

cluding, but not limited to, mediation, early neutral evaluation, minitrial, and arbitration as authorized in sections 654 through 658. Any district court that elects to require the use of alternative dispute resolution in certain cases may do so only with respect to mediation, early neutral evaluation, and, if the parties consent, arbitration.

(b) **ACTIONS EXEMPTED FROM CONSIDERATION OF ALTERNATIVE DISPUTE RESOLUTION.**—Each district court may exempt from the requirements of this section specific cases or categories of cases in which use of alternative dispute resolution would not be appropriate. In defining these exemptions, each district court shall consult with members of the bar, including the United States Attorney for that district.

(c) **AUTHORITY OF THE ATTORNEY GENERAL.**—Nothing in this section shall alter or conflict with the authority of the Attorney General to conduct litigation on behalf of the United States, with the authority of any Federal agency authorized to conduct litigation in the United States courts, or with any delegation of litigation authority by the Attorney General.

(d) **CONFIDENTIALITY PROVISIONS.**—Until such time as rules are adopted under chapter 131 of this title providing for the confidentiality of alternative dispute resolution processes under this chapter, each district court shall, by local rule adopted under section 2071(a), provide for the confidentiality of the alternative dispute resolution processes and to prohibit disclosure of confidential dispute resolution communications.

(Added Pub. L. 100-702, title IX, §901(a), Nov. 19, 1988, 102 Stat. 4659; amended Pub. L. 105-315, §4, Oct. 30, 1998, 112 Stat. 2994.)

#### AMENDMENTS

1998—Pub. L. 105-315 amended section generally, substituting provisions relating to alternative dispute resolution jurisdiction for provisions relating to arbitration jurisdiction.

#### EXCEPTION TO LIMITATION ON MONEY DAMAGES

Pub. L. 100-702, title IX, §901(c), Nov. 19, 1988, 102 Stat. 4663, provided that notwithstanding establishment by former section 652 of this title of a \$100,000 limitation on money damages with respect to cases referred to arbitration, a district court listed in former section 658 of this title whose local rule on Nov. 19, 1988, provided for a limitation on money damages of not more than \$150,000, could continue to apply the higher limitation, prior to repeal by Pub. L. 105-315, §12(a), Oct. 30, 1998, 112 Stat. 2998.

### § 653. Neutrals

(a) **PANEL OF NEUTRALS.**—Each district court that authorizes the use of alternative dispute resolution processes shall adopt appropriate processes for making neutrals available for use by the parties for each category of process offered. Each district court shall promulgate its own procedures and criteria for the selection of neutrals on its panels.

(b) **QUALIFICATIONS AND TRAINING.**—Each person serving as a neutral in an alternative dispute resolution process should be qualified and trained to serve as a neutral in the appropriate alternative dispute resolution process. For this purpose, the district court may use, among others, magistrate judges who have been trained to

serve as neutrals in alternative dispute resolution processes, professional neutrals from the private sector, and persons who have been trained to serve as neutrals in alternative dispute resolution processes. Until such time as rules are adopted under chapter 131 of this title relating to the disqualification of neutrals, each district court shall issue rules under section 2071(a) relating to the disqualification of neutrals (including, where appropriate, disqualification under section 455 of this title, other applicable law, and professional responsibility standards).

(Added Pub. L. 100-702, title IX, §901(a), Nov. 19, 1988, 102 Stat. 4660; amended Pub. L. 105-315, §5, Oct. 30, 1998, 112 Stat. 2995.)

#### AMENDMENTS

1998—Pub. L. 105-315 amended section generally, substituting provisions relating to neutrals in alternative dispute resolution process for provisions relating to powers of arbitrator and arbitration hearing.

### § 654. Arbitration

(a) **REFERRAL OF ACTIONS TO ARBITRATION.**—Notwithstanding any provision of law to the contrary and except as provided in subsections (a), (b), and (c) of section 652 and subsection (d) of this section, a district court may allow the referral to arbitration of any civil action (including any adversary proceeding in bankruptcy) pending before it when the parties consent, except that referral to arbitration may not be made where—

- (1) the action is based on an alleged violation of a right secured by the Constitution of the United States;
- (2) jurisdiction is based in whole or in part on section 1343 of this title; or
- (3) the relief sought consists of money damages in an amount greater than \$150,000.

(b) **SAFEGUARDS IN CONSENT CASES.**—Until such time as rules are adopted under chapter 131 of this title relating to procedures described in this subsection, the district court shall, by local rule adopted under section 2071(a), establish procedures to ensure that any civil action in which arbitration by consent is allowed under subsection (a)—

- (1) consent to arbitration is freely and knowingly obtained; and
- (2) no party or attorney is prejudiced for refusing to participate in arbitration.

(c) **PRESUMPTIONS.**—For purposes of subsection (a)(3), a district court may presume damages are not in excess of \$150,000 unless counsel certifies that damages exceed such amount.

(d) **EXISTING PROGRAMS.**—Nothing in this chapter is deemed to affect any program in which arbitration is conducted pursuant to section<sup>1</sup> title IX of the Judicial Improvements and Access to Justice Act (Public Law 100-702), as amended by section 1 of Public Law 105-53.

(Added Pub. L. 100-702, title IX, §901(a), Nov. 19, 1988, 102 Stat. 4660; amended Pub. L. 105-315, §6, Oct. 30, 1998, 112 Stat. 2995.)

<sup>1</sup>So in original. The word "section" probably should not appear.

## REFERENCES IN TEXT

Title IX of the Judicial Improvements and Access to Justice Act (Public Law 100-702), as amended by section 1 of Public Law 105-53, referred to in subsec. (d), is title IX of Pub. L. 100-702, Nov. 19, 1988, 102 Stat. 4659, which enacted this chapter and provisions set out as notes under sections 651 and 652 of this title. Section 1 of Pub. L. 105-53, Oct. 6, 1997, 111 Stat. 1173, amended section 905 of title IX of Pub. L. 100-702, which is set out as a note under section 651 of this title.

## AMENDMENTS

1998—Pub. L. 105-315 amended section generally, substituting provisions relating to arbitration for provisions relating to arbitration award and judgment.

**§ 655. Arbitrators**

(a) **POWERS OF ARBITRATORS.**—An arbitrator to whom an action is referred under section 654 shall have the power, within the judicial district of the district court which referred the action to arbitration—

- (1) to conduct arbitration hearings;
- (2) to administer oaths and affirmations; and
- (3) to make awards.

(b) **STANDARDS FOR CERTIFICATION.**—Each district court that authorizes arbitration shall establish standards for the certification of arbitrators and shall certify arbitrators to perform services in accordance with such standards and this chapter. The standards shall include provisions requiring that any arbitrator—

- (1) shall take the oath or affirmation described in section 453; and
- (2) shall be subject to the disqualification rules under section 455.

(c) **IMMUNITY.**—All individuals serving as arbitrators in an alternative dispute resolution program under this chapter are performing quasi-judicial functions and are entitled to the immunities and protections that the law accords to persons serving in such capacity.

(Added Pub. L. 100-702, title IX, §901(a), Nov. 19, 1988, 102 Stat. 4661; amended Pub. L. 105-315, §7, Oct. 30, 1998, 112 Stat. 2996.)

## AMENDMENTS

1998—Pub. L. 105-315 amended section generally, substituting provisions relating to arbitrators for provisions relating to trial de novo.

**§ 656. Subpoenas**

Rule 45 of the Federal Rules of Civil Procedure (relating to subpoenas) applies to subpoenas for the attendance of witnesses and the production of documentary evidence at an arbitration hearing under this chapter.

(Added Pub. L. 100-702, title IX, §901(a), Nov. 19, 1988, 102 Stat. 4662; amended Pub. L. 105-315, §8, Oct. 30, 1998, 112 Stat. 2996.)

## REFERENCES IN TEXT

The Federal Rules of Civil Procedure, referred to in text, are set out in the Appendix to this title.

## AMENDMENTS

1998—Pub. L. 105-315 amended section generally, substituting provisions relating to subpoenas for provisions relating to certification of arbitrators.

**§ 657. Arbitration award and judgment**

(a) **FILING AND EFFECT OF ARBITRATION AWARD.**—An arbitration award made by an arbi-

trator under this chapter, along with proof of service of such award on the other party by the prevailing party or by the plaintiff, shall be filed promptly after the arbitration hearing is concluded with the clerk of the district court that referred the case to arbitration. Such award shall be entered as the judgment of the court after the time has expired for requesting a trial de novo. The judgment so entered shall be subject to the same provisions of law and shall have the same force and effect as a judgment of the court in a civil action, except that the judgment shall not be subject to review in any other court by appeal or otherwise.

(b) **SEALING OF ARBITRATION AWARD.**—The district court shall provide, by local rule adopted under section 2071(a), that the contents of any arbitration award made under this chapter shall not be made known to any judge who might be assigned to the case until the district court has entered final judgment in the action or the action has otherwise terminated.

(c) **TRIAL DE NOVO OF ARBITRATION AWARDS.**—

(1) **TIME FOR FILING DEMAND.**—Within 30 days after the filing of an arbitration award with a district court under subsection (a), any party may file a written demand for a trial de novo in the district court.

(2) **ACTION RESTORED TO COURT DOCKET.**—Upon a demand for a trial de novo, the action shall be restored to the docket of the court and treated for all purposes as if it had not been referred to arbitration.

(3) **EXCLUSION OF EVIDENCE OF ARBITRATION.**—The court shall not admit at the trial de novo any evidence that there has been an arbitration proceeding, the nature or amount of any award, or any other matter concerning the conduct of the arbitration proceeding, unless—

- (A) the evidence would otherwise be admissible in the court under the Federal Rules of Evidence; or
- (B) the parties have otherwise stipulated.

(Added Pub. L. 100-702, title IX, §901(a), Nov. 19, 1988, 102 Stat. 4662; amended Pub. L. 105-315, §9, Oct. 30, 1998, 112 Stat. 2997.)

## REFERENCES IN TEXT

The Federal Rules of Evidence, referred to in subsec. (c)(3)(A), are set out in the Appendix to this title.

## AMENDMENTS

1998—Pub. L. 105-315 amended section generally, substituting provisions relating to arbitration award and judgment for provisions relating to compensation of arbitrators.

**§ 658. Compensation of arbitrators and neutrals**

(a) **COMPENSATION.**—The district court shall, subject to regulations approved by the Judicial Conference of the United States, establish the amount of compensation, if any, that each arbitrator or neutral shall receive for services rendered in each case under this chapter.

(b) **TRANSPORTATION ALLOWANCES.**—Under regulations prescribed by the Director of the Administrative Office of the United States Courts, a district court may reimburse arbitrators and other neutrals for actual transportation expenses necessarily incurred in the performance of duties under this chapter.