

September 9, 2019

The Honorable Jerrold Nadler  
Chairman  
Committee on Judiciary  
House of Representatives  
Washington, DC 20515

The Honorable Doug Collins  
Ranking Member  
Committee on Judiciary  
House of Representatives  
Washington, DC 20515

Dear Chairman Nadler and Ranking Member Collins:

On behalf of the American Financial Services Association (AFSA)<sup>1</sup>, we are writing to request that you oppose the Forced Arbitration Injustice Repeal (FAIR) Act when it is marked up this week.

The bill, H.R. 1423, would effectively eliminate arbitration in private contracts in favor of class action lawsuits that take years to be adjudicated, clog the court system, and result in comparatively small payouts for consumers. In contrast, disputes settled by arbitration result in quicker decisions and payouts for consumers averaging higher than class action settlements.

Arbitration is already governed by the Federal Arbitration Act and has been approved by the Supreme Court, which recognized arbitration as a fair and effective mode of settling dispute between borrowers and creditors. The only beneficiaries to the elimination of arbitration are trial lawyers who benefit directly from class action litigation, often to the detriment of consumers.

We appreciate your attention to this matter and encourage a no vote on H.R. 1423 when it comes before the committee this week. Thank you for your attention to this important matter. If you have any questions, please feel free to contact me at [acarmichael@afsaonline.org](mailto:acarmichael@afsaonline.org) or (202) 466-8606.

Sincerely,



Ann Carmichael  
Vice President, Congressional Affairs  
American Financial Services Association

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<sup>1</sup> Founded in 1916, AFSA is the national trade association for the consumer credit industry, protecting access to credit and consumer choice. AFSA members provide consumers with many kinds of credit, including traditional installment loans, mortgages, direct and indirect vehicle financing, payment cards, and retail sales finance.