March 17, 2022

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives

Dear Speaker Pelosi, Minority Leader McCarthy and Members of the U.S. House of Representatives:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I write to you in opposition to H.R. 963, the Forced Arbitration Injustice Repeal Act of 2022. This legislation would strip workers, employers and consumers of the pre-dispute arbitration process—a fair, efficient method to resolve disputes that helps parties avoid costly, time-consuming and resource-depleting litigation.

As written, the FAIR Act bans parties from agreeing in advance to resolve disputes by arbitration. Currently, parties are allowed to agree in their contract to resolve future disputes with arbitration as an alternative to litigation. If the FAIR Act becomes law, parties would only be able to enter into an agreement to arbitrate after a dispute arises.

The FAIR Act assumes that pre-dispute arbitration agreements disadvantage consumers and workers when the opposite is true. Arbitration ensures due process rights of the involved parties are protected, and neutral arbitrators provide an independent evaluation of the circumstances and appropriate remedies. Furthermore, studies routinely prove that claimants who use arbitration do as well if not better than those pursuing litigation to resolve their disputes, with faster resolutions, higher success rates and larger awards granted.

ABC strongly believes that pre-dispute arbitration agreements are beneficial to the economy, workers and consumers. Banning the use of these agreements will force claimants into litigation, leaving them without resolution for longer periods of time at greater cost and with lower chances of success. ABC urges you to vote no on H.R. 963.

Sincerely,

Kristen Swearingen
Vice President, Legislative & Political Affairs