



FOR IMMEDIATE RELEASE

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Once Again, Supreme Court Agrees to Provide FAA Guidance to California Courts

(Viking River Cruises, Inc. v. Moriana)

“Today’s grant augurs yet another welcome rebuke to California’s ongoing hostility to arbitration.”

—Cory Andrews, WLF General Counsel & Vice President of Litigation

WASHINGTON, DC—The U.S. Supreme Court has agreed to review a California Court of Appeal ruling that is inconsistent with the Federal Arbitration Act (FAA). The grant of certiorari was welcome news for Washington Legal Foundation (WLF), which filed an *amicus* brief in the case urging review. WLF’s brief was prepared with the pro bono assistance of Peder Batalden, Felix Shafir, and John Querio of Horvitz & Levy LLP.

The FAA establishes a federal policy favoring arbitration. To operate properly, however, the FAA must apply consistently nationwide. The California courts have repeatedly created inconsistency. This case is the latest in a long line of decisions from California refusing to follow the FAA’s directive that arbitration contracts be enforced as written.

Here the California Court of Appeal declined to enforce a representative-action waiver in the parties’ arbitration agreement based on the California Supreme Court’s decision in *Iskanian v. CLS Transportation Los Angeles*. In *Iskanian*, the court held that claims under California’s Private Attorneys General Act (PAGA) are not subject to the FAA because they are considered *qui tam* actions in which individual workers pursue public (not private) claims for relief, so courts need not enforce PAGA representative-action waivers.

In its brief, WLF argued that Supreme Court review was needed to ensure uniform application of the FAA nationwide so that arbitration achieves its basic aims: resolving disputes efficiently, predictably, individually, and cost-effectively. The decision below thwarts these goals.

Celebrating its 44th year, WLF is America’s premier public-interest law firm and policy center advocating for free-market principles, limited government, individual liberty, and the rule of law.

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