

U.S. Supreme Court Finds Class Action Waivers Enforceable

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Just hours ago, the U.S. Supreme Court issued an opinion finding arbitration agreements that prohibit an employee from bringing or joining a class or collective action in a wage lawsuit are enforceable.

In addition to requiring employees to arbitrate other employment claims, such as employment discrimination and harassment claims, employers may require employees to submit their wage claims to arbitration rather than allowing the employee to bring or join a class action lawsuit in court.

The much anticipated decision is welcome news for employers who can avoid class action lawsuits with an arbitration agreement. The question for each employer is now whether an arbitration agreement is right for them. The answer to that question will depend on an employer's goals and balancing the advantages and disadvantages of arbitration agreements.

Read the full opinion here.