

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION

CHAPTER 301
HOUSE BILL 1278

AN ACT TO PERMIT STATEWIDE COURT-ORDERED, NONBINDING
ARBITRATION AS AN ALTERNATIVE CIVIL PROCEDURE IN CERTAIN
CIVIL ACTIONS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 7A of the General Statutes is amended by adding a new section directly after G.S. 7A-37 to read:

"§ 7A-37.1. Statewide court-ordered, nonbinding arbitration in certain civil actions.

(a) The General Assembly finds that court-ordered, nonbinding arbitration may be a more economical, efficient and satisfactory procedure to resolve certain civil actions than by traditional civil litigation and therefore authorizes court-ordered nonbinding arbitration as an alternative civil procedure, subject to these provisions.

(b) The Supreme Court of North Carolina may adopt rules governing this procedure and may supervise its implementation and operation through the Administrative Office of the Courts. These rules shall ensure that no party is deprived of the right to jury trial and that any party dissatisfied with an arbitration award may have trial *de novo*.

(c) This procedure may be employed in civil actions where claims do not exceed fifteen thousand dollars (\$15,000).

(d) This procedure may be implemented in a judicial district, in selected counties within a district, or in any court within a district, if the Director of the Administrative Office of the Courts, and the cognizant Senior Resident Superior Court Judge or the Chief District Court Judge of any court selected for this procedure, determine that use of this procedure may assist in the administration of justice toward achieving objectives stated in subsection (a) of this section in a judicial district, county, or court. The Director of the Administrative Office of the Courts, acting upon the recommendation of the cognizant Senior Resident Superior Court Judge or Chief District Court Judge of any court selected for this procedure, may terminate this procedure in any judicial district, county, or court upon a determination that its use has not accomplished objectives stated in subsection (a) of this section.

(e) Arbitrators in this procedure shall have the same immunity as judges from civil liability for their official conduct.

(f) Nothing herein contained shall be construed to obligate the General Assembly to appropriate funds to implement the provisions of this act."

Sec. 2. This act shall become effective July 1, 1989.

In the General Assembly read three times and ratified this the 12th day of June, 1989.