Consumer Advocates Applaud U.S. House for Passage of Bill that Would Restore American Families’ Right to Their Day in Court

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Washington, D.C. – Today, the U.S. House of Representatives took a big step forward in restoring justice for American families by passing the Forced Arbitration Injustice Repeal Act (H.R. 1423), which would allow regular Americans the right to take a dispute with a company to court.

“Forced arbitration clauses give companies who break the law a get-out-of-jail free card,” said National Consumer Law Center Associate Director Lauren Saunders. “Representative Hank Johnson, who sponsored the bill, along with members of the House who voted to pass the FAIR Act, have demonstrated that they stand with American families to defend the constitutional right to their day in court.

Senator Richard Blumenthal has sponsored an identical bill in the U.S. Senate (S 610). “Our U.S. Senators should move forward to pass this legislation and demonstrate that they side with ordinary people instead of large corporations by banning the secretive, biased system of forced arbitration,” added Saunders.

Wall Street corporations, like Equifax and Wells Fargo, cell and internet phone companies, nursing homes, predatory for-profit colleges, and employers that engage in sexual harassment all use forced arbitration to evade accountability and keep their wrongdoing behind closed doors. “Forced arbitration clauses that are buried in fine print take away our Seventh Amendment right to access the courts when companies violate the law,” explained Saunders. “Instead of a judge, a private arbitrator, often chosen and paid by the company, decides cases in a secretive proceeding with no appeal, and forced arbitration often prevents people from joining together to fight widespread wrongdoing.”