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HR Policy Association Opposes Amendment to Ban Employment Arbitration Agreements by DOD Contractors

Association's Letter Outlines Opposition to Franken Amendment

Washington, DC—HR Policy Association joined other business groups and organizations this week in a letter to the Senate opposing an amendment offered by Sen. Al Franken (D-MN) to the FY2010 Department of Defense appropriations bill (H.R. 3326) that would set a dangerous precedent against dispute-related employment arbitration.

The Association contends that this amendment not only impacts Defense Department contractors, but potentially any company that does business with a defense contractor so long as funds that can be traced to the FY 2010 DOD appropriations bill are involved.

The letter points out that the amendment was directed at a specific incident involving "allegations of an extremely horrific occurrence that was by no means typical of the disputes that are addressed by employment arbitration agreements." However, the amendment includes Title VII and would therefore cover "a far broader range of disputes, resulting in increased legal and administrative costs to employers and employees."

The Association believes that an amendment with such broad policy implications should be subject to hearings, committee action and regular order to assess all of its implications.

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Letter on Franken Amendment:

<http://www.hrpolicy.org/downloads/2009/Letter%20on%20Arbitration%20Amendment.doc.pdf>

HR Policy Association is the lead organization representing chief human resource officers of major employers. The Association consists of more than 285 of the largest corporations doing business in the United States and globally, and these employers are represented in the organization by their most senior human resource executive. Collectively, their companies employ more than 18 million employees worldwide and have a combined market capitalization of more than \$7.5 trillion. These senior corporate officers participate in the Association because of their passionate interest in the direction of human resource policy. Their objective is to use the combined power of the membership to act as a positive influence to improve public policy, the HR marketplace, and the human resource profession.