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## **NATIONAL CONSUMER GROUP RELEASES ALARMING STUDY ABOUT THE DEMISE OF CLASS ACTIONS IN AMERICA**

### **Congress and the Supreme Court Are Wrecking This Historically Important Tool for Justice, Says the Group**

The Center for Justice & Democracy at New York Law School (CJ&D) released a new study today, titled “Cutting Classes: The Slow Demise of Class Actions in America.” The study finds that recent actions by Congress and the U.S. Supreme Court, especially decisions upholding the right of corporations to ban class actions via forced arbitration clauses, have greatly jeopardized the legal rights of everyday people. In some areas, those rights are now headed for virtual extinction as injured and violated people are blocked entirely from the courthouse.

The study comes as the Court is poised to issue yet another important decision (*American Express v. Italian Colors Restaurant*), which many observers believe may result in the Court’s endorsement of a forced arbitration/class action ban – and elimination of the right to go to court - even where important federal rights and protections have been violated. It also comes as members of Congress reintroduce legislation to fix these Supreme Court decisions by preventing forced arbitration and class action bans.

Said study author Jocelyn Bogdan, CJ&D’s Associate Director, “Class actions have been used to protect citizens from a wide array of abuses, from consumer fraud to civil rights violations to environmental harm to automotive defects to health care abuses. They are one of the most powerful mechanisms used to secure justice in America. But Congress and the U.S. Supreme Court, in a series of recent decisions, are destroying this crucial legal tool.”

Class actions are used when a company has received a large windfall through small injuries to large numbers of people. They are often the only way harmed individuals can afford to challenge wrongdoing in court. In addition to the forced arbitration/class action bans, the report examines how Congress has provided corporate wrongdoers with the power to decide where most class actions will be filed – state or federal court - allowing them to clog the small and underfunded (especially since the sequester) federal court system. As a result, meritorious cases are now routinely thrown out of court. It also examines how recent Supreme Court decisions have greatly increased the obstacles for getting a class certified.

A full copy of the report and summary fact sheet can be found here: <http://centerjd.org/content/cutting-classes>

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