

STATE OF MINNESOTA

IN SUPREME COURT

ADM09-8011

**ORDER ESTABLISHING COMMENT PERIOD ON
PROPOSED AMENDMENTS TO
RULES OF NO-FAULT INSURANCE ARBITRATION PROCEDURE**

The Minnesota Supreme Court No-Fault Standing Committee on the Rules of No-Fault Insurance Arbitration has recommended amendments to the Rules of No-Fault Insurance Arbitration. The Committee's report with the proposed amendments to the Rules is attached to this order. The court will consider the proposed amendments without a hearing after soliciting and reviewing comments on the Committee's recommendations.

IT IS HEREBY ORDERED that any person or organization wishing to provide written comments in support of or opposition to any of the proposed amendments shall file one copy of those comments with AnnMarie O'Neill, Clerk of the Appellate Courts, 25 Rev. Dr. Martin Luther King Jr. Blvd., Saint Paul, Minnesota 55155. The written comments shall be filed so as to be received by the Clerk of Appellate Courts no later than August 24, 2015.

Dated: June 25, 2015

BY THE COURT:



Lorie S. Gildea
Chief Justice

CSign

FILED

June 12, 2015

**OFFICE OF
APPELLATE COURTS**

**STATE OF MINNESOTA
IN SUPREME COURT**

In re:

**Supreme Court No-Fault Standing Committee
on Rules of No-Fault Insurance Arbitration**

**Recommendations of Minnesota Supreme Court No-Fault
Standing Committee on Rules of No-Fault Insurance
Arbitration**

**Final Report
May 26, 2015**

**Hon. Edward Toussaint, Jr., St. Paul
Chair**

**Hon. Christopher J. Dietzen, St. Paul
Liaison Justice**

**Jane Anderson, Bloomington
James Ashley, St. Paul
David Bolt, Coon Rapids
John Corey, St. Paul
James F. Dunn, Eagan
Shayne Hamann, Minneapolis**

**Eric Hayes, Minneapolis
Roger Kramer, Minneapolis
Richard Pemberton, Fergus Falls
Darrold Persson, Hibbing
Kelly Sofio, St. Paul**

NO-FAULT STANDING COMMITTEE ON RULES OF NO-FAULT INSURANCE ARBITRATION

Summary of Committee Recommendations

In order to promote the orderly and efficient administration of No-Fault arbitration claims, the No-Fault Standing Committee, on October 17, 2014, charged a Rules Sub-Committee to conduct a comprehensive review of the No-Fault Insurance Arbitration Rules. The Sub-Committee completed a review on March 6, 2015 and provided proposed rule changes at the April 17, 2015 quarterly meeting for consideration. The committee approved the proposed changes unanimously and recommends that the proposals be adopted by the Court.

The proposal includes revisions or additions to 24 of the 43 rules, many of which are minor and non-substantive and are unlikely to produce any concerns or debate. These changes are those that acknowledge the trend towards the use of facilitating electronic communications, changes in language usage in order to promote consistency, and updating references to current statutory authority.

Substantial Changes

The more substantial changes include an amendment to the Qualification of Arbitrator and Disclosure Procedure under Rule 10. The proposed amendment removes the language “is aware of having” in reference to the receipt of referrals by an arbitrator or the arbitrator’s firm, from a provider whose bills are in controversy. This change places a higher burden on what an arbitrator must know or become aware of prior to the acceptance of cases. The amendment generated moderate disagreement among the Rules Sub-Committee in regard to whether an

arbitrator could meet such a burden. The majority of the Rules Sub-Committee concluded that increasing the burden would promote more accurate and complete disclosures. Upon consideration by the full Committee, at the April 17, 2015 meeting, the amendment was approved without dissent.

The Committee is also recommending a substantial change to Rule 36, which pertains to the release of documents for judicial proceedings. The change would limit the use of subpoenas to compel disclosure of privileged documents. The Committee concluded that some documents executed by arbitrators and the arbitration organization are privileged or are otherwise protected by law from disclosure. This includes communications or documents between members of the Committee made as part of the Committee's deliberative process.

Moderate Changes

A moderate change is being recommended to Rule 16, with respect to representation by counsel to provide efficiency in administration. In the event a representative withdraws representation, the party will be responsible for notifying the administrative organization of the intent to proceed with the claim.

The committee is also recommending a moderate change to the parameters of discovery, under Rule 10. The change includes the application of the Minnesota Rules of Civil Procedure for comprehensive or collision damage claims. The Committee concluded that current discovery rules do not adequately contemplate damage claims.

Public Comment

The proposed rule changes have not been put out for public comment, but the Committee does recommend the public be provided a period of time for comment on the changes.

Effective Date

The Committee recommends that the proposed rule amendments be made effective as of January 1, 2016, or earlier. This would allow for a notice and public comment period and sufficient time for consideration and promulgation by the Court.

Style of Report

The recommendations to existing rules are depicted in traditional legislative format, completely underscoring to indicate new language and ~~lined through~~ to show deletions.

Respectfully submitted,

MINNESOTA SUPREME COURT
NO-FAULT STANDING
COMMITTEE ON RULES OF NO-
FAULT ARBITRATION



Hon. Edward Toussaint, Jr.
No-Fault Standing Committee Chair

Proposed Amendments to the Minnesota No-Fault, Comprehensive or Collision Damage Automobile Insurance Arbitration Rules

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Minnesota No-Fault Arbitration Rule Revisions

Rule 5. Initiation of Arbitration

- a. **Mandatory Arbitration** (for claims of \$10,000 or less at the commencement of arbitration). At such time as the respondent denies a claim, the respondent shall advise the claimant of claimant's right to demand arbitration.
- b. **Nonmandatory Arbitration** (for claims over \$10,000). At such time as the respondent denies a claim, the respondent shall advise the claimant whether or not it is willing to submit the claim to arbitration.
- c. **All Cases.** In all cases the respondent shall also advise the claimant that information on arbitration procedures may be obtained from the arbitration organization, giving the arbitration organization's current address and email address. On request, the arbitration organization will provide a claimant with a petition form for initiating arbitration together with a copy of these rules. Arbitration is commenced by the filing of the signed, ~~executed~~ form, together with the required filing fee, with the arbitration organization. If the claimant asserts a claim against more than one insurer, claimant shall so designate upon the arbitration petition. In the event that a respondent claims or asserts that another insurer bears some or all of the responsibility for the claim, respondent shall file a petition identifying the insurer and setting forth the amount of the claim that it claims is the responsibility of another insurer. Regardless of the number of respondents identified on the claim petition, the claim is subject to the jurisdictional limits set forth in Rule 6.

Comment: The addition of an email address is consistent with the trend of facilitating electronic communications.

The term "executed" is removed to avoid redundancy.

- d. **Denial of Claim.** If a respondent fails to respond in writing within 30 days after reasonable proof of the fact and the amount of loss is duly presented to the respondent, the claim shall be deemed denied for the purpose of activating these rules.
- e. The claimant shall simultaneously provide a copy of the petition and any supporting documents to the respondent and arbitration organization. The arbitration organization shall provide notice to the parties of the commencement of the arbitration. The filing date for purposes of the 30 day response period, shall be the date of the arbitration organization's commencement notice.

Comment: The purpose of this change is to streamline the filing process and provide a clear "filing date" for purposes of Rule 5 (g) Insurer's Response.

- f. **Itemization of Claim.** At the time of filing the arbitration form, or within 30 days after, the claimant shall file an itemization of benefits claimed and supporting documentation. Medical and replacement services claims must detail the names of providers, dates of services claimed, and

Minnesota No-Fault Arbitration Rule Revisions

total amounts owing. Income-loss claims must detail employers, rates of pay, dates of loss, method of calculation, and total amounts owing.

- 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 ~~AAA~~ arbitration organization's auspices.

Comment: The rules consistently use arbitration organization when referring to the administrator.

Minnesota No-Fault Arbitration Rule Revisions

Rule 6. Jurisdiction in Mandatory Cases

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 \$10,000 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 \$10,000. If the claimant waives a portion of the claim in order to come within the \$10,000 jurisdictional limit, the claimant must specify within ~~thirty~~ (30) days of filing the claims in excess of the \$10,000 being waived.

Minnesota No-Fault Arbitration Rule Revisions

Rule 7. Notice

Upon the filing of the petition form ~~by either party~~, the arbitration organization shall send ~~a copy of the petition notice~~ to the other party together with a request for payment of the filing fee. ~~The responding party will then have 20 days to notify the arbitration organization of the name of counsel, if any.~~

Comment: The claimant is the only party who may file a petition for No-Fault arbitration. In order to avoid confusion, the language "by either party" was removed.

Under Rule 5(e) the claimant will now be responsible to furnish a copy of the petition to respondent.

The 20 day notification requirement was removed as it does not serve a necessary purpose.

Minnesota No-Fault Arbitration Rule Revisions

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 chosen from the panel. Each party to the dispute shall have seven business days from the ~~mailing~~ 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 arbitrator and divide the strikes so as to afford an equal number of strikes to each advise interest. If a party does not return a list within the time specified, all persons named therein shall be deemed acceptable.

One of the persons who ~~has~~ 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 ~~mailing~~ date of transmission of the arbitrator disclosure form. Failure to object to the appointed arbitrator based upon the post-appointment disclosure form 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.

[Add paragraph break]

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.

Comment: The change in language would be consistent with the trend of facilitating electronic communications.

Minnesota No-Fault Arbitration Rule Revisions

Rule 9. Notice to Arbitrator of Appointment

Notice of the appointment of the neutral arbitrator, whether appointed mutually by the parties or by the arbitration organization, shall be ~~mailed~~ transmitted to the arbitrator by the arbitration organization, ~~together with a copy of the rules,~~ and the signed acceptance of the arbitrator shall be filed with the arbitration organization prior to the opening of the first hearing.

Minnesota No-Fault Arbitration Rule Revisions

Rule 10. Qualification of Arbitrator and Disclosure Procedure

- a. Every member of the panel shall be a licensed attorney at law of this state or a retired attorney or judge in good standing. Effective January 1, 2014, requirements for qualification as an arbitrator shall be: (1) at least 5 years in practice in the state; (2) at least one-third of the attorney's practice is with auto insurance claims or, for an attorney not actively representing clients, at least one-third of an ADR practice is with motor vehicle claims or ~~not-fault matters~~; no-fault matters; (3) completion of an arbitrator training program approved by the No-Fault Standing Committee prior to appointment to the panel; (4) at least three CLE hours on no-fault issues ~~within their reporting period~~ in the last year; and (5) arbitrators will be required to re-certify each year, confirming at the time of recertification that they continue to meet the above requirements.

Comment: This change is to promote consistency between the CLE requirement in 10(a) and 10(c).

- b. No person shall serve as an arbitrator in any arbitration in which he or she has a financial or personal conflict of interest. Under procedures established by the Standing Committee and immediately following appointment to a case, every arbitrator shall be required to disclose any circumstances likely to create a presumption or possibility of bias or conflict that may disqualify the person as a potential arbitrator. Every arbitrator shall supplement the disclosures as circumstances require. The fact that an arbitrator or the arbitrator's firm represents automobile accident claimants against insurance companies or self-insureds, including the respondent, does not create a presumption of bias. It is a financial conflict of interest if, within the last year, the appointed arbitrator or the arbitrator's firm has been hired by the respondent to represent the respondent or the respondent's insureds in a dispute for which the respondent provides insurance coverage. It is a financial conflict of interest if the appointed arbitrator ~~is aware of having~~ received referrals within the last year from officers, employees or agents of any entity whose bills are in dispute in the arbitration or the arbitrator's firm has received such referrals, ~~and the arbitrator is aware of them.~~

Comment: The removal of "is aware" adds a greater responsibility to ensure that a complete disclosure is made, as well as is now prohibitive as a financial conflict.

- c. If an arbitrator has been certified and has met the requirements of subdivision (a) for the past five years but becomes ineligible for certification under Rule 10(a) due to retirement or change in practice, the arbitrator may continue to seek annual certification for up to five years from the date of retirement licensure or practice change if the following requirements are satisfied:

The arbitrator completes and files an annual No-Fault Arbitrator Recertification form which certifies that:

1. He or she is an attorney licensed to practice law in Minnesota and is in good standing or a retired attorney or judge in good standing;

Minnesota No-Fault Arbitration Rule Revisions

2. He or she has retained current knowledge of the Minnesota No-Fault Act (Minn. Stat. §§ 65B.41-65B.71), Minnesota appellate court decisions interpreting the Act, the Minnesota No-Fault Arbitration Rules and the Arbitrators' Standards of Conduct; and
3. He or she has attended CLE course(s) in the last year containing at least three credits relating to no-fault matters.

The rules regarding bias and conflict of interest as set forth in subdivision (b) remain applicable to arbitrators who recertified under this subdivision (c).

Comment: The inclusion of "licensure" provides a clear definition of what constitutes a retired arbitrator and when the five year limit in Rule 10(c) begins to run.

Minnesota No-Fault Arbitration Rule Revisions

Rule 12. Discovery

The voluntary exchange of information is encouraged. Formal discovery is discouraged except that a party is entitled to:

1. exchange of medical reports;
2. medical authorizations directed to all medical providers consulted by the claimant in the seven years prior to the accident;
3. employment records and authorizations for two years prior to the accident, when wage loss is in dispute;
4. supporting documentation required under No-Fault Arbitration Rule 5; and
5. other exhibits to be offered at the hearing.

However, upon application and good cause shown by any party, the arbitrator may permit any discovery allowable under the Minnesota Rules of Civil Procedure for the District Courts. Any medical examination for which the respondent can establish good cause shall be completed within 90 days following the commencement of the case unless extended by the arbitrator for good cause.

The Minnesota Rules of Civil Procedure shall apply to claims for comprehensive or collision damage coverage.

Minnesota No-Fault Arbitration Rule Revisions

Rule 13. Withdrawal

A claimant may withdraw a petition up until ~~ten~~(10) days prior to the hearing, thereafter, the consent of the respondent shall be required. The claimant will be responsible for the arbitrator's fee, if any, upon withdrawal. If the petition is withdrawn after a panel of arbitrators is submitted and if the claimant shall file another petition arising from the same accident against the same insurer, the same panel of arbitrators shall be resubmitted to the claimant and the respondent. If the petition is withdrawn after the arbitrator is selected and if the claimant shall file another petition arising from the same accident against the same insurer, the same arbitrator who was earlier assigned shall be reassigned. The claimant who withdraws a petition shall be responsible for all parties' filing fees incurred upon the refiling of the petition.

Comment: This addition codifies the current practice.

Minnesota No-Fault Arbitration Rule Revisions

Rule 14. Date, Time 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. ~~The arbitrator shall~~ may fix the date, time and place for the hearing. ~~If the claimant resides outside of the state of Minnesota, arbitration organization shall designate the appropriate place for the hearing. The arbitrator shall fix the time and place for the hearing.~~ If the claimant resides outside of the state of Minnesota, the arbitration organization shall designate the appropriate place for the hearing. At least 14 days prior to the hearing, the arbitration organization shall ~~mail~~ 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.

Comment: Switching the order of the second and third sentences promotes consistency.

Minnesota No-Fault Arbitration Rule Revisions

Rule 16. Representation

Any party may be represented by counsel or other representative named by that party. A party intending to be so represented shall notify the other party and the arbitration organization of the name, ~~and mailing address~~ and email address of the representative or firm, at least three days prior to the date set for the hearing at which that person is first to appear. When such a representative initiates an arbitration or responds for a party, notice is deemed to have been given.

Comment: This addition would be consistent with the trend of facilitating electronic communications. A similar change has been recommended for the Rules of Civil Procedure.

If counsel or other representative named by the claimant withdraws representation of any pending matter, the claim shall be dismissed, unless the claimant advises the arbitration organization of the intention to proceed pro se or a replacement counsel or representative is named within 30 days of the notice of withdrawal.

Comment: There have been an increasing number of representatives withdrawing representation of claimants. This has resulted in a number of unresponsive or unreachable pro se claimants. The additional language will provide a clear process to follow for arbitrators, the arbitration organization and pro se claimants in the event of a withdrawal.

Minnesota No-Fault Arbitration Rule Revisions

Rule 17. Stenographic Record

Any party desiring an audio or stenographic record shall make arrangements directly with a stenographer and shall notify the other party of these arrangements at least 24 hours in advance of the hearing. The requesting party or parties shall pay the cost of the record. If the transcript is agreed by the parties to be, or determined by the arbitrator to be, the official record of the proceedings, it must be made available to the arbitrator and to the other parties for inspection, at a date, time and place determined by the arbitrator.

Minnesota No-Fault Arbitration Rule Revisions

Rule 18. Interpreters

Any party desiring an interpreter shall make all arrangements directly with the interpreter and shall assume the costs of the service. The arbitrator may assess the cost of an interpreter pursuant to Rule 42.

Interpreters must be independent of the parties, counsel and named representatives. All interpreters must abide by the Code of Professional Responsibility for Interpreters in the Minnesota State Court System.

Minnesota No-Fault Arbitration Rule Revisions

Rule 21. Order of Proceedings and Communications with Arbitrator

The hearing shall be opened by the recording of the date, time and place of the hearing, and the presence of the arbitrator, the parties, and their representatives, if any. Either party may make an opening statement regarding the claim. The claimant shall then present evidence to support the claim. The respondent shall then present evidence supporting the defense. Witnesses for each party shall submit to questions or other examination. The arbitrator has the discretion to vary this procedure, but shall afford a full and equal opportunity to all parties for the presentation of any material and relevant evidence. Exhibits, when offered by either party, may be received in evidence by the arbitrator.

The names and addresses of all witnesses and description of the exhibits in the order received shall be made part of the record. There shall be no direct communication between the arbitrator and the parties other than at the hearing, unless otherwise advised by the arbitration organization or by agreement of the parties and arbitrator. However, an arbitrator may directly contact the parties, but such communication is limited to administrative matters. Any direct communication between the arbitrator and parties must be conveyed to the arbitration organization, except communications at the hearing. However, Pre-hearing exhibits can be sent directly to the arbitrator, delivered in the same manner and at the same time to the opposing party. Parties are encouraged to submit any pre-hearing exhibits at least 24 hours in advance of the scheduled hearing. If the exhibits are not provided to opposing counsel and the arbitrator at least 24 hours before the hearing or if the exhibits contain new information and opposing counsel has not had a reasonable amount of time to review and respond to the information, the arbitrator may hold the record open until the parties have had time to review and respond to the material or reconvene the arbitration at a later date. Any other oral or written communication from the parties to the arbitrator shall be directed to the arbitration organization for transmittal to the arbitrator.

Comment: The inclusion of the additional language will expedite administration.

Minnesota No-Fault Arbitration Rule Revisions

Rule 25. Close of Hearing

The arbitrator shall specifically inquire of all parties as to whether they have any further evidence. If they do not, the arbitrator shall declare the hearing closed. If briefs or documents are to be filed, the hearing shall be declared closed as of the final date set by the arbitrator for the receipt of said ~~brief~~ documents. The time limit within which the arbitrator is required to make his or her award shall commence to run upon the closing of the hearing.

Minnesota No-Fault Arbitration Rule Revisions

Rule 29. Serving of Notice

Each party waives the requirements of Minn. Stat. ~~572.23~~ 572B.20 and shall be deemed to have agreed that any ~~papers~~, notices or process necessary or proper for the initiation or continuation of an arbitration under these rules; for any court action in connection herewith including application for arbitration under these rules; for any court action in connection herewith including application for the confirmation, vacation, modification or correct of an award issued hereunder as provided in Rule 38; or for the entry of judgment on any award made under these rules may be served on a party by mail, ~~email~~ or ~~facsimile~~ electronic means addressed to the party or its representative at the last known address or by personal service, in or outside the stat where the arbitration is to be held, provided that reasonable opportunity to be heard with regard thereto has been granted to the party.

~~The arbitration organization and the parties may also use facsimile transmission, telex, telegram or other written forms of electronic communication to give the notices required by these rules and to serve process for an application for the confirmation, vacation, modification or correction of an award issued hereunder.~~

Comments: The term "electronic means" was added to the first paragraph, therefore the entire second paragraph is redundant.

Minnesota No-Fault Arbitration Rule Revisions

Rule 30. Time of Award

The award shall be made promptly by the arbitrator, unless otherwise agreed by the parties or specified by law, no later than 30 days from the date of closing the hearing, or if oral hearings have been waived, from the date of the arbitration organization's transmittal of the final statements and proofs to the arbitrator. In the event the 30th day falls on a weekend or federal holiday, the award shall be made no later than the next business day.

Minnesota No-Fault Arbitration Rule Revisions

Rule 33. Delivery of Award to Parties

~~Parties shall accept as legal delivery of the award the placing electronic transmission of the award by the arbitration organization or a true copy thereof in the mail, addressed to a party or its representative at the last known address, personal service of the award, or the filing of the award in any other manner that is permitted by law.~~

The award may be delivered to the parties or their representatives by mail, electronic means, personal service, or any other manner permitted by law.

Comment: The Legal Counsel Division recommended removing references to copies because in the electronic environment the concepts "original" and "copy" are often without meaning.

Minnesota No-Fault Arbitration Rule Revisions

Rule 36. Release of Documents for Judicial Proceedings; Restrictions on Release of Documents

The arbitration organization shall, upon the written request of a party, furnish to the party, at its expense, certified copies of any ~~papers~~ documents in the arbitration organization's possession that may be required in judicial proceedings relating to the arbitration.

The arbitration organization shall not release documents that are privileged or otherwise protected by law from disclosure. This includes, but is not limited to, any notes, memoranda, or drafts thereof prepared by the arbitrator or employee of the arbitrator that were used in the process of preparing the award, and any internal communications between members of the standing committee made as part of the committee's deliberative process.

Comment: The No-Fault Standing Committee concluded that some documents and communications are privileged and are therefore protected from disclosure. The language is based on Rule 45.03(c) of the Minnesota Rules of Civil Procedure, which limits the use of subpoenas to compel disclosure of privileged materials, and upon Rule 4 (c) of the Rules of Public Access to Records of the Judicial Branch, which provides that judicial work product is not accessible to the public.

Minnesota No-Fault Arbitration Rule Revisions

Rule 37. Applications to Court and Exclusion of Liability

- a. No judicial proceeding by a party relating to the subject matter of the arbitration shall be deemed a waiver of the party's right to arbitrate.
- b. Neither the arbitration organization nor any arbitrator in a proceeding under these rules can be made a witness or is a necessary party in judicial proceedings relating to the arbitration.
- c. Parties to proceedings governed by these rules shall be deemed to have consented that judgment upon the arbitration award may be entered in any federal or state court having jurisdiction thereof.
- d. Neither the arbitration organization nor any arbitrator shall be liable to any party for any act or omission in connection with any arbitration conducted under these rules.

Minnesota No-Fault Arbitration Rule Revisions

Rule 38. Confirmation, Vacation, Modification or Correction of Award

The provisions of Minn. Stat. § ~~572.10~~ 572B.01 through § ~~572.26~~ 572B.31 shall apply to the confirmation, vacation, modification or correction of award issued hereunder, except that service of process pursuant to the Minn. Stat. § ~~572.23~~ 572B.05 shall be made as provided in Rule 29 of these rules.

Comments: Minn. Stat. §572 was repealed.

Minnesota No-Fault Arbitration Rule Revisions

Rule 39. Administrative Fees

The initial fee is due and payable at the time of filing and shall be paid as follows: by the claimant, \$35.00; by the respondent, \$130.00. In the event that there is more than one respondent in an action, each respondent shall pay the \$130.00 fee.

Upon review of a petition, if the arbitration organization determines that a claim was filed in error, the organization may require that payment of respondent's filing fee be assessed against the claimant.

The arbitration organization may, in the event of extreme hardship on the part of any party, defer or reduce the administrative fee.

Comments: The arbitration organization receives filings in error from time to time. In order to relieve the respondent from the cost of these errors, the amendment allows the arbitration organization to shift the administrative fee to the party responsible for the error.

Minnesota No-Fault Arbitration Rule Revisions

Rule 40. Arbitrator's Fees

- a. An arbitrator shall be compensated for services and for any use of office facilities in the amount of \$300 per case.
- b. If the arbitration organization is notified of a settlement or a withdrawal of a claim at any time up to 24 hours prior to the scheduled hearing, but after the appointment of the arbitrator, the arbitrator's fee shall be \$50. If the arbitration organization is notified of a postponement, settlement or a withdrawal of a claim 24 hours or less prior to the scheduled hearing, the arbitrator's fee shall be \$300. Unless the parties agree otherwise, the fee in a settlement shall be assessed equally to the parties, the fee in a withdrawal shall be borne by claimant, and the fee in a postponement shall be bore by the requesting party. Regardless of the resolution of the case, the arbitrator's fee shall not exceed \$300 and is subject to the provisions of Rule 15.
- c. An arbitrator serving on a court-ordered consolidated glass case shall be compensated at a rate of \$200.00 per hour.
- d. Once a hearing is commenced, the arbitrator shall direct assessment of the fee.

Comment: In response to Glass Illinois Farmers Insurance Company v. Glass Service Co., 683 NW2d 792 (Minn. 2004), the Minnesota No-Fault Standing Committee issued a resolution in which a rate of \$200.00 per hour may be charged on court-ordered consolidated glass cases.

Minnesota No-Fault Arbitration Rule Revisions

Rule 41. ~~Postponement~~ Rescheduling or Cancellation Fees

A ~~postponement~~-fee of \$100.00 shall be charged against each party requesting a rescheduling or cancellation of a scheduled hearing. ~~for their first, second and additional postponements respectively.~~

Comment: Fees are at a flat rate of \$100.00.