

Sixth Circuit Invalidates Contractual Limitation Periods Under ADA and ADEA

January 21, 2021

On January 15, 2021, the Sixth Circuit held that an employee cannot waive the statutory limitation periods contained in the Americans with Disabilities Act ("ADA") or the Age Discrimination in Employment Act ("ADEA") by agreeing to a shorter contractual period of limitations.

In *Thompson v. Fresh Products, LLC, et al.*, the plaintiff sued her former employer asserting various theories of liability, including discrimination under the ADA and the ADEA, as well as claims under Ohio law. The employer countered that plaintiff agreed to a six-month contractual limitations period in the employee handbook acknowledgement, and therefore her claims were untimely. The Sixth Circuit ruled that the contractual limitations period was enforceable with regards to the plaintiff's claims under Ohio law. However, the Court held that "the limitations periods in the ADA and ADEA give rise to substantive, non-waivable rights," and thus could not be modified by contract. The decision comes shortly after the Sixth Circuit invalidated shortened limitation periods for Title VII lawsuits in *Logan v. MGM Grand Detroit Casino*. It appears that other Federal Courts of Appeals have not yet taken a blanket stance on the enforceability of contractually shortened periods of limitation for these federal acts.

What does this mean for employers?

Employers are encouraged to review their applications, handbooks, and other employment contracts to determine whether they include limitations periods shorter than 180 days (or 300 days in deferral jurisdiction like Michigan) for claims under Title VII, the ADA, or the ADEA, as such contractual limitations will no longer be enforceable with regards to those specific claims, at least in Michigan, Ohio, Kentucky and Tennessee.

However, contractual limitation periods remain an important and potentially effective means for time-barring state law claims.

As always, please contact the authors or your Miller Canfield attorney if you have any questions.