

ASSEMBLY BILL NO. 392—COMMITTEE ON JUDICIARY

MARCH 4, 1999

Referred to Committee on Judiciary

SUMMARY—Revises provisions concerning use of alternative methods to resolve certain disputes. (BDR 3-1293)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to courts; authorizing the parties to certain actions to use a settlement conference, short trial and other alternative methods of resolving disputes under certain circumstances; providing for the adoption of rules and procedures governing the use of alternative methods of resolving disputes; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE
AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 38.250 is hereby amended to read as follows:
2 38.250 **1.** Except as otherwise provided in NRS 38.310:
3 ~~H.J.~~ **(a)** All civil actions filed in district court for damages, if the cause
4 of action arises in the State of Nevada and the amount in issue does not
5 exceed \$40,000 , must be submitted to nonbinding arbitration in
6 accordance with the provisions of NRS 38.253, 38.255 and 38.258 ~~H.J.~~,
7 ***unless the parties have agreed to submit the action to an alternative***
8 ***method of resolving disputes established by the supreme court pursuant***
9 ***to NRS 38.258, including, without limitation, a settlement conference,***
10 ***mediation or a binding short trial, and that method has resulted in a***
11 ***binding disposition of the action. If an action is submitted to an***
12 ***alternative method of resolving disputes pursuant to this paragraph and***
13 ***a binding disposition of the case does not result, the action must be***
14 ***submitted to nonbinding arbitration, but the parties may agree to submit***
15 ***the action to another alternative method of resolving disputes while the***
16 ***nonbinding arbitration is pending or after the nonbinding arbitration has***
17 ***been*** ***completed.***

1 ~~12.~~ (b) A civil action for damages filed in justice's court may be
2 submitted to arbitration *or to an alternative method of resolving disputes,*
3 *including, without limitation, a settlement conference, mediation or a*
4 *binding short trial*, if the parties agree ~~[, orally or in writing,]~~ to the
5 submission.

6 2. Any agreement entered into pursuant to this section must be in
7 writing. If the parties to an action knowingly and willingly enter into
8 such a written agreement, the agreement shall not be deemed
9 unenforceable as an unreasonable contract of adhesion.

10 3. As used in this section, "short trial" means a trial that is
11 conducted, with the consent of the parties to the action, in accordance
12 with procedures designed to limit the length of the trial, including,
13 without limitation, restrictions on the amount of discovery requested by
14 each party, the use of a jury composed of not more than six persons, and
15 a specified limit on the amount of time each party may use to present his
16 case.

17 Sec. 2. NRS 38.258 is hereby amended to read as follows:

18 38.258 ~~[In any civil action that is required to be submitted to~~
19 ~~arbitration pursuant to NRS 38.250, the]~~

20 1. The supreme court may ~~[also]~~ authorize the use of settlement
21 conferences and other alternative methods of resolving disputes ,
22 *including, without limitation, mediation and a binding short trial*, that are
23 available in the county in which ~~[the]~~ a district court is located ~~[, if]~~ :

24 (a) *In lieu of submitting an action to nonbinding arbitration pursuant*
25 *to NRS 38.250;*

26 (b) *After an action is submitted to nonbinding arbitration because an*
27 *alternative method of resolving disputes did not result in a binding*
28 *disposition of the action; or*

29 (c) *At any other time during or following nonbinding arbitration if* the
30 ~~[court determines that such participation]~~ *parties agree that the use of any*
31 *such alternative methods of resolving disputes* would assist in the
32 resolution of the dispute.

33 2. *If the supreme court authorizes the use of an alternative method*
34 *of resolving disputes pursuant to subsection 1, the supreme court shall*
35 *adopt rules and procedures to govern the use of any such method.*

36 3. As used in this section, "short trial" has the meaning ascribed to it
37 in NRS 38.250.