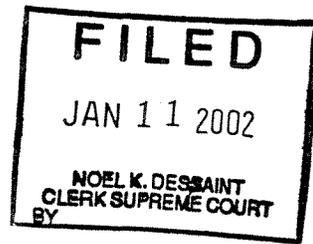


IN THE SUPREME COURT OF THE STATE OF ARIZONA

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In the Matter of:	)	
	)	
ARIZONA CODE OF JUDICIAL	)	
ADMINISTRATION § 5-104:	)	Administrative Order
ALTERNATIVE DISPUTE	)	No. 2002 - <u>9</u>
RESOLUTION	)	(Replacing Administrative
	)	Order No. 91-30)
	)	

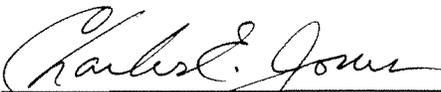
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The above captioned provision having come before the Arizona Judicial Council on December 13, 2001, and having been approved and recommended for adoption,

Now, therefore, pursuant to Article VI, Section 3, of the Arizona Constitution,

IT IS ORDERED that the above captioned provision, attached hereto, is adopted as a section of the Arizona Code of Judicial Administration replacing Administrative Order No. 91-30.

Dated this 11th day of January, 2002.

  
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CHARLES E. JONES  
Chief Justice

**ARIZONA CODE OF JUDICIAL ADMINISTRATION**  
**Part 5: Court Operations**  
**Chapter 1: Funding**  
**Section 5-104 Alternative Dispute Resolution**

**A. Definitions.** In this section, the following definitions apply:

1. "Alternative dispute resolution (ADR)" means various processes facilitated by a neutral third party for the purpose of helping parties consider ways to resolve their dispute.
2. "Court" means the superior or justice court.

**B. Authority.** A.R.S. § 12-135 provides:

A. The alternative dispute resolution fund is established consisting of monies deposited in the fund pursuant to section 12-284.03, subsection A, paragraph 5 and section 22-281, subsection C, paragraph 2.

B. Courts wishing to participate in the alternative dispute resolution program may apply to the supreme court for funding. The supreme court shall administer the fund and may expend monies in the fund for local, regional or statewide projects that establish, maintain, improve or enhance alternative dispute resolution programs.

C. On notice from the supreme court, the state treasurer shall invest and divest monies in the alternative dispute resolution fund as provided by section 35-313, and monies earned from investment shall be credited to the fund.

D. Monies from the alternative dispute resolution fund that are provided to local courts shall be used to supplement, not supplant, local funding that would otherwise be made available for alternative dispute resolution programs.

E. The supreme court shall use monies that are deposited in the fund pursuant to section 12-284.03, subsection A, paragraph 5 to implement, administer and fund alternative dispute resolution programs for the superior court in the counties that apply for funding.

F. The supreme court shall use monies that are deposited in the fund pursuant to section 22-281, subsection C, paragraph 2 to implement, administer and fund alternative dispute resolution programs for justice courts that apply for funding.

G. Monies in the fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations.

**C. General Administration.** The chief justice or designee shall allocate and expend projected funds each fiscal year for administration and authorized projects. The ADR fund shall be administered by the Administrative Office of the Courts (AOC). The administrative director or designee shall:

1. Prepare fiscal projections and create a budget based on the projections for the purpose of administering the ADR fund.
2. Monitor, inspect, audit or have audited all records of any court ADR programs receiving monies from the ADR fund.
3. Monitor compliance with collection and submission of ADR monies required by A.R.S. §§ 22-281 and 12-284.03.
4. Submit an annual report to the legislature and the governor detailing the amount of monies collected and expended by January 31 of each year for the prior fiscal year.
5. Conduct seminars and educational sessions and provide assistance to judges, court staff and other public agencies regarding the purposes and operations of ADR.
6. Contract with public or private agencies, if necessary, for professional services to assist in the administration of the ADR fund.
7. Establish priorities for funding ADR projects.
8. Review all submitted applications and recommend approval, disapproval or modification of the applications.
9. Authorize disbursement of funds for approved applications.

**D. Program Operation.**

1. Monies collected by the courts pursuant to A.R.S. §§ 12-281 and 12-284 shall be submitted to the State Treasurer by the county treasurers no later than the fifteenth day of each month following the month in which the monies are collected.
2. To request ADR funds, courts must submit an application to the AOC on forms provided by the AOC, using procedures and instructions developed by the AOC.
3. Upon approval of an application by the chief justice or designee, the administrative director shall enter into a written funding arrangement with the requesting court or other applicant to provide for the distribution of funds.
4. All ADR funds awarded to a court shall be deposited in a separate revenue account for the designated court with the County Treasurer. All accrued interest on deposits to the separate accounts shall be expended according to the approved application.

5. The administrative director has the authority to alter or terminate the ADR funding arrangement if such action is necessary due to a lack of funds in the account, lack of financial need by any applicant or failure to comply with the applicable statutes, policies, funding agreements or administrative requirements.

**E. Committee on Alternative Dispute Resolution.** The Committee on Alternative Dispute Resolution (Committee) is established to assist the supreme court in the development and implementation of policies designed to improve the quality of justice, access to the courts and efficiency in court operations by promoting alternatives to traditional litigation. The Committee shall identify the needs of limited jurisdiction and superior courts in the use of alternative dispute resolution methods. The Committee shall also analyze and plan for future developments and recommend uniform administrative policies and procedures to promote effective alternatives to litigation.

1. The Committee shall include the following members:
  - a. At least one limited jurisdiction judge;
  - b. At least two superior court judges;
  - c. One limited jurisdiction court administrator, deputy administrator or clerk;
  - d. One superior court court administrator, deputy administrator or clerk of court;
  - e. A representative of the Alternative Dispute Resolution Section of the State Bar of Arizona;
  - f. A public member;
  - g. A county ADR program administrator;
  - h. Two members of the State Bar of Arizona actively participating in trial practice;
  - i. A representative of the Arizona Attorney General's Office;
  - j. A representative of the Court of Appeals, and
  - k. Such other members with knowledge and experience in the field of alternative dispute resolution appointed at the discretion of the chief justice.
2. To encourage continuity on the Committee, the chief justice shall appoint members for staggered terms for one, two and three years. Members may be reappointed for successive terms.
3. Committee members shall attend and actively participate in Committee meetings, assist with

the administration of Committee affairs and serve on advisory committees as necessary. A member may designate a proxy, subject to the requirements of ACJA § 1-104 and Alternative Dispute Resolution Advisory Committee policies.

4. The chief justice shall appoint the chairperson of the Committee and other leadership as needed to organize committee affairs. The chairperson may appoint advisory committees to help the Committee carry out its responsibilities.
5. The Committee shall meet no less than twice a year. The chairperson may call additional meetings. Subject to the availability of funds, travel and per diem expenses of the Committee members may be paid by the AOC pursuant to travel policies and procedures approved by the supreme court. All meetings shall be noticed and open to the public.
6. The Committee shall adopt rules for conducting Committee business. These rules shall prescribe the majority needed to constitute Committee meetings, a quorum and proxy policies.
7. Under the direction of the chief justice, the AOC shall provide staff to assist and support the Committee. Staff may conduct or coordinate management projects and research studies related to alternative dispute resolution as recommended by the Committee.