

CALIFORNIA CODES
CODE OF **CIVIL PROCEDURE**
SECTION 1141.10-1141.31

1141.10. (a) The Legislature finds and declares that litigation involving small **civil** cases can be so costly and complex that efficiently resolving these **civil** cases is difficult, and that the resulting delays and expenses may deny parties their right to a timely resolution of minor **civil** disputes. The Legislature further finds and declares that arbitration has proven to be an efficient and equitable method for resolving small **civil** cases, and that courts should encourage or require the use of arbitration for those actions whenever possible.

(b) It is the intent of the Legislature that:

(1) Arbitration hearings held pursuant to this chapter shall provide parties with a simplified and economical **procedure** for obtaining prompt and equitable resolution of their disputes.

(2) Arbitration hearings shall be as informal as possible and shall provide the parties themselves maximum opportunity to participate directly in the resolution of their disputes, and shall be held during nonjudicial hours whenever possible.

(3) Members of the State Bar selected to serve as arbitrators should have experience with cases of the type under dispute and are urged to volunteer their services without compensation whenever possible.

1141.11. (a) In each superior court with 18 or more judges, all nonexempt unlimited **civil** cases shall be submitted to arbitration under this chapter if the amount in controversy, in the opinion of the court, will not exceed fifty thousand dollars (\$50,000) for each plaintiff.

(b) In each superior court with fewer than 18 judges, the court may provide by local rule, when it determines that it is in the best interests of justice, that all nonexempt, unlimited **civil** cases shall be submitted to arbitration under this chapter if the amount in controversy, in the opinion of the court, will not exceed fifty thousand dollars (\$50,000) for each plaintiff.

(c) Each superior court may provide by local rule, when it is determined to be in the best interests of justice, that all nonexempt, limited **civil** cases shall be submitted to arbitration under this chapter. This section does not apply to any action in small claims court, or to any action maintained pursuant to Section 1781 of the **Civil** Code or Section 1161.

(d) (1) In each court that has adopted judicial arbitration pursuant to subdivision (c), all limited **civil** cases that involve a claim for money damages against a single defendant as a result of a motor vehicle collision, except those heard in the small claims division, shall be submitted to arbitration within 120 days of the filing of the defendant's answer to the complaint (except as may be extended by the court for good cause) before an arbitrator selected by the court.

(2) The court may provide by local rule for the voluntary or mandatory use of case questionnaires, established under Section 93, in any proceeding subject to these provisions. Where local rules provide for the use of case questionnaires, the questionnaires shall be exchanged by the parties upon the defendant's answer and completed

and returned within 60 days.

(3) For the purposes of this subdivision, the term "single defendant" means any of the following:

(A) An individual defendant, whether a person or an entity.

(B) Two or more persons covered by the same insurance policy applicable to the motor vehicle collision.

(C) Two or more persons residing in the same household when no insurance policy exists that is applicable to the motor vehicle collision.

(4) The naming of one or more cross-defendants, not a plaintiff, shall constitute a multiple-defendant case not subject to the provisions of this subdivision.

1141.12. In all superior courts, the Judicial Council shall provide by rule for a uniform system of arbitration of the following causes:

(a) Any cause, regardless of the amount in controversy, upon stipulation of the parties.

(b) Upon filing of an election by the plaintiff, any cause in which the plaintiff agrees that the arbitration award shall not exceed the amount in controversy as specified in Section **1141.11**.

1141.13. This chapter shall not apply to any **civil** action which includes a prayer for equitable relief, except that if the prayer for equitable relief is frivolous or insubstantial, this chapter shall be applicable.

1141.14. Notwithstanding any other provision of law except the provisions of this chapter, the Judicial Council shall provide by rule for practice and **procedure** for all actions submitted to arbitration under this chapter. The Judicial Council rules shall provide for and conform with the provisions of this chapter.

1141.15. The Judicial Council rules shall provide exceptions for cause to arbitration pursuant to subdivision (a), (b), or (c) of Section **1141.11**. In providing for such exceptions, the Judicial Council shall take into consideration whether the **civil** action might not be amenable to arbitration.

1141.16. (a) The determination of the amount in controversy, under subdivision (a) or (b) of Section **1141.11**, shall be made by the court and the case referred to arbitration after all named parties have appeared or defaulted. The determination shall be made at a case management conference or based upon review of the written submissions of the parties, as provided in rules adopted by the Judicial Council. The determination shall be based on the total amount of damages, and the judge may not consider questions of liability or comparative negligence or any other defense. At that time the court shall also make a determination whether any prayer for equitable relief is frivolous or insubstantial. The determination of the amount in controversy and whether any prayer for equitable relief is frivolous or insubstantial may not be appealable. No determination pursuant to this section shall be made if all parties stipulate in writing that the amount in controversy exceeds the amount specified in Section **1141.11**.

(b) The determination and any stipulation of the amount in controversy shall be without prejudice to any finding on the value of the case by an arbitrator or in a subsequent trial de novo.

(c) Except as provided in this section, the arbitration hearing may not be held until 210 days after the filing of the complaint, or 240 days after the filing of a complaint if the parties have stipulated to a continuance pursuant to subdivision (d) of Section 68616 of the Government Code. A case shall be submitted to arbitration at an earlier time upon any of the following:

(1) The stipulation of the parties to an earlier arbitration hearing.

(2) The written request of all plaintiffs, subject to a motion by a defendant for good cause shown to delay the arbitration hearing.

(3) An order of the court if the parties have stipulated, or the court has ordered under Section 1141.24, that discovery other than that permitted under Chapter 18 (commencing with Section 2034.010) of Title 4 of Part 4 will be permitted after the arbitration award is rendered.

1141.17. (a) Submission of an action to arbitration pursuant to this chapter shall not suspend the running of the time periods specified in Chapter 1.5 (commencing with Section 583.110) of Title 8 of Part 2, except as provided in this section.

(b) If an action is or remains submitted to arbitration pursuant to this chapter more than four years and six months after the plaintiff has filed the action, then the time beginning on the date four years and six months after the plaintiff has filed the action and ending on the date on which a request for a de novo trial is filed under Section 1141.20 shall not be included in computing the five-year period specified in Section 583.310.

1141.18. (a) Arbitrators shall be retired judges, retired court commissioners who were licensed to practice law prior to their appointment as a commissioner, or members of the State Bar, and shall sit individually. A judge may also serve as an arbitrator without compensation. People who are not attorneys may serve as arbitrators upon the stipulation of all parties.

(b) The Judicial Council rules shall provide for the compensation, if any, of arbitrators. Compensation for arbitrators may not be less than one hundred fifty dollars (\$150) per case, or one hundred fifty dollars (\$150) per day, whichever is greater. A superior court may set a higher level of compensation for that court. Arbitrators may waive compensation in whole or in part. No compensation shall be paid before the filing of the award by the arbitrator, or before the settlement of the case by the parties.

(c) In cases submitted to arbitration under Section 1141.11 or 1141.12, an arbitrator shall be assigned within 30 days from the time of submission to arbitration.

(d) Any party may request the disqualification of the arbitrator selected for his or her case on the grounds and by the procedures specified in Section 170.1 or 170.6. A request for disqualification of an arbitrator on grounds specified in Section 170.6 shall be made within five days of the naming of the arbitrator. An arbitrator shall disqualify himself or herself, upon demand of any party to the arbitration made before the conclusion of the arbitration proceedings on any of the grounds specified in Section 170.1.

1141.19. Arbitrators approved pursuant to this chapter shall have the powers necessary to perform duties pursuant to this chapter as prescribed by the Judicial Council.

1141.19.5. In any arbitration proceeding under this chapter, no party may require the production of evidence specified in subdivision (a) of Section 3295 of the **Civil** Code at the arbitration, unless the court enters an order permitting pretrial discovery of that evidence pursuant to subdivision (c) of Section 3295 of the **Civil** Code.

1141.20. (a) An arbitration award shall be final unless a request for a de novo trial is filed within 30 days after the date the arbitrator files the award with the court.

(b) Any party may elect to have a de novo trial, by court or jury, both as to law and facts. Such trial shall be calendared, insofar as possible, so that the trial shall be given the same place on the active list as it had prior to arbitration, or shall receive **civil** priority on the next setting calendar.

1141.21. (a) (1) If the judgment upon the trial de novo is not more favorable in either the amount of damages awarded or the type of relief granted for the party electing the trial de novo than the arbitration award, the court shall order that party to pay the following nonrefundable costs and fees, unless the court finds in writing and upon motion that the imposition of these costs and fees would create such a substantial economic hardship as not to be in the interest of justice:

(A) To the court, the compensation actually paid to the arbitrator, less any amount paid pursuant to subparagraph (D).

(B) To the other party or parties, all costs specified in Section 1033.5, and the party electing the trial de novo shall not recover his or her costs.

(C) To the other party or parties, the reasonable costs of the services of expert witnesses, who are not regular employees of any party, actually incurred or reasonably necessary in the preparation or trial of the case.

(D) To the other party or parties, the compensation paid by the other party or parties to the arbitrator, pursuant to subdivision (b) of Section **1141.28**.

(2) Those costs and fees, other than the compensation of the arbitrator, shall include only those incurred from the time of election of the trial de novo.

(b) If the party electing the trial de novo has proceeded in the action in forma pauperis and has failed to obtain a more favorable judgment, the costs and fees under subparagraphs (B) and (C) of paragraph (1) of subdivision (a) shall be imposed only as an offset against any damages awarded in favor of that party.

(c) If the party electing the trial de novo has proceeded in the action in forma pauperis and has failed to obtain a more favorable judgment, the costs under subparagraph (A) of paragraph (1) of subdivision (a) shall be imposed only to the extent that there remains a sufficient amount in the judgment after the amount offset under subdivision (b) has been deducted from the judgment.

1141.22. The Judicial Council rules shall specify the grounds upon which the arbitrator or the court, or both, may correct, modify or vacate an award.

1141.23. The arbitration award shall be in writing, signed by the arbitrator and filed in the court in which the action is pending. If there is no request for a de novo trial and the award is not vacated, the award shall be entered in the judgment book in the amount of the award. Such award shall have the same force and effect as a judgment in any **civil** action or proceeding, except that it is not subject to appeal and it may not be attacked or set aside except as provided by Section 473, 1286.2, or Judicial Council rule.

1141.24. In cases ordered to arbitration pursuant to Section **1141.11**, no discovery other than that permitted by Chapter 18 (commencing with Section 2034.010) of Title 4 of Part 4 is permissible after an arbitration award except by stipulation of the parties or by leave of court upon a showing of good cause.

1141.25. Any reference to the arbitration proceedings or arbitration award during any subsequent trial shall constitute an irregularity in the proceedings of the trial for the purposes of Section 657.

1141.26. Nothing in this act shall prohibit an arbitration award in excess of the amount in controversy as specified in Section **1141.11**. No party electing a trial de novo after such award shall be subject to the provisions of Section **1141.21** if the judgment upon the trial de novo is in excess of the amount in controversy as specified in Section **1141.11**.

1141.27. This chapter shall apply to any **civil** action otherwise within the scope of this chapter in which a party to the action is a public agency or public entity.

1141.28. (a) All administrative costs of arbitration, including compensation of arbitrators, shall be paid for by the court in which the arbitration costs are incurred, except as otherwise provided in subdivision (b) and in Section **1141.21**.

(b) The actual costs of compensation of arbitrators in any proceeding which would not otherwise be subject to the provisions of this chapter but in which arbitration is conducted pursuant to this chapter solely because of the stipulation of the parties, shall be paid for in equal shares by the parties. If the imposition of these costs would create such a substantial economic hardship for any party as not to be in the interest of justice, as determined by the arbitrator, that party's share of costs shall be paid for by the court in which the arbitration costs are incurred. The determination as to substantial economic hardship may be reviewed by the court.

1141.30. This chapter shall not be construed in derogation of Title 9 (commencing with Section 1280) of Part 3, and, to that extent, this chapter and that title, other than Section 1280.1, are mutually exclusive and independent of each other.

1141.31. The provisions of this chapter shall become operative July 1, 1979, except that the Judicial Council shall adopt the arbitration rules for practice and procedures on or before March 31, 1979.