

112TH CONGRESS
2D SESSION

S. 3557

To amend the Higher Education Act of 1965 to prohibit institutions of higher education that participate in programs under title IV of such Act from including predispute arbitration agreements in enrollment contracts.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2012

Mr. FRANKEN (for himself, Mr. HARKIN, Mr. SANDERS, Mr. DURBIN, Mr. BEGICH, Mr. LEAHY, Mr. BLUMENTHAL, and Mr. WHITEHOUSE) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to prohibit institutions of higher education that participate in programs under title IV of such Act from including predispute arbitration agreements in enrollment contracts.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Arbitration Fairness
5 for Students Act”.

1 **SEC. 2. PROHIBITION OF PREDISPUTE ARBITRATION**
2 **AGREEMENTS.**

3 Section 487(a) of the Higher Education Act of 1965
4 (20 U.S.C. 1094(a)) is amended by adding at the end the
5 following:

6 “(30) The institution shall not include a
7 predispute arbitration agreement in contracts with
8 students for enrollment at the institution. In this
9 paragraph, the term ‘predispute arbitration agree-
10 ment’ means any agreement to arbitrate a dispute
11 that had not yet arisen at the time of the making
12 of the agreement.”.

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