

Employment Law Monthly - May 2012

May 28, 2012

The Federal Arbitration Act v. The National Labor Relations Act: Battle of the Titans

By Okechi C. Ogbuokiri

Last year in *AT&T Mobility LLC v. Concepcion*, 563 U.S. ___, 131 S. Ct. 1740 (2011) the United States Supreme Court held that the Federal Arbitration Act ("FAA") prohibits a court from invalidating arbitration agreements that preclude plaintiffs from proceeding collectively as a class, through either judicial or arbitral forums. Earlier this year the National Labor Relations Board (the "NLRB") issued a decision limiting the scope of *AT&T Mobility*. In *D.R. Horton, Inc.*, 2012 NLRB LEXIS 11 (N.L.R.B. Jan. 3, 2012), the NLRB held that arbitration agreements that bar employees from proceeding collectively as a class in employment-related claims violated the National Labor Relations Act ("NLRA") because such agreements waive employees' rights under the NLRA to engage in "concerted activity."