

FILED

October 31, 2022

**OFFICE OF
APPELLATE COURTS**

STATE OF MINNESOTA

IN SUPREME COURT

ADM09-8011

**ORDER PROMULGATING AMENDMENTS TO THE
RULES FOR NO-FAULT INSURANCE ARBITRATION**

The Minnesota Supreme Court No-Fault Standing Committee on the Rules of No-Fault Insurance Arbitration has recommended amendments to Rules 5, 8, and 14 of the Minnesota No-Fault, Comprehensive or Collision Damage Insurance Arbitration Rules, which would designate the format for arbitration hearings and set the venue of the arbitration for purposes of appeal to the district court.

The supreme court is responsible for promulgating rules to facilitate the use of arbitration for claims that fall under Minn. Stat. § 65B.525 (2020). Having carefully considered the No-Fault Standing Committee’s recommended amendments and the reasons for the proposed amendments, we agree with the committee that amendments to Rules 5, 8, and 14 will promote efficiency in the arbitration process and the effective and fair administration of justice in these proceedings. *See* Minn. No-Fault Ins. Arb. R. 43 (requiring the committee to propose amendments “as circumstances may require,” that are subject to this court’s review and approval).

Based on all the files, records, and proceedings herein,

IT IS HEREBY ORDERED that Rules 5, 8, and 14 of the Minnesota No-Fault, Comprehensive, or Collision Damage Automobile Insurance Arbitration Rules are

amended as shown in the attachment. The amendments are effective 60 days from the date of this order.

Dated: October 31, 2022

BY THE COURT:

A handwritten signature in black ink, appearing to read "Lorie S. Gildea". The signature is written in a cursive style with a large initial "L".

Lorie S. Gildea
Chief Justice

MINNESOTA NO-FAULT, COMPREHENSIVE, OR COLLISION DAMAGE AUTOMOBILE INSURANCE ARBITRATION RULES

[Note: In the following amendments, deletions are indicated by a line drawn through the words and additions are indicated by a line drawn under the words.]

Rule 5. Initiation of Arbitration

* * *

g. Insurer's Response. Within 30 days after receipt of the itemization of benefits claimed and supporting documentation from claimant, respondent shall serve a response to the petition setting forth all grounds upon which the claim is denied and accompanied by all documents supporting denial of the benefits claimed. ~~There is no additional administrative fee where parties to a pending arbitration attempt to mediate their dispute under the arbitration organization's auspices.~~ At the time of serving its response to the petition, respondent shall serve any objection to the hearing format claimant selected and any objection to claimant's listed residential address at the time claimant filed the petition. Failure to object to the hearing format requested or the residential address used in the petition within 30 days constitutes waiver of any such objections.

* * *

Rule 8. Selection of Arbitrator and Challenge Procedure

The arbitration organization shall send simultaneously to each party to the dispute an identical list of four names of persons randomly chosen from the panel of arbitrators who have agreed to serve within a 50-mile radius of claimant's residence at the time of the filing of the petition. If the claimant resides outside the state of Minnesota, the list of names shall be chosen from the panel of arbitrators who have agreed to serve within a 50-mile radius of the Minnesota Judicial Center in Ramsey County, Minnesota, where the Minnesota Supreme Court is chambered.

Each party to the dispute shall have seven business days from the date of transmission in which to cross out a maximum of one name objected to, number the remaining names in order of preference, and return the list to the arbitration organization. In the event of multiparty arbitration, the arbitration organization may increase the number of potential arbitrators and divide the strikes so as to afford an equal number of strikes to each adverse interest. If a party does not return the list within the time specified, all persons named therein shall be deemed acceptable.

One of the persons who have been approved on both lists shall be invited by the arbitration organization to serve in accordance with the designated order of the mutual preference. Any objection to an arbitrator based on the arbitrator's post-appointment disclosure must be made within seven business days from the date of transmission of the arbitrator disclosure form. Failure to object to the appointed arbitrator based upon the post-appointment disclosure within seven business days constitutes waiver of any objections based on the post-appointment disclosure, subject to the provisions in Rule 10. An objection to a potential arbitrator shall be determined initially by the arbitration organization, subject to appeal to the Standing Committee.

If an acceptable arbitrator is unable to act, or for any other reason the appointment cannot be made from the submitted list, the arbitration organization shall have the power to make the appointment from among other members of the panel without the submission of additional lists. If any arbitrator should resign, be disqualified, or unable to perform the duties of the office, the arbitration organization shall appoint another arbitrator from the no-fault panel to the case.

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Rule 14. Date, Time, Format, Venue, and Place of Arbitration

An informal arbitration hearing will be held ~~in the arbitrator's office or some other appropriate place in the general locale within a 50-mile radius of the claimant's residence, or other place agreed upon by the parties.~~ one of the following formats: in-person, teleconference, videoconference, other electronic medium, or documents only. The arbitrator may fix the date, time, format, and place for the hearing. In person hearings will be in the arbitrator's office or some other appropriate place within a 50-mile radius of the claimant's Minnesota residence as of the date of filing of the petition, or within Ramsey County, Minnesota, if the claimant resides outside the state of Minnesota as of the date of filing of the petition.

Notwithstanding the format or physical location of an in-person hearing, venue of the arbitration hearing shall be the county of the claimant's residence as of the date of filing of the petition. If the claimant resides outside the state of Minnesota as of the date of filing of the petition, the venue of the arbitration proceedings shall be Ramsey County, Minnesota, where the Minnesota Supreme Court is chambered. ~~arbitration organization shall designate the appropriate place for the hearing.~~ Any appeal or judicial review to the district courts shall be to the Minnesota district court of the county in which venue of the arbitration is established under this rule.

At least 14 days prior to the hearing, the arbitration organization shall transmit notice thereof to each party or to a party's designated representative. Notice of hearing may be waived by any party.

When an arbitration hearing has been scheduled for a day certain, the courts of the state shall recognize the date as the equivalent of a day certain court trial date in the scheduling of their calendars.