

House Engrossed Senate Bill
employer-employee arbitration; contract; disputes

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1514

AN ACT

AMENDING TITLE 23, CHAPTER 10, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTION 23-1606; RELATING TO EMPLOYMENT RELATIONSHIPS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 23, chapter 10, article 1, Arizona Revised
3 Statutes, is amended by adding section 23-1606, to read:

4 23-1606. Employer-employee arbitration; dispute resolution;
5 permissibility; costs; applicability

6 A. NOTWITHSTANDING SECTIONS 12-1517 AND 12-3003, A WRITTEN
7 AGREEMENT TO ARBITRATE EMPLOYMENT-RELATED DISPUTES BETWEEN AN EMPLOYER AND
8 AN EMPLOYEE WHOSE PRIMARY JOB DUTIES DIRECTLY AND NECESSARILY INVOLVE THE
9 LOADING, UNLOADING OR HANDLING OF GOODS AT A WAREHOUSE THAT IS LEASED OR
10 OWNED BY THE EMPLOYER IS VALID, ENFORCEABLE AND IRREVOCABLE, EXCEPT WHEN
11 GROUNDS EXIST AT LAW OR IN EQUITY TO REVOKE THE AGREEMENT.

12 B. IF AN EMPLOYEE INITIATES ARBITRATION IN AN EMPLOYMENT-RELATED
13 DISPUTE:

14 1. THE EMPLOYEE SHALL BE RESPONSIBLE FOR PAYING THE ADMINISTRATIVE
15 COSTS OF THE ARBITRATION THAT ARE THE FUNCTIONAL EQUIVALENT OF THE INITIAL
16 FILING FEE IN STATE COURT.

17 2. THE EMPLOYER IS RESPONSIBLE FOR ALL OTHER ADMINISTRATIVE COSTS
18 THAT ARE UNIQUE TO ARBITRATION.

19 C. THIS SECTION DOES NOT INTERFERE WITH AN EMPLOYEE'S RIGHT TO FILE
20 A CLAIM OR CHARGE WITH A GOVERNMENT AGENCY.

21 D. THIS SECTION DOES NOT APPLY TO AN EMPLOYEE WHO IS SUBJECT TO AN
22 ENFORCEABLE COLLECTIVE BARGAINING AGREEMENT, EXCEPT TO THE EXTENT ALLOWED
23 IN THE COLLECTIVE BARGAINING AGREEMENT.