



federal arbitration act reigns supreme

MSK Client Alert

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The U. S. Supreme Court recently held that when parties agree to arbitrate all disputes arising under their contract, the Federal Arbitration Act (FAA), 9 U.S.C. § 1, *et seq.*, supersedes state laws lodging initial jurisdiction over their dispute in another forum, whether judicial or administrative. Although this was not an employment case, in light of this decision, employers should be aware that, when entering into arbitration agreements with employees, the FAA, which applies to most transactions "involving commerce," including most employment agreements, will supersede the jurisdiction of other forums created by California law.

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practice areas

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