A. DINOWITZ -- read once and referred to the Committee on Judiciary

AN ACT to amend the civil practice law and rules, in relation to arbitration clauses in employment contracts

**The People of the State of New York, represented in Senate and Assembly, do enact as follows:**

Section 1. Paragraph 4 of subdivision (a) and subdivision (b) of section 7515 of the civil practice law and rules, as added by section 1 of subpart B of part KK of chapter 57 of the laws of 2018, is amended to read as follows:

4. The term "arbitration" shall mean the use of a decision making forum conducted by an arbitrator or panel of arbitrators within the meaning and subject to the provisions of *this* article [~~seventy-five of the civil practice law and rules~~].

(b) (i) Prohibition. Except where inconsistent with federal law, no written contract, entered into on or after the effective date of this section shall contain a prohibited clause as defined in paragraph two of subdivision (a) of this section.

(ii) Exceptions. Nothing contained in this section shall be construed to impair or prohibit an employer from incorporating a non-prohibited clause or other mandatory arbitration provision within such contract, that the parties agree upon*; provided, however, that in the event that a party is required to sign a contract for employment containing a mandatory arbitration clause the representative shall disclose the mandatory arbitration clause to the party and clearly explain, in plain language, what an arbitration clause is. If the party is agreeing to a contract by any form of contact that is not personal, including but not limited to, electronically, using the internet or through the mail, such contract shall have, at the end of such contract, information informing the party that they are signing a mandatory arbitration clause and an internet*

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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**link to a valid and plain written explanation of what an arbitration clause is**.

(iii) Mandatory arbitration clause null and void. Except where inconsistent with federal law, the provisions of such prohibited clause as defined in paragraph two of subdivision (a) of this section shall be null and void. The inclusion of such clause in a written contract shall not serve to impair the enforceability of any other provision of such contract.

§ 2. This act shall take effect immediately.