Forced Arbitration

HOT TOPICS
• Press Release: Consumer Advocates Applaud U.S. House for Passage of Bill that Would Restore American Families’ Right to Their Day in Court, Sept. 20, 2019
• NCLC Digital Library Online Article, “12 Ways to Avoid Arbitration After Congress Overturned the CFPB Arbitration Rule,”
• The Model State Consumer and Employee Justice Enforcement Act
• 50 State Fact Sheets: Forced Arbitration Harms Consumers, Servicemembers, and Veterans, August 2017

Forced arbitration clauses are found in fine print in contracts for bank accounts, student loans, cell phones, employment, nursing homes and more. These clauses deprive people of their day in court when a company violates the law, forcing victims into a system that is often biased, secretive and lawless. Forced arbitration clauses often contain class action bans that prevent either a judge or an arbitrator from seeing or addressing the full extent of a company’s wrongdoing. Forced arbitration frequently completely blocks any relief and operates as a get-out-of-jail-free card. NCLC is a member of the Fair Arbitration Now coalition that works to oppose forced arbitration.

Take Action to end forced arbitration

Policy Analysis

Policy Briefs, Reports and Press Releases

• Press Release: Consumer Advocates Applaud U.S. House for Passage of Bill that Would Restore American Families’ Right to Their Day in Court, Sept. 20, 2019
• Press Release: Federal Government Strips Legal Rights of Older Consumers in Nursing Homes, July 17, 2019
• Press Release: Advocates Applaud Bill to Restore Access to the Courts and End Forced Arbitration, Feb. 28, 2019

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Letters

• Group letter urging California Attorney General to crack down on arbitration firms operating in secret, violating California law, March 21, 2018
• Letter from Public Citizen and Better Markets urging SEC to reject any proposals to allow companies to include forced arbitration clauses in IPOs, March 16, 2018
• Group letter urging employers to remove forced arbitration provisions in private sector employment contracts, Feb. 7, 2018

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Comments

• Group comments to the U.S. Centers for Medicare & Medicaid Services opposing proposed changes to strip legal rights from vulnerable residents in long-term care (LTC) facilities, Aug. 7, 2017. Related press release.
Comments Responding to FCC Commissioner Mignon Clyburn’s #Solutions2020 Call to Action Plan, Jan. 11, 2017

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Testimony

- NCLC testimony before the Maryland Financial Consumer Protection Commission on state measures to address forced arbitration, October 10, 2018.

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Model State Arbitration Act

- Model State Act Limiting Arbitration, revised 2017

CFPB Final Arbitration Rule Resources

Related Publications

- Consumer Arbitration Agreements

Arbitration Archive