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AB-1523 Court-ordered mediation. (2025-2026)



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## Assembly Bill No. 1523

## CHAPTER 201

An act to amend, repeal, and add Section 1775.5 of the Code of Civil Procedure, relating to civil procedure.

Approved by Governor October 01, 2025. Filed with Secretary of State October 01, 2025.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1523, Committee on Judiciary. Court-ordered mediation.

Existing law prohibits a court from ordering a civil action into mediation when the amount in controversy exceeds \$50,000, as specified.

This bill would, as of January 1, 2027, increase the dollar amount of the above-described amount in controversy limitation to \$75,000 and impose additional requirements, such as there being no ongoing discovery disputes and at least one party notifying the court of an interest in mediation, to be met before a court may order a civil action into mediation. If the parties do not stipulate to a mutually agreeable mediator, the bill would require the court to select a mediator, at no cost to the parties. Court-ordered mediation would be required to conclude with a mutually acceptable statement of agreement or nonagreement, as specified.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 1775.5 of the Code of Civil Procedure is amended to read:

- 1775.5. (a) The court shall not order a case into mediation where the amount in controversy exceeds fifty thousand dollars (\$50,000). The determination of the amount in controversy shall be made in the same manner as provided in Section 1141.16 and, in making this determination, the court shall not consider the merits of questions of liability, defenses, or comparative negligence.
- (b) This section shall remain in effect until January 1, 2027, and as of that date is repealed.
- SEC. 2. Section 1775.5 is added to the Code of Civil Procedure, to read:
- 1775.5. (a) The court shall not order a case into mediation unless all of the following conditions are met:
  - (1) The amount in controversy does not exceed seventy-five thousand dollars (\$75,000). The determination of the amount in controversy shall be made in the same manner as provided in Section 1141.16 and, in making this determination, the court shall not consider the merits of questions of liability, defenses, or comparative negligence.

- (2) The case has been set for trial.
- (3) At least one party has notified the court of its interest in mediation.
- (4) There are no ongoing discovery disputes impacting the case.
- (5) The parties have been notified of their option to stipulate to a mutually agreeable mediator.
- (6) The parties have the ability to mediate through the use of remote technology upon the stipulation of all parties.
- (b) If the parties do not stipulate to a mutually agreeable mediator within 15 days of the date the case is submitted to mediation, the court shall select a mediator, at no cost to the parties, pursuant to standards adopted by the Judicial Council.
- (c) All parties and counsel attending the mediation shall comply with subdivision (a) of Rule 3.894 of the California Rules of Court, except that the parties may utilize any means of remote technology in accordance with the stipulation provided in paragraph (6) of subdivision (a).
- (d) Mediation ordered pursuant to subdivision (a) shall conclude in the form of a mutually acceptable agreement or statement of nonagreement, as described in Section 1775.9, no later than 120 days before the trial date described in paragraph (2) of subdivision (a). Any mediation shall not delay the trial date described in paragraph (2) of subdivision (a).
- (e) The determination and any stipulation of the amount in controversy shall be without prejudice as to any finding on the value of the case.
- (f) This section shall become operative on January 1, 2027.