STATE OF MINNESOTA

IN SUPREME COURT

ADM09-8011

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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 recommended amendments to Rules 5, 14, 21, and 40 of the Rules of No-Fault Insurance Arbitration for the stated purpose of improving clarity, increasing efficiency, improving fairness, and addressing the financial needs of the arbitration program. The Committee unanimously approved and recommended the proposed amendments.

The supreme court is responsible for promulgating rules to facilitate the use of arbitration for claims that fall under Minn. Stat. § 65B.525. We opened a public comment period and received no public comments relating to the proposed amendments to Rules 14, 21, and 40. The only public comment received in opposition was filed jointly by a current and former member of the Committee and concerned only the proposed amendments to Rule 5. Because the Committee process would have provided an opportunity for Committee members to raise their concerns, we place high value on the Committee's consideration and unanimous approval and recommendation of all the proposed amendments, including those to Rule 5. Having carefully considered the

Minnesota Supreme Court No-Fault Standing Committee's recommended amendments and the public comments, we agree with the Committee's proposed amendments.

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

IT IS HEREBY ORDERED that the Minnesota Rules of No-Fault Insurance Arbitration Procedure are amended as shown in the attachment to this order. The amendments are effective as of August 4, 2026.

Dated: June 5, 2026

BY THE COURT:



Natalie E. Hudson
Chief Justice

AMENDMENTS TO THE RULES OF NO-FAULT INSURANCE ARBITRATION PROCEDURE

[*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*.]

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Rule 5. Initiation of Arbitration

a. ~~**Mandatory Arbitration** (for claims of $10,000 or less at the commencement of arbitration).~~ **Right to Arbitrate.** At such time as the respondent denies a claim, the respondent shall advise the claimant of claimant's right to demand ~~arbitration. **b.** Non~~mandatory ~~A~~arbitration ~~(for~~ of claims ~~over~~ $10,000). ~~At such time as~~ which are within the ~~respondent denies a claim, the respondent shall advise the claimant~~ jurisdictional limit set forth in Rule 6, and whether or not ~~it~~ respondent is willing to submit the claim to ~~arbitration. **c.** All Cases.~~ nonmandatory arbitration for claims exceeding the limit set forth in Rule 6. 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 website address, mailing address, phone number, and email address.

b. Constructive 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 these rules.

c. Commencement of Arbitration. To commence arbitration, a claimant must serve on respondent by electronic means the arbitration petition form and evidence of either respondent's denial of claim or Rule 5(b) constructive denial. A self-represented claimant may serve respondent by mail. The petition form must be signed. The petition must also bear a signed certification specifying the email address, fax number, or mailing address used to serve respondent, as well as the date transmitted to or placed in the mail to respondent. 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 form, together with the required filing fee, with the arbitration organization.~~

Simultaneously with service, the claimant shall file with the arbitration organization the petition with all attachments and pay the required filing fee and arbitrator compensation fee deposit. The arbitration organization will not accept the filing until the required filing fee and deposit has been paid.

The claimant must also timely serve and file an Itemization of Claim with supporting documentation in accordance with Rule 5(f).

d. Multiple Respondents. 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.

~~**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. Commencement Notice. ~~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 a courtesy notice to ~~the~~ all parties of the commencement of the arbitration. ~~The filing date F~~For purposes of ~~the 30-day response period shall be~~ these rules, an arbitration is considered commenced on the date ~~of the arbitration organization's commencement notice~~ the claimant serves the petition on respondent, regardless of the date on which the commencement notice is issued. An arbitration will not be considered commenced on the date of service of a defective petition form unless a corrected petition is served within 7 days thereafter.

f. Itemization of Claim. At the time of ~~filing~~ commencement of the arbitration ~~form,~~ or within 30 days thereafter, the claimant shall serve and 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 total amounts owing. Income-loss claims must detail employers, rates of pay, dates of loss, method of calculation, and total amounts owing. Comprehensive and collision damage claims must detail the method of calculation and total amounts owing.

Failure to serve and file an itemization and supporting documents within these 30 days shall not be the basis for a bar to or dismissal of such claims. In the event a claimant does not serve and file the Itemization of Claim and supporting documents at least 30 days prior to the scheduled hearing date, the respondent may request postponement of the hearing at claimant's expense, which shall be granted if requested at least 20 days prior to the scheduled hearing date, and may otherwise be granted by the arbitrator subject to Rule 15.

g. Insurer's Response. Within 30 days after ~~receipt of~~ claimant serves respondent with the ~~itemization of benefits claimed~~ Rule 5(f) Itemization of Claim and supporting documentation ~~from claimant~~, respondent shall serve on claimant by electronic means a response to the petition setting forth all grounds upon which the claim is denied, ~~and~~ accompanied by all documents supporting their denial ~~of the benefits claimed~~. A self-represented claimant who has not provided contact details by which to be served electronically may be served by mail. ~~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.~~

The respondent shall simultaneously file with the arbitration organization the response with all attachments and pay the required filing fee and arbitrator compensation fee deposit. The arbitration organization will not accept the filing nor allow respondent access to participate in the case on the electronic filing system until the required filing fee and deposit has been paid.

h. Amendments. A claimant must amend the petition with any claims not identified in the initial Itemization of Claim, however, a~~A~~ claimant is not required to amend the petition with amounts that continue to accrue after commencement on claims otherwise identified on the Itemization of Claim. The amended claim remains subject to the jurisdictional limits set forth in Rule 6. To amend the petition, the claimant must serve and file an Amended Itemization of Claim and supporting documentation.

A respondent must amend the response with any grounds for denial or documents supporting denial not included in the initial response. To amend the response, the respondent must serve and file an Amended Response and supporting documentation.

An amendment made by any party will not alter the commencement date.

In the event a party serves an amendment less than 30 days prior to the scheduled hearing date, the opposing party shall be given a reasonable amount of time to review and respond to the amendment if so requested. The arbitrator may hold the record open, postpone the hearing, or allow additional time by other just and equitable means.

* * *

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

Informal arbitration hearings will presumptively be conducted by videoconference. A party may request a different hearing format after the hearing date has been scheduled; however, such requests must be submitted to the arbitrator no later than seven days before the scheduled hearing.

~~An informal arbitration hearing will be held in 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. 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.

* * *

Rule 21. Order of Proceedings and Communication 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. ~~Pre-hearing exhibits can be sent directly to the arbitrator, delivered in the same manner and at the same time to the opposing party.~~

All parties, except pro se individuals, are required to submit pre-hearing exhibits electronically using the arbitration organization's online platform. Notwithstanding the above, pre-hearing exhibits must be delivered to the arbitrator and the opposing party in the same manner and at the same time. 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.~~

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Rule 40. Arbitrator, Motion, and Application Fees.

(a) Motion Fees: If, prior to any scheduled hearing, a motion or application is brought for the arbitrator to decide (other than a motion to postpone a hearing), the following fees shall be paid:

1. The movant/applicant shall pay to (deposit with) the arbitration organization a motion fee in the amount of $175.00 at the time the movant submits its motion/application papers to the arbitration organization.
2. The party opposing the motion/application shall pay to (deposit with) the arbitration organization a motion fee in the amount of $175.00 at the time the opposing party submits its opposition/responsive papers to the arbitration organization.

Upon the arbitration organization's receipt of all papers and required motion fees from the parties, the arbitration organization shall deliver the submissions to the arbitrator. No motion shall be heard or decided by the arbitrator until all required fees have been deposited and papers submitted to the arbitration organization.

In the event there is no response to a motion (filed with the arbitration organization and for which a motion fee has been deposited) by the deadline to respond as set forth in the arbitration organization's written notice to the parties, the motion papers shall be submitted to the arbitrator for consideration.

For each motion in which there are submissions by both parties to the motion, the arbitrator shall be compensated $100.00 and the arbitration organization shall be compensated a $75.00 administrative fee. The arbitrator shall direct which party is responsible for the arbitrator and administrative fees, which shall be paid from that party's previously deposited motion fee. The party not responsible for the arbitrator and administrative fees shall be refunded the motion fee that was previously deposited with the arbitration organization.

For each motion in which there is no response from the responding party, the arbitrator shall be compensated $50.00 for the motion and the arbitration organization shall be compensated a $75.00 administrative fee, which shall be paid from the moving party's deposited motion fee. The moving party may assert a claim at the hearing for the portion of the motion fee deposited with the arbitration organization that is not subject to refund from the arbitration organization.

In the event the arbitration organization is notified prior to submission to the arbitrator that the motion is withdrawn or resolved, the arbitration organization shall be compensated a $75.00 administrative fee, which shall be paid from the moving party's deposited motion fee.

The remaining $100.00 shall be refunded to the moving party. The moving party may assert a claim at the hearing for the $75.00 administrative fee paid to the arbitration organization.

(b) In addition to compensation as in (a) above, except as otherwise provided by the Rules, an arbitrator shall be compensated for services and for any use of office facilities in the amount of $300.00 per case. At the time of filing a petition or response, the filing party shall pay to (deposit with) the arbitration organization an arbitrator compensation fee in the amount of $50.00. The arbitrator's compensation pursuant to Rule 40(b) or (c), once determined, shall be paid from the fees deposited by the parties, and refunds shall be made to the parties, as follows.

(1) Except as otherwise provided by Rule 40(b)(2) below:

a. If the claim is settled or withdrawn before the appointment of an arbitrator, the full deposit shall be refunded to the depositing parties.

b. If the claim is settled after appointment of an arbitrator, and the arbitrator's fee pursuant to Rule 40(c) is $50.00, the fee will be paid equally from each party's deposit, unless the parties agree otherwise. Any remaining balance of deposited fees shall be refunded to the depositing parties by the arbitration organization.

c. If the claim is settled after appointment of an arbitrator, and the arbitrator's fee pursuant to Rule 40(c) is $300.00, the fee will be paid equally from each party's deposit, and the balance owed shall be paid by the parties to the arbitration organization equally, unless the parties agree otherwise. Any party agreeing as part of settlement to pay more than $250.00 of the arbitrator's fee must reimburse the other party directly for the additional portion of said fee. Any remaining balance of deposited fees shall be refunded to the depositing parties by the arbitration organization.

d. If the claim is withdrawn after appointment of an arbitrator, the arbitrator's fee pursuant to Rule 40(c) will be paid from the claimant's deposit. If the fee is greater than the deposit amount, the balance must be paid by claimant to the arbitration organization at the time the claim is withdrawn. Any remaining balance of deposited fees shall be refunded to the depositing parties.

e. If the claim proceeds to hearing, the fee will be paid from each party's deposit, and any remaining balance owed shall be paid to the arbitration organization. The arbitrator shall direct assessment of the arbitrator's fee of $300.00. Any party assessed with payment of more than $250.00 must reimburse the other party directly for the remaining portion of the fee assessed against them. Any remaining balance of deposited fees shall be refunded to the depositing parties by the arbitration organization.

(2) In the event a case participant has an outstanding balance owed to the arbitration organization on any other case(s), the deposited amount to be refunded to the case participant pursuant to Rule 40(b)(1) above will be applied to said outstanding balance, and thereafter any remaining deposit balance will be refunded to the party.

(3) The claimant must pay the required filing fee and arbitrator compensation deposit at the time of filing the petition and supporting documents with the arbitration organization. The arbitration organization will not accept the filing until the required fee and deposit has been paid. The respondent must pay the required filing fee and arbitrator compensation deposit at the time of filing the response and supporting documents with the arbitration organization. The arbitration organization will not accept the filing nor allow respondent access to participate in the case on the electronic filing system until the required fee and deposit has been paid.

(c) 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 ~~the sum of~~ $50.00. 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 $300.00. 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 the claimant, and the fee in a postponement shall be borne by the requesting party. Regardless of the resolution of the case, the arbitrator's fee shall not exceed $300.00 and is subject to the provisions of Rule 15.

(d) An arbitrator serving on a court-ordered or party-consolidated glass case shall be compensated at a rate of $200.00 per hour.

(e) Once a hearing is commenced, the arbitrator shall direct assessment of the fee.