

TO: American Association for Justice
FROM: Guy Molyneux and Geoff Garin, Hart Research Associates
DATE: January 29, 2019
RE: National Survey on Required Arbitration

On behalf of AAJ, Hart Research Associates conducted a national survey among 1,201 voters with a focus on the issue of arbitration requirements in consumer and employment contracts. The survey was conducted online from January 16-28, 2019, and has a margin of error of ± 2.9 percentage points. This memo reports the survey's key results.

1. Public knowledge of arbitration requirements remains limited. Fewer than half (44%) of voters are aware they have signed a contract requiring them to settle a dispute through arbitration, and just 22% believe such contracts are "very common" today.

2. However, voters say by a two-to-one ratio that if they had a claim against a company they would prefer to have it decided by a judge or jury in court (67%) rather than through arbitration (33%).

➤ Republicans (63% to 37%) prefer having their claim heard in court almost as strongly as Democrats (68% to 32%).

3. By an even more lopsided margin, voters say that consumers should have a choice of settling a claim through arbitration or in court (84%) rather than being required to use arbitration (16%).

➤ Democrats (83%), independents (89%), and Republicans (84%) all strongly believe consumers should have a choice between court and arbitration.

➤ In a separate question, six in ten (59%) think arbitration requirements mainly benefit corporations, while just 7% feel they mainly benefit consumers and employees.

4. Two key facts about arbitration requirements elicit especially strong negative reactions from the voting public: a) that the arbitrator is typically selected by the company, and b) that consumers are required to use arbitration in all cases and cannot take any claim to court.

➤ 70% feel unfavorable toward the arbitrator typically being selected by the company (just 15% are favorable);

➤ 60% respond unfavorably when informed that consumers are required to use arbitration in all cases and cannot take any claim to court (21% favorable).

5. By 84% to 11%, voters endorse federal legislation that would end arbitration requirements for consumers and employees.

- Bill description: *A bill has been introduced in Congress that says that companies cannot require the use of arbitration when a consumer or employee has a dispute or claim. Under this legislation, consumers and employees would have the choice of taking their claim to court or submitting it to arbitration.*
- Republicans (87% favor) support the bill in even larger numbers than do Democrats (83%) or independents (80%).

6. When voters see a balanced debate over this legislation ending arbitration requirements, they side with supporters of the bill by an overwhelming 28-point margin. This includes majorities of Democrats (69%), independents (65%), and Republicans (58%).

- SUPPORTERS say forced arbitration is a rigged system where the corporation chooses the arbitrator, who has a financial incentive to side with the corporation. We should stop forced arbitration, which prevents people from receiving fair compensation when they are harmed (64% agree);
- OPPONENTS say arbitration is faster and cheaper than the courts, it's a fair way to settle disputes, and it helps reduce the number of frivolous lawsuits clogging our courts. We should allow voluntary arbitration agreements, not have the government dictate how disputes are settled (36% agree).