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# JAMS announces rules for handling matters involving AI

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Pointing to the recent rise in AI tools and their use in generating smart contracts, alternative dispute resolution provider JAMS announced new rules for matters involving artificial intelligence, including emergency relief procedures and jurisdictional challenges. The changes are effective immediately.

“This pioneering initiative marks JAMS as the first in the ADR industry to establish a comprehensive legal framework tailored to the complexities of AI,” JAMS president Kimberly Taylor said about the guidelines announced Tuesday.

“We encourage all stakeholders to embrace these new rules, as they are essential in navigating the complicated landscape of AI disputes with clarity and foresight, to provide resolutions that are both effective and attuned to the latest technological developments,” Taylor continued.

Defining AI as “a machine-based system capable of completing tasks that would otherwise require cognition,” the JAMS AI disputes clause includes 34 rules and clarifies procedures for cases related to AI systems. For example, the production and inspection of any AI systems such as hardware, software, and training data shall be limited to the “disclosing party making such systems and materials available to one or more experts in a secured environment established by the disclosing party,” and the materials cannot be removed from

the location. Furthermore, expert testimony on any AI system-related technical issues is limited to a written report addressing questions posed by the arbitrator and testimony at the arbitration hearing. The rules added that if parties cannot mutually agree on experts, the arbitrator will choose, first from a list of third-party experts maintained by JAMS.

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In a phone call, Taylor said the rules were meant to proactive in the face of emerging technologies. “We see the increasing use of AI across every industry and around the world.

People are trying to understand what guardrails ought to be put up around it and we thought it would be important to provide a framework for those who are dealing with matters that will involve the use of AI,” she said, adding that the protective order JAMS has implemented to safeguard proprietary data in AI cases was a key aspect. Taylor said JAMS welcomed comments from lawyers on how to improve the guidelines and noted that she expected them to adapt in response to the rapidly developing world of AI.

In a statement, JAMS CEO Chris Poole said that the new rules “will help address the exponential rise in artificial intelligence systems and the intersection of AI technology and dispute resolution. JAMS is committed to remaining at the forefront of evolving technology and providing robust and forward-thinking solutions to the attorneys and parties that we serve.”

According to a 2023 international arbitration survey by Bryan Cave Leighton Paisner LLP, 30% of respondents had used AI tools for document review and production. The results also showed that almost 90% of respondents were concerned about breach of confidentiality while using AI tools and 63% of respondents were in favor of regulating the use of AI tools in arbitration. When asked to rank their level of confidence on a scale of 1 to 10 in the technical capability of arbitrators to give directions regarding AI tools, 79% of respondents rated their confidence at 5 or below.

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