

Assembly Bill No. 1553

CHAPTER 266

An act to add Section 1281.12 to the Code of Civil Procedure, relating to arbitration.

[Approved by Governor September 14, 2006. Filed with Secretary of State September 14, 2006.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1553, Evans. Arbitration.

Existing law provides that written agreements to submit controversies to arbitration are valid and enforceable.

This bill would provide, if an arbitration agreement requires that arbitration of a controversy be demanded or initiated within a period of time, the commencement of a civil action within that period of time shall toll the applicable time limitations contained in the arbitration agreement with respect to that controversy from the date the civil action is commenced until 30 days after a final determination by the court that the controversy must be arbitrated, or 30 days after the final termination of the civil action, whichever date occurs first.

The people of the State of California do enact as follows:

SECTION 1. Section 1281.12 is added to the Code of Civil Procedure, immediately following Section 1281.1, to read:

1281.12. If an arbitration agreement requires that arbitration of a controversy be demanded or initiated by a party to the arbitration agreement within a period of time, the commencement of a civil action by that party based upon that controversy, within that period of time, shall toll the applicable time limitations contained in the arbitration agreement with respect to that controversy, from the date the civil action is commenced until 30 days after a final determination by the court that the party is required to arbitrate the controversy, or 30 days after the final termination of the civil action that was commenced and initiated the tolling, whichever date occurs first.

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