

116TH CONGRESS  
1ST SESSION

# H. R. 2750

To amend title 9 of the United States Code to prohibit predispute arbitration agreements that force arbitration of certain disputes arising from claims of servicemembers and veterans.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2019

Mr. CICILLINE (for himself, Mr. RESCHENTHALER, and Mr. TAKANO) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title 9 of the United States Code to prohibit predispute arbitration agreements that force arbitration of certain disputes arising from claims of servicemembers and veterans.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Justice for Service-  
5 members Act”.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to prohibit predispute arbitration agree-  
 4 ments that force arbitration of disputes arising from  
 5 claims brought under chapter 43 of title 38 of the  
 6 United States Code (relating to employment and re-  
 7 employment rights of members of the uniformed  
 8 services) and the Servicemembers Civil Relief Act  
 9 (50 U.S.C. 3901–4043); and

10 (2) to prohibit agreements and practices that  
 11 interfere with the right of persons to participate in  
 12 a joint, class, or collective action related to disputes  
 13 arising from claims brought under the provisions of  
 14 such laws.

15 **SEC. 3. ARBITRATION OF DISPUTES INVOLVING THE**  
 16 **RIGHTS OF SERVICEMEMBERS AND VET-**  
 17 **ERANS.**

18 (a) IN GENERAL.—Title 9 of the United States Code  
 19 is amended by adding at the end the following:

20 **“CHAPTER 4—ARBITRATION OF SERVICE-**  
 21 **MEMBER AND VETERAN DISPUTES**

“Sec.

“401. Definitions.

“402. No validity or enforceability.

22 **“§ 401. Definitions**

23 “In this chapter—

1 “(1) the term ‘predispute arbitration agree-  
2 ment’ means an agreement to arbitrate a dispute  
3 that has not yet arisen at the time of the making  
4 of the agreement; and

5 “(2) the term ‘predispute joint-action waiver’  
6 means an agreement, whether or not part of a  
7 predispute arbitration agreement, that would pro-  
8 hibit, or waive the right of, one of the parties to the  
9 agreement to participate in a joint, class, or collec-  
10 tive action in a judicial, arbitral, administrative, or  
11 other forum, concerning a dispute that has not yet  
12 arisen at the time of the making of the agreement.

13 **“§ 402. No validity or enforceability**

14 “(a) IN GENERAL.—Notwithstanding any other pro-  
15 vision of this title, no predispute arbitration agreement or  
16 predispute joint-action waiver shall be valid or enforceable  
17 with respect to a dispute relating to disputes arising under  
18 chapter 43 of title 38 or the Servicemembers Civil Relief  
19 Act.

20 “(b) APPLICABILITY.—

21 “(1) IN GENERAL.—An issue as to whether this  
22 chapter applies with respect to a dispute shall be de-  
23 termined under Federal law. The applicability of this  
24 chapter to an agreement to arbitrate and the validity  
25 and enforceability of an agreement to which this

chapter applies shall be determined by a court, rather than an arbitrator, irrespective of whether the party resisting arbitration challenges the arbitration agreement specifically or in conjunction with other terms of the contract containing such agreement, and irrespective of whether the agreement purports to delegate such determinations to an arbitrator.

“(2) COLLECTIVE BARGAINING AGREEMENTS.— Nothing in this chapter shall apply to any arbitration provision in a contract between an employer and a labor organization or between labor organizations, except that no such arbitration provision shall have the effect of waiving the right of a worker to seek judicial enforcement of a right arising under a provision of the Constitution of the United States, a State constitution, or a Federal or State statute, or public policy arising therefrom.”.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Title 9 of the United States Code is amended—

(A) in section 1 by striking “of seamen,” and all that follows through “interstate commerce” and inserting “persons and causes of action under chapter 43 of title 38 or the Servicemembers Civil Relief Act”;

(B) in section 2 by inserting “or as otherwise provided in chapter 4” before the period at the end;

(C) in section 208—

(i) in the section heading by striking **“Chapter 1; residual application”** and inserting **“Application”**; and

(ii) by adding at the end the following: “This chapter applies to the extent that this chapter is not in conflict with chapter 4.”; and

(D) in section 307—

(i) in the section heading, by striking **“Chapter 1; residual application”** and inserting **“Application”**; and

(ii) by adding at the end the following: “This chapter applies to the extent that this chapter is not in conflict with chapter 4.”.

(2) TABLE OF SECTIONS.—

(A) CHAPTER 2.—The table of sections of chapter 2 of title 9, United States Code, is amended by striking the item relating to section 208 and inserting the following:

“208. Application.”.

1 (B) CHAPTER 3.—The table of sections of  
 2 chapter 3 of title 9, United States Code, is  
 3 amended by striking the item relating to section  
 4 307 and inserting the following:

“307. Application.”.

5 (3) TABLE OF CHAPTERS.—The table of chap-  
 6 ters of title 9, United States Code, is amended by  
 7 adding at the end the following:

“4. Arbitration of servicemember and veteran disputes”.

8 **SEC. 4. LIMITATION ON WAIVER OF RIGHTS AND PROTEC-**  
 9 **TIONS UNDER SERVICEMEMBERS CIVIL RE-**  
 10 **LIEF ACT.**

11 (a) AMENDMENTS.—Section 107(a) of the Service-  
 12 members Civil Relief Act (50 U.S.C. 3918(a)) is amend-  
 13 ed—

14 (1) in the second sentence by inserting “and if  
 15 it is made after a specific dispute has arisen and the  
 16 dispute is identified in the waiver” before the period  
 17 at the end; and

18 (2) in the third sentence by inserting “and if it  
 19 is made after a specific dispute has arisen and the  
 20 dispute is identified in the waiver” before the period  
 21 at the end.

22 (b) APPLICATION OF AMENDMENTS.—The amend-  
 23 ments made by subsection (a) shall apply with respect to

1 waivers made on or after the date of the enactment of  
2 this Act.

3 **SEC. 5. EFFECTIVE DATE.**

4       This Act, and the amendments made by this Act,  
5 shall take effect on the date of enactment of this Act and  
6 shall apply with respect to any dispute or claim that arises  
7 or accrues on or after such date.

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