SENATE BILL NO. 15-SENATOR SCHNEIDER

Prefiled January 11, 2001

Referred to Committee on Judiciary

SUMMARY—Enacts provisions regarding payment of fees to arbitrators. (BDR 3-34)

FISCAL NOTE: Effect on Local Government: No.

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Effect on the State: No.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to civil actions; enacting provisions regarding the payment of fees to arbitrators; and providing other matters properly relating thereto.

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

Section 1. NRS 38.255 is hereby amended to read as follows: 38.255 1. The rules adopted by the supreme court pursuant to NRS 38.253 to provide guidelines for the establishment by a district court of a 3 program must include provisions for a:

(a) Mandatory program for the arbitration of civil actions pursuant to NRS 38.250.

- (b) Voluntary program for the arbitration of civil actions if the cause of action arises in the State of Nevada and the amount in issue exceeds \$40,000.
- (c) Voluntary program for the use of binding arbitration in all civil actions.
- 2. The rules must provide that the district court of any judicial district whose population is 100,000 or more:
- (a) Shall establish programs pursuant to paragraphs (a), (b) and (c) of subsection 1.
- (b) May set fees and charge parties for arbitration if the amount in issue 16 exceeds \$40,000. 17
- 18 The rules may provide for similar programs for the other judicial districts.
- 19 3. The rules must exclude the following from any program of 20 mandatory arbitration:



- (a) Actions in which the amount in issue, excluding attorney's fees, interest and court costs, is more than \$40,000 or less than the maximum jurisdictional amounts specified in NRS 4.370 and 73.010;
 - (b) Class actions;

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- (c) Actions in equity;
- (d) Actions concerning the title to real estate;
 - (e) Probate actions;
 - (f) Appeals from courts of limited jurisdiction;
 - (g) Actions for declaratory relief;
 - (h) Actions involving divorce or problems of domestic relations;
 - (i) Actions brought for relief based on any extraordinary writs;
 - (j) Actions for the judicial review of an administrative decision; and
- (k) Actions in which the parties, pursuant to a written agreement executed before the accrual of the cause of action, have submitted the controversy to arbitration or any other alternative method for resolving a dispute.
 - 4. The rules must include:
- (a) Provisions for the payment of fees to an arbitrator who is appointed to hear a case pursuant to the rules. The rules must provide that an arbitrator must be compensated at a rate of \$100 per hour, to a maximum of one thousand dollars per case, unless otherwise authorized by the arbitration commissioner for good cause shown.
- (b) Guidelines for the award of attorney's fees and maximum limitations on the costs to the parties of the arbitration.
- (b) (c) Disincentives to appeal. ; and
- (e) (d) Provisions for trial upon the exercise by either party of his right to a trial anew after the arbitration.
- 5. The supreme court shall, on or before February 1 of each oddnumbered year, submit a report to the director of the legislative counsel bureau for transmittal to the chairmen of the assembly and senate standing committees on the judiciary. The report must include, for the period since the previous such report, if any:
- 33 (a) A listing of the number of actions which were submitted to arbitration or other alternative methods of resolving disputes pursuant to NRS 38.250 or 38.258 and their manner of disposition;
 - (b) A statement of the amount of money collected in each judicial district pursuant to NRS 19.0315 and a summary of the manner in which the fees were expended; and
 - (c) Any recommendations for legislation or other information regarding the programs on arbitration deemed relevant by the supreme court.
- 41 **Sec. 2.** The amendatory provisions of this act apply to an action that is 42 filed on or after the effective date of this act.
- 43 **Sec. 3.** This act becomes effective upon passage and approval.



