

September 9, 2019

To The Members of the United States Congress:

We urge you to oppose the “Forced Arbitration Injustice Repeal (or FAIR) Act,” (H.R. 1423 and S. 610), which would effectively outlaw arbitration provisions in private contracts. Federal law has protected arbitration as a means of resolving disputes between businesses, consumers and employees since 1925. These bills will result in more class action lawsuits.

The use of pre-dispute arbitration clauses in contracts benefits consumers, small businesses and employees. For example, a recent study by the Institute for Legal Reform found that employees prevailed three times more often, recovered twice as much money, and resolved their claims more quickly in arbitration than in litigation.¹ In addition, courts work to ensure that arbitration agreements of all types are fair and do not provide an untoward advantage to any party.

The only clear beneficiary of eliminating arbitration clauses are plaintiffs’ trial lawyers who would directly benefit from class action litigation replacing cost-effective and fair arbitration as a viable way to resolve disputes. Their gain would come at the expense of consumers, small businesses and employees. Studies have shown that class action settlements frequently provide, at best, a very low return to class members while the plaintiffs’ attorneys take in millions of dollars.

Accordingly, we urge you to oppose H.R. 1423 and S. 610.

Sincerely,

National

ACA International
American Bankers Association
American Financial Services Association
American Foundry Society
American International Automobile Dealers Association
American Staffing Association
American Tort Reform Association
American Transaction Processors Coalition
Consumer Bankers Association
Consumer Data Industry Association
Cruise Lines International Association
CTIA
Electronic Transactions Association

Food Marketing Institute
Foodservice Equipment Distributors Association (FEDA)
Innovative Payments Association
International Franchise Association
Lawyers for Civil Justice
National Association of Manufacturers
National Association of Wholesaler-Distributors
National Black Chamber of Commerce
National Independent Automobile Dealers Association
National Retail Federation
NCTA - The Internet & Television Association

¹ <https://www.instituteforlegalreform.com/research/fairer-faster-better-an-empirical-assessment-of-employment-arbitration>

The National Association of Mutual
Insurance Companies
U.S. Chamber of Commerce
U.S. Chamber Institute for Legal Reform
(ILR)
USTelecom

Alabama

Prattville Area Chamber of Commerce

Arkansas

Harrison Regional Chamber of Commerce
Little Rock Regional Chamber of
Commerce

Arizona

Buckeye Valley Chamber of Commerce
Greater Flagstaff Chamber of Commerce
Marana Chamber of Commerce

California

Camarillo Chamber of Commerce
El Centro Chamber of Commerce
Long Beach Area Chamber of Commerce
North Orange County Chamber
San Gabriel Valley Economic Partnership

Florida

Davenport Chamber of Commerce
Florida Chamber of Commerce
Greater Boca Raton Chamber of Commerce
Miramar Pembroke Pines Regional Chamber
of Commerce

Iowa

Marshalltown Area Chamber of Commerce

Illinois

Bolingbrook Area Chamber of Commerce

Illinois Chamber of Commerce
Rolling Meadows Chamber of Commerce

Indiana

Indiana Chamber of Commerce

Kentucky

Northern Kentucky Chamber Of Commerce

Louisiana

New Orleans Chamber of Commerce

Massachusetts

South Shore Chamber of Commerce

Michigan

Lansing Regional Chamber of Commerce

Missouri

Missouri Chamber of Commerce and
Industry

Mississippi

Olive Branch Chamber of Commerce

Nevada

Carson City Chamber of Commerce
Reno + Sparks Chamber of Commerce

New York

The Business Council of New York State,
Inc.

Oklahoma

Tulsa Regional Chamber

Pennsylvania

Chester County Chamber of Business &
Industry
Indian Valley Chamber of Commerce
Pennsylvania Chamber of Business and
Industry
Schuylkill Chamber of Commerce

Tennessee

Bristol TN/VA Chamber of Commerce
Kingsport Chamber

Texas

Cedar Park Chamber of Commerce
Laredo Chamber of Commerce
Lubbock Chamber of Commerce

Utah

South Jordan Chamber of Commerce
South Salt Lake Chamber of Commerce

Virginia

Greater Springfield Chamber of Commerce
Loudoun County Chamber of Commerce
Northern Virginia Chamber of Commerce

Washington

Greater Yakima Chamber of Commerce

Wisconsin

Oshkosh Chamber of Commerce

Wyoming

Rock Springs Chamber of Commerce