

## **EXECUTIVE OFFICE OF THE PRESIDENT**

## OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

February 01, 2022 (House Rules)

## STATEMENT OF ADMINISTRATION POLICY

## <u>H.R. 4445 – Ending Forced Arbitration of Sexual Assault and Sexual Harassment</u> <u>Act of 2021</u>

(Rep. Bustos, D-IL, and 25 cosponsors)

The Administration supports House passage of H.R. 4445, the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act of 2021. This bipartisan, bicameral legislation empowers survivors of sexual assault and sexual harassment by giving them a choice to go to court instead of being forced into arbitration.

Under current law, many employment and other contracts require binding arbitration for a wide range of matters before a dispute arises, which denies survivors the ability to decide whether to pursue their claim with the procedural protections provided by courts, and silences victims of abuse by forcing them into a confidential dispute forum without the right to appeal. More than 60 million Americans are subject to mandatory arbitration clauses in the workplace, often without realizing it until they come forward to bring a claim against their employer. The Report of the Co-Chairs of the U.S. Equal Employment Opportunity Commission's Select Task Force on the Study of Harassment in the Workplace notes that between 50-75 percent of women have faced some form of unwanted or unwelcome sexual harassment in the workplace. Additionally, contracts for services may include mandatory arbitration clauses in the fine print that shield companies and businesses from being held publicly accountable for the harm caused.

This legislation would amend the Federal Arbitration Act for disputes involving sexual assault and sexual harassment in order to stop employers and businesses from forcing employees and customers out of the court system and into arbitration. It would ensure that predispute arbitration clauses and waivers of the right to bring joint actions in cases of sexual assault or sexual harassment would not be valid or enforceable for cases that are filed under Federal, Tribal, or State law.

This legislation advances efforts to prevent and address sexual harassment and sexual assault, strengthen rights, protect victims, and promote access to justice. The Administration is committed to eliminating sexual harassment and assault, and looks forward to working with the Congress on the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act as it proceeds through the legislative process. The Administration also looks forward to working with the Congress on broader legislation that addresses these issues as well as other forced arbitration matters, including arbitration of claims regarding discrimination on the basis of race, wage theft, and unfair labor practices.

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