AAA® Announces Updated Construction Industry Arbitration Rules

Updated Arbitration Rules Simplify Construction Dispute Process, Promoting Efficiency and Clarity

NEW YORK (March 1, 2024)—The American Arbitration Association® (AAA), the nation’s leading provider of conflict resolution services, today announced significant updates to its Construction Industry Arbitration Rules and Mediation Procedures. The revisions, effective March 1, 2024, come as part of AAA’s ongoing commitment to align its services with the evolving needs of the construction industry, enhancing efficiency and embracing modern technologies in arbitration and mediation processes.

Led by AAA’s National Construction Dispute Resolution Committee, the updates reflect comprehensive input from nationwide roundtable discussions among advocates, in-house counsel, arbitrators and industry professionals. “These changes underscore our dedication to facilitating more streamlined, accessible, and effective dispute resolution mechanisms within the construction sector,” said Iman Hyder-Eliz, Vice President at AAA.

Key Updates Include:

- **Technology Adaptation**: Embraces modern technologies by eliminating outdated requirements and introducing service of notice or other communications via platform and digital award signatures, where allowed by law.
- **Procedural Efficiency**: Adjustments across procedures aim for balanced efficiency and streamlined dispute resolution.
- **Enhanced Arbitrator Authority**: Increases arbitrator’s control over proceedings. Aims to reduce costs and specifies conditions for dispositive motions, sanctions and award clarification.
- **Focus on Confidentiality**: New rules highlight confidentiality obligations and empower arbitrators to issue confidentiality orders and take measure to enforce them.
- **Expanded Fast Track Procedures**: Raises ceiling for Fast Track Procedure application and adjusts discovery rules for efficiency in smaller cases.
- **Adjustments for Large, Complex Disputes**: Increases the claim amount threshold for a three-arbitrator panel, balancing efficiency and the complexity of large disputes.

“These revisions not only reflect our proactive approach to meeting the construction industry’s demands but also our commitment to advancing arbitration and mediation as efficient, cost-effective dispute resolution methods,” said Michael Powell, Vice President at AAA.

About the American Arbitration Association
The not-for-profit American Arbitration Association (AAA) is the leading provider of alternative dispute resolution (ADR) services. It has administered more than seven million ADR cases since its founding in 1926. With 29 offices in the United States and Singapore, the AAA provides organizations of all sizes in virtually every industry with ADR services and products. For more information, visit www.adr.org.

About the International Centre for Dispute Resolution
The International Centre for Dispute Resolution® (ICDR®) is the international division of the American Arbitration Association (AAA) and the largest international provider of dispute resolution services. Established in 1996, the ICDR serves parties from over 100 countries with multilingual staff experienced in international dispute resolution proceedings and a roster of over 725 arbitrators and mediators. For more information, visit www.icdr.org.