

CLIENT ALERT

Sweeping Prohibition on Arbitration of Employment Disputes in 2010 Defense Appropriations

Dec.28.2009

Entities receiving federal contracts or subcontracts in excess of \$1 million using funds from the 2010 Defense Appropriations Act (H.R. 3326), signed into law on December 22, 2009, will be prohibited from executing or enforcing mandatory arbitration clauses in agreements with employees or independent contractors for claims under Title VII of the Civil Rights Act of 1964 or for certain torts related to sexual assault or harassment. While limited national security waivers are contemplated, this sweeping prohibition is a significant development for defense contractors and other entities receiving contracts or subcontracts using funds from the 2010 Defense Appropriations Act.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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