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A bill to be entitled

An act relating to arbitration; amending ss. 682.02, 682.03, and 682.18, F.S.; revising provisions relating to the enforcement of arbitration agreements; providing for enforceability of arbitration agreements made under the Federal Arbitration Act; revising provisions relating to grounds for refusing an order for arbitration; prohibiting a court from refusing to enforce an arbitration agreement or provision on specified grounds; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 682.02, Florida Statutes, is amended to read:

682.02 Arbitration agreements made valid, irrevocable, and enforceable; scope.—Two or more parties may agree in writing to submit to arbitration any controversy existing between them at the time of the agreement, or they may include in a written contract a provision for the settlement by arbitration of any controversy thereafter arising between them relating to such contract or the failure or refusal to perform the whole or any part thereof. This section also applies to written interlocal agreements under ss. 163.01 and 373.1962 in which two or more parties agree to submit to arbitration any controversy between them concerning water use permit applications and other matters, regardless of whether or not the water management district with

jurisdiction over the subject application is a party to the

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interlocal agreement or a participant in the arbitration. Such arbitration agreement or provision made under this act, the Federal Arbitration Act, 9 U.S.C. ss. 1 et seq., or the laws of any other state, territory, commonwealth, or foreign country shall be valid, enforceable, and irrevocable without regard to the justiciable character of the controversy or the legality of the contract; provided that, except as otherwise provided herein, this act shall not apply to any such agreement or provision to arbitrate in which it is stipulated that this law shall not apply or to any arbitration or award thereunder.

- Section 2. Subsections (1) and (5) of section 682.03, Florida Statutes, are amended to read:
  - 682.03 Proceedings to compel and to stay arbitration.--
- (1) A party to an agreement or provision for arbitration subject to this law claiming the neglect or refusal of another party thereto to comply therewith may make application to the court for an order directing the parties to proceed with arbitration in accordance with the terms thereof. If the court is satisfied that no substantial issue exists as to the making of the <u>arbitration</u> agreement or provision, it shall grant the application. If the court shall find that a substantial issue is raised as to the making of the <u>arbitration</u> agreement or provision, it shall summarily hear and determine the issue and, according to its determination, shall grant or deny the application.
- (5) An order for arbitration shall not be refused on the ground that the claim in issue lacks merit or bona fides, alleges the contract is voidable, illegal, or void ab initio, or

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57	because any fault or grounds for the claim sought to be
58	arbitrated have not been shown.
59	Section 3. Subsection (3) is added to section 682.18,
60	Florida Statutes, to read:
61	682.18 Court <u>defined; definition;</u> jurisdiction;
62	limitations
63	(3) No court shall refuse to enforce an otherwise valid
64	agreement or provision for arbitration made under this act, the
65	Federal Arbitration Act, 9 U.S.C. ss. 1 et seq., or the laws of
66	any other state, territory, commonwealth, or foreign country or
67	the ground that a contract to which the agreement or the
68	provision relates may be or is voidable, illegal, or void ab
69	initio.

Section 4. This act shall take effect July 1, 2005.

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