

High court will hear DirecTV appeal over termination fees

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The Supreme Court will consider whether satellite provider DirecTV can cut off a class action lawsuit and force customers suing over early termination fees into private arbitration hearings instead.

The justices agreed Monday to hear an appeal from DirecTV, which says its customer agreements do not allow customers to band together to sue the company. The company argues that customers must use arbitration to resolve their claims one by one.

A California state appeals court ruled against the DirecTV last year, saying that state law forbids agreements that waive customer's rights to bring a class action. The state Supreme Court affirmed.

DirecTV argues that California law is pre-empted by the Federal Arbitration Act, which favors such agreements.

Justices will hear arguments this fall in the case, DirecTV v. Imbruglia, 14-462.

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