FEDERAL COURT INVALIDATES NEW YORK’S ARBITRATION BAN

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A former Fox News political host, Andrea Tantaros, brought a sexual harassment claim against the network. Although her employment agreement with Fox contained a mandatory arbitration clause, she argued that she could not be compelled to arbitrate her claims because forced arbitration of sex-harassment claims is barred under New York law.

The matter of compelled arbitration was litigated in Tantaros v. Fox News Network LLC, S.D.N.Y., and the federal court hearing the argument said on September 30, 2022, that the state ban on mandatory arbitration of discrimination claims was pre-empted by the Federal Arbitration Act (FAA).

Judge Andrew L. Carter Jr. of the US District Court for the Southern District of New York granted Fox’s motion to dismiss the lawsuit, stating that the purpose of the FAA is to “combat historical hostility toward arbitration agreements, putting agreements to arbitrate on the same footing as any other contract.” The Court contended that the FAA prevents courts from interpreting rules to disfavor arbitration and state legislatures from exempting certain categories of claims from arbitration.

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