MINNESOTA

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I. Are pre-injury waivers/releases for injury or death enforceable in Minnesota?


II. Are pre-injury waivers of jury trials enforceable in Minnesota?

Yes. Although the Minnesota Constitution provides that litigants have a general right to a jury trial, “[a] jury trial may be waived by the parties in all cases in the manner prescribed by law.” Minn. Const., Art. I, § 4 (emphasis added). See also Ottman v. Fadden, 575 N.W.2d 593, 597 (Minn. Ct. App. 1998) (“[T]he constitutional right to a jury trial may be waived by the parties agreement.”)


A waiver may also be implied. Minn. R. Civ. P. 49.01(a) (“If a party does not request a jury trial on an issue before the jury retires, that party waives the right to a trial by jury on that issue.”)

While “Minnesota law supports the enforcement of a contractual waiver of the right to jury trial,” Novus Franchising, Inc. v. Superior Entrance Sys., Inc., 2012 WL 3542451 at *2 (W.D. Wisc. Aug. 16, 2012), there is one notable exception. Jury waivers are prohibited in franchise agreements. See Minn. Stat. § 80C.14; Minn. R. 2860.4400 (“It shall be unfair and inequitable for any person to . . . require a franchisee to waive his or her rights to a jury trial. . . .”)

III. Are agreements restricting claims for injury or death to binding arbitration enforceable in Minnesota?

An agreement “to submit to arbitration any existing or subsequent controversy arising between the parties to the agreement is valid, enforceable, and irrevocable” under Minnesota’s Uniform Arbitration Act, except upon a ground that exists at law or in equity for the revocation of the agreement. Minn. Stat. § 572B.06(a). If there is an agreement to arbitrate, a court must order the parties into arbitration and stay any judicial action pending arbitration. Minn. Stat. § 572B.07.
The Minnesota Supreme Court has recognized that the fundamental objectives of the Minnesota Uniform Arbitration Act are to encourage and facilitate arbitration, to discourage litigation, and to foster the private resolution of disputes. See Eric A. Carlstrom Const. Co. v. Independent School Dist. No. 77, 256 N.W.2d 479 (Minn. 1977). Courts will critically scrutinize any attempt to alter to contract so as to avoid an arbitration clause. Latenser v. Latenser & Sons, Inc., 347 N.W.2d 486 (Minn. 1984); Stillwater Leased Housing Associates, et al., v. Kraus-Anderson Construction Co., 319 N.W.2d 424 (Minn. 1982).

The parties to an arbitration agreement are under a duty to act in good faith and owe each other an obligation to make a fair effort to carry out the provisions of the arbitration agreement. Niazi v. St. Paul Mercury Ins. Co., 121 N.W.2d 349 (Minn. 1963). Consistent with the Federal Arbitration Act, general contract principles apply to agreements to arbitrate in Minnesota. Kennedy, Matthews, Landis, Healy & Pecora, Inc. v. Young, 524 N.W.2d 752 (Minn. Ct. App. 1994). Minnesota courts may regulate a contract, including arbitration clauses, and may invalidate an arbitration clause on grounds such as fraud, duress, or unconscionability. Alexander v. Minnesota Vikings Football Club LLC, 649 N.W.2d 464, 467 (Minn. Ct. App. 2002) (citing Doctor’s Assocs., Inc. v. Casarotto, 517 U.S. 681, 686–87 (1996)). In determining whether an arbitration clause is unconscionable, under Minnesota law, a court will examine the sophistication of the parties, the circumstances surrounding the execution of the agreement, and the burden arbitration places on the complaining party. Champion Auto Sales, LLC v. Polaris Sales Inc., 943 F. Supp. 2d 346, 352 (E.D.N.Y. 2013) (applying Minnesota law).

Notably, the Wrongful Death Act indicates a wrongful death claim should be resolved in a jury trial. Minn. Stat. § 573.02, subd. 1; see also State Farm v. Liberty Mut. Ins. Co., 678 N.W.2d 719, 724 (Minn. Ct. App. 2004). Section 573.02 provides that the "recovery in the action is the amount the jury deems fair and just," and that the "court then determines the proportionate pecuniary loss" and details how to manage certain expense "allowed by the court having jurisdiction of the action." Id. (emphasis added). In contrast, a claim for indemnity under 65B.53, subd. 1, is "enforceable only through mandatory good-faith and binding arbitration procedures." Minn. Stat. § 65B.53, subd. 4.