

Irvine Partner Discusses 9th Circuit Decision: California Employers Can Mandate Arbitration

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In an interview with *SHRM*, **Tyler Rasmussen** shares his insight on the recent 9th U.S. Circuit Court of Appeals ruling, which determined that California employers can require job candidates and employees to sign arbitration agreements as a condition of employment. The ruling said the Federal Arbitration Act takes precedence over California's law, AB 51, which prohibits employers from requiring workers to sign arbitration agreements.

He explains that there is a chance that AB 51 never sees the light of day. As things stand now, businesses "should feel more comfortable making arbitration agreements a condition of employment and should assess their messaging as to whether the agreement is mandatory or optional," said Tyler.

Tyler also notes that if you require workers to sign arbitration agreements, then you may "have employees who refuse to execute the arbitration agreements, and you are forced to either not hire or separate their employment, potentially losing good employees."

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