United States Senate WASHINGTON, DC 20510-0104

COMMITTEES:

BUDGET

Ranking Member

JUDICIARY

ARMED SERVICES

ENVIRONMENT AND PUBLIC WORKS

October 13, 2011

Dear Mr. Adkins:

Thank you for contacting me regarding S.987, the Arbitration Fairness Act of 2011.

As you may know, S.987 was introduced by Senator Al Franken on May 12, 2011, and has been referred to the Senate Judiciary Committee for review. This bill would amend Title 9 of the United States Code, also known as the Federal Arbitration Act, to eliminate the ability of willing parties to enter into binding pre-dispute arbitration agreements for disputes involving employment and consumer contracts or civil rights. Furthermore, the bill would apply to all agreements in which at least one party is an individual, even those that are already in effect.

I believe that arbitration is a beneficial and cost effective tool that should be used. It does not deny anyone a right to be compensated for harm they have suffered, and it offers a more expedient and less expensive way to resolve litigation disputes. Despite the fact that arbitration, which often results in more victories for employees and consumers at less cost, may be the method of choice for dissolving disputes, Senator Franken's bill would prohibit basic contract rights between employers, employees, corporations, and consumers.

Rather than eliminating binding pre-dispute arbitration altogether, I believe we should address the current weaknesses in the use of arbitration. For these reasons, I introduced S.1186, the Fair Arbitration Act of 2011, on June 13, 2011. The bill establishes requirements to assure that arbitration agreements are entered into knowingly and voluntarily by requiring all arbitration clauses to have a conspicuous heading, to provide a source of information about arbitration, and to give notice of the right to go to small claims court notwithstanding the arbitration clause. Furthermore, my legislation assures that all parties entering into the agreements would have an equal voice in selecting the arbitrator after full disclosure of any interest the arbitrator may have in the case or the involved parties. My bill also provides all parties with the right to seek relief in small claims court, defined as a court with jurisdiction to hear claims for less than \$50,000 in value. Finally, S.1186 would provide remedies in federal court for parties whose rights under this bill have been denied.

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As a member of the Senate Judiciary Committee, to which S.1186 has been referred for review, I will continue to work within the bounds of the Constitution. Please rest assured that I will take your thoughts into consideration as my Senate colleagues and I further review this matter.

Thank you again for writing. Your comments and advice are always welcome.

Very truly yours,

Jen Sessions

United States Senator

JS: kl