MHN Government Services, Inc. v. Zaborowski, No. 14-1458

Two consultants working with certain military contractors signed agreements requiring them to arbitrate any disputes arising out of their contracts. When the consultants subsequently brought a class-action lawsuit against the contractors, the contractors moved to compel arbitration. The district court found certain portions of the arbitration agreement unconscionable but invalidated the entire arbitration agreement, despite its severability clause, citing a California case that held that if a contract is "permeated by unconscionability," it can be completely invalidated. The Supreme Court granted certiorari to decide whether this state-law severability rule is preempted by the Federal Arbitration Act on the ground that, in practice, it has a disproportionate impact on arbitration agreements.