

Class Action Waivers in Employment

Publication 12.01.16

Employment arbitration agreements commonly include mandatory class action waivers. Class action waivers can be a powerful tool for employers to prevent potentially devastating class action lawsuits. Until several months ago, employers didn't have to think twice about whether a class waiver was a lawful part of their arbitration agreement. That all changed when Federal Circuit Courts in Lewis v. Epic Systems (7th Circuit) and Morris v. Ernst & Young (9th Circuit) held that class action waivers violate the National Labor Relations Act's guarantee of collective action and therefore could not be enforced under the Federal Arbitration Act. These decisions have created a circuit split between Federal courts across the country. This article will survey this treacherous legal landscape and share some guidance for employers' arbitration agreements during these uncertain times.

To read the full article, please visit *Hotel Business Review*.