

**For Immediate Release
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**MENDELSON GUIDES CONSUMER-FRIENDLY
ARBITRATION LEGISLATION THROUGH COUNCIL**

(Washington, DC) The Council has voted unanimously to give preliminary approval to the “Arbitration Admendments Act of 2007.” The bill, introduced by Councilmember Phil Mendelson (D, At-Large) puts in place a number of new mechanisms to regulate arbitration as a means of dispute settlement in the District of Columbia.

Arbitration is desirable because it is an alternative to expensive litigation in the courts. But arbitration has come to be favored by large businesses, which are advantaged over consumers.

Importantly, the Arbitration Amendments Act of 2007 also includes significant consumer-friendly provisions. The legislation introduces regulations for providers of arbitration services, with specific requirements for companies that perform 50 arbitrations per year. This responds to increasing consumer complaints about the strengthening of ties between the arbitration services and the business community that contracts lucratively with them.

Another tool in the bill to help consumers is the requirement for disclosure of arbitration costs. Just as consumers know how much it will cost to file a lawsuit because court fees are publicly available, consumers in arbitration agreements will now know how much arbitration costs, especially when every step of the process involves a fee for service.

“As businesses turn increasingly to arbitration, the need to protect consumers has become critical,” stated Councilmember Mendelson. “This progressive legislation implements policies ensuring that the rights of the individual are protected when it comes to using arbitration instead of the courts. The District will be among the best in the nation in protecting its citizens.”

Final consideration of the Arbitration Amendments Act will be next week, October 23rd.