

STATE OF MINNESOTA
IN SUPREME COURT
C6-74-45550

In Re Proposed Rules Regarding
Arbitration Under the Minnesota
No-Fault Insurance Act.

The 1987 legislature amended the no-fault arbitration law to provide for arbitration when the claim "at the commencement of arbitration" is \$5,000 or less and to cover comprehensive and collision damage coverage as well as no-fault benefits. On petition of the Standing Committee on No-Fault Arbitration,

IT IS ORDERED:

1. The rules shall be referred to as "Minnesota No-Fault, Comprehensive or Collision Damage Automobile Insurance Arbitration Rules."

2. The heading to Rule 6(a) is amended to read:

(a) **MANDATORY ARBITRATION (for claims of \$5,000 or less at the commencement of arbitration).**

3. Rule 7, entitled **JURISDICTION IN MANDATORY CASES**, is amended to read in its entirety as follows:

By statute, mandatory arbitration applies to all claims for no-fault benefits or comprehensive or collision damage coverage where the total amount of the claim at the commencement of arbitration is in an amount of \$5,000 or less. In cases where the amount of the claim continues to accrue after the petition is filed, the arbitrator shall have jurisdiction to determine all amounts claimed, including those in excess of \$5,000.

4. Rule 2, entitled **APPOINTMENT OF ARBITRATOR**, is amended to read as follows:

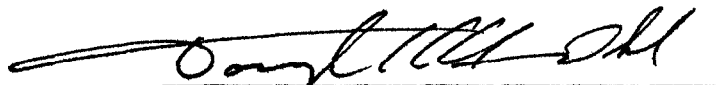
The standing committee may conditionally approve and submit to the AAA new nominees to the panel of arbitrators quarterly in March, June, September, and December of each year, commencing March 1988. These new nominees then may be included in the panel of arbitrators which the standing committee shall nominate annually for approval by the supreme court. The panel appointed by the supreme court shall be certified by the standing committee to the AAA.

5. Rule 1(a), entitled **ADMINISTRATION**, is amended by adding a sentence to paragraph (a) as follows:

(a) Arbitration under Minn. Stat. § 65B.525 shall be administered by a standing committee of twelve members to be appointed by the Minnesota Supreme Court. Initially, the twelve members shall be appointed for terms to commence January 1, 1975, and the supreme court shall designate three such members for a one-year term, three for a two-year term, three for a three-year term, and three for a four-year term. Thereafter, three members shall be appointed for a four-year term commencing on January 1 of each succeeding year. After July 1, 1988, no member shall serve more than two full terms and any partial term.

Dated: March 24, 1988

BY THE COURT:



Douglas K. Amdahl
Chief Justice

OFFICE OF
APPELLATE COURTS

MAR 24 1988

FILED