

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 ~~to be omitted~~ 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 ~~1.1~~ **(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 38.250 to 38.258, inclusive, and
7 section 1 of *Senate Bill No. 315 of this ~~act~~ session, unless the parties*
8 *have agreed to submit the action to an alternative method of resolving*
9 *disputes established by the supreme court pursuant to NRS 38.258,*
10 *including, without limitation, a settlement conference, mediation or a*
11 *binding short trial, and that method has resulted in a binding disposition*
12 *of the action. If an action is submitted to an alternative method of*
13 *resolving disputes pursuant to this paragraph and a binding disposition*
14 *of the case does not result, the action must be submitted to nonbinding*
15 *arbitration, but the parties may agree to submit the action to another*
16 *alternative method of resolving disputes while the nonbinding arbitration*
17 *is pending or after the nonbinding arbitration has been completed.*

1 ~~[2.]~~ (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. *An agreement entered into pursuant to this section must be:*

7 (a) *Entered into at the time of the dispute and not be a part of any*
8 *previous agreement between the parties;*

9 (b) *In writing; and*

10 (c) *Entered into knowingly and voluntarily.*

11 *An agreement entered into pursuant to this section that does not comply*
12 *with the requirements set forth in this subsection is void.*

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

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

21 38.258 ~~[In any civil action that is required to be submitted to~~
22 ~~arbitration pursuant to NRS 38.250, the]~~

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

27 (a) *Before submitting an action to nonbinding arbitration pursuant to*
28 *NRS 38.250;*

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

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

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

39 3. *As used in this section, "short trial" has the meaning ascribed to it*
40 *in NRS 38.250.*

41 **Sec. 3.** This act becomes effective at 12:01 a.m. on October 1, 1999.