Agreement to AAA Rules Confirms an Arbitrator's Authority to Determine Jurisdiction

Two recent cases confirm that incorporation of AAA Rules into an arbitration agreement evidences an intent to allow the arbitrator to determine what issues are arbitrable — including arbitration, reports *The National Law Review*.

"The question of whether parties to a dispute have agreed to arbitration is often termed a "gateway" issue to be decided by a court, unless the parties agree otherwise," the story says. "Both the Commercial and Construction Arbitration Rules of the American Arbitration Association expressly grant to the arbitrator "the power to rule on his or her jurisdiction."

In one of the cases, Fremont Cmty. Digester, L.L.C. v. Demaria Bldg. Co., Inc., 2015 WL 3917635 (Mich. Ct. App. June 25, 2015), the court noted that the AAA Rules authorize the arbitrator to decide matters relating to jurisdiction. "The Court of Appeals affirmed, defining the central issues as whether the new claims were within the scope of the letter agreement, recognizing that contract interpretation is an issue for the arbitrator," according to the Review story.

Read the article.