

March 15, 2022

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

We, the undersigned associations, urge you to oppose H.R. 963, the “Forced Arbitration Injustice Repeal (FAIR) Act,” which would effectively ban arbitration provisions in private contracts. Federal law has protected arbitration as a means of resolving disputes between businesses, consumers, and employees since 1925. Should it become law, this bill would not benefit claimants and would instead produce more class action lawsuits to the benefit of the lawyers who bring them.

The use of pre-dispute arbitration clauses in contracts benefits consumers, small businesses, and employees. For example, recent studies have found that employees and consumers prevailed more often, recovered more money, and resolved their claims more quickly in arbitration than in litigation.<sup>1</sup> In addition, courts work to ensure that arbitration agreements of all types are fair and do not provide an advantage to any party.

The only clear beneficiaries of broadly eliminating cost-effective and fair arbitration as a viable way to resolve disputes are class action lawyers, who would directly benefit from increased class action litigation. Studies have shown that class action settlements frequently provide, at best, a very low return to class members while class action attorneys take in millions of dollars. Their gain would come at the expense of consumers, small businesses, and employees, many of whom are not even eligible to participate in class action litigation. In addition, because their claims are too small to attract individual legal representation, they would be left without a remedy altogether if arbitration were eliminated.

Accordingly, we urge you to vote NO on H.R. 963.

Sincerely,

**National**

ACA International

American Bankers Association

American Financial Services Association

American International Automobile Dealers  
Association

American Property Casualty Insurance  
Association

American Tort Reform Association

American Transaction Processors Coalition

Consumer Bankers Association

Consumer Data Industry Association

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<sup>1</sup> See An Empirical Assessment of Consumer & Employment Cases in Arbitration & Litigation (March 2022) available at <https://institutelegalreform.com/research/update-an-empirical-assessment-of-consumer-employment-cases-in-arbitration-litigation/>.

CTIA  
Electronic Transactions Association  
FMI - the Food Industry Association  
HR Policy Association  
Independent Community Bankers of America  
Innovative Payments Association  
National Association of Federally-Insured Credit Unions  
National Association of Home Builders  
National Association of Manufacturers  
National Association of Mutual Insurance Companies  
National Restaurant Association  
National Retail Federation  
Real Estate Services Providers Council, Inc.  
Retail Industry Leaders Association  
Small Business & Entrepreneurship Council  
U.S. Chamber Institute for Legal Reform  
U.S. Chamber of Commerce  
USTelecom – The Broadband Association

**Alabama**

Business Council of Alabama  
Selma and Dallas County Chamber of Commerce and Tourism Information

**Arizona**

Arizona Chamber of Commerce and Industry  
Buckeye Valley Chamber of Commerce

Carefree Cave Creek Chamber of Commerce  
Chandler Chamber of Commerce  
Gilbert Chamber of Commerce  
Greater Flagstaff Chamber of Commerce  
Greater Phoenix Chamber  
Prescott Valley Chamber of Commerce  
Sierra Vista Area Chamber of Commerce  
Surprise Regional Chamber of Commerce  
Tucson Metro Chamber

**California**

Alameda Chamber & Economic Alliance  
Brea Chamber of Commerce  
California Chamber of Commerce  
Carlsbad Chamber of Commerce  
Civil Justice Association of California  
El Dorado County Chamber of Commerce  
Garden Grove Chamber of Commerce  
Greater Coachella Valley Chamber of Commerce  
Greater Conejo Valley Chamber of Commerce  
Modesto Chamber of Commerce  
Murrieta/Wildomar Chamber of Commerce  
North Orange County Chamber  
Orange County Business Council  
Rancho Cordova Area Chamber of Commerce  
Redondo Beach Chamber of Commerce  
Simi Valley Chamber of Commerce

South Bay Association of Chambers of Commerce

Southwest California Legislative Council

Torrance Area Chamber of Commerce

Tracy Chamber of Commerce

Valley Industry & Commerce Association

### **Connecticut**

Connecticut Business & Industry Association

### **Florida**

Florida Chamber of Commerce Litigation and Regulatory Reform Center

Florida Justice Reform Institute

### **Georgia**

Barrow County Chamber of Commerce

Forsyth County Chamber of Commerce

Gwinnett Chamber of Commerce

### **Hawaii**

Hawaii Restaurant Association

### **Idaho**

Boise Metro Chamber

### **Illinois**

Bolingbrook Area Chamber of Commerce

Chamber630

GLMV Chamber of Commerce

Joliet Region Chamber of Commerce & Industry

Lombard Area Chamber of Commerce

The Greater Springfield Chamber of Commerce

Western DuPage Chamber of Commerce

### **Indiana**

Indiana Chamber of Commerce

Insurance Institute of Indiana

LaPorte County Government

### **Kansas**

Overland Park Chamber of Commerce

Wichita Regional Chamber of Commerce

### **Kentucky**

Kentucky Chamber

Union County Kentucky Chamber of Commerce

### **Massachusetts**

Massachusetts Insurance Federation

South Shore Chamber of Commerce

### **Maryland**

Maryland Chamber of Commerce

### **Michigan**

Lake Gogebic Area Chamber of Commerce

Michigan Chamber

### **Missouri**

Associated Industries of Missouri

Missouri Chamber of Commerce and Industry

Missouri Civil Justice Reform Coalition, Inc.

Missouri Insurance Coalition

### **North Dakota**

The Chamber Grand Forks / East Grand Forks

## **New Jersey**

New Jersey Civil Justice Institute

## **Nevada**

Henderson Chamber of Commerce

Vegas Chamber

## **New York**

Capital Region Chamber

Lawsuit Reform Alliance of New York

## **Oklahoma**

The State Chamber of Oklahoma

## **Oregon**

Albany Area Chamber

Oregon Business & Industry

Roseburg Area Chamber of Commerce

## **Pennsylvania**

Erie Regional Chamber and Growth  
Partnership

Greater Reading Chamber Alliance

Indian Valley Chamber of Commerce

Pennsylvania Chamber of Business and  
Industry

Pennsylvania Coalition for Civil Justice  
Reform

Schuylkill Chamber of Commerce

## **Texas**

Texas Association of Business

## **Utah**

Davis Chamber of Commerce

South Valley Chamber

## **Washington**

Auburn Area Chamber of Commerce

Lakewood Chamber of Commerce

Shelton-Mason County Chamber of  
Commerce

Tri-City Regional Chamber of Commerce

Washington Retail Association

Yakima Chamber of Commerce

## **Wisconsin**

Beaver Dam Area Chamber of Commerce

Oshkosh Chamber of Commerce

## **West Virginia**

West Virginia Chamber of Commerce

## **Wyoming**

Greater Cheyenne Chamber of Commerce