# 138 Nev., Advance Opinion 83

## IN THE SUPREME COURT OF THE STATE OF NEVADA

JUAN MILLAN ARCE, AN INDIVIDUAL, Appellant, vs. PATRICIA SANCHEZ, AN INDIVIDUAL, Respondent.

No. 81862

FILED

DEC 22 2022,

CLERK OF SUPREME COURT

Appeal from a district court order setting aside a judgment confirming a court annexed arbitration award under NRCP 60(b). Eighth Judicial District Court, Clark County; Nancy L. Allf, Judge.

Reversed and remanded with instructions.

Desert Ridge Legal Group and Ryan M. Venci and Martina L. Jaccarino, Las Vegas, for Appellant.

Deaver & Crafton and Brice J. Crafton, Las Vegas, for Respondent.

BEFORE THE SUPREME COURT, HARDESTY, STIGLICH, and HERNDON, JJ.

# **OPINION**

By the Court, STIGLICH, J.:

In this opinion, we address an issue of first impression—whether a district court may set aside a judgment confirming a court

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annexed arbitration award under Nevada Rule of Civil Procedure (NRCP) 60(b) in the face of Nevada Arbitration Rule (NAR) 19(C), which limits post-judgment relief to correcting clerical mistakes and errors. We conclude that NAR 19(C) bars a district court from setting aside a judgment confirming an arbitration award under NRCP 60(b). Because the district court set aside a judgment confirming an arbitration award under NRCP 60(b) in violation of NAR 19(C), we reverse the district court's order and remand with instructions to reinstate the judgment confirming the arbitration award.

## FACTS AND PROCEDURAL HISTORY

Respondent Patricia Sanchez and appellant Juan Millan Arce were in a car accident. Sanchez hired lawyers to sue Arce for damages. Arce's insurance company, Key Insurance Company, assigned its in-house counsel, Erich Storm, to represent Arce.

The district court sent the case to the court annexed arbitration program. After hearing the case, the arbitrator awarded Sanchez nothing. Thereafter, one of Sanchez's lawyers called Key Insurance Company's claims adjuster to negotiate a settlement. Sanchez's lawyer and the adjuster settled the case. Key Insurance Company agreed to pay Sanchez \$10,000 in exchange for Sanchez forgoing her right to request a trial de novo.

One day after the adjuster and Sanchez's lawyer reached the settlement agreement and more than two weeks before the deadline for requesting a trial de novo, Storm expressed his concern, in emails, that the settlement agreement was made "behind...[his] back," and he told Sanchez's lawyer to "calendar the de novo date while we [Key Insurance Company] decide... what the best course of action is."

After the deadline to request a trial de novo passed, Storm indicated that Key Insurance Company would not pay the \$10,000 settlement because he believed that Sanchez's lawyer negotiated the settlement agreement in violation of the Rules of Professional Conduct (RPC). Believing that the alleged RPC violation voided the settlement agreement, Storm obtained a judgment confirming the arbitration award (in which the arbitrator awarded Sanchez nothing).

In response, Sanchez moved for relief from the judgment under NRCP 60(b) and to enforce the settlement agreement. The district court found that Sanchez's lawyer did not violate the RPC, that the settlement agreement was enforceable, and that Sanchez failed to timely request a trial de novo in reliance on the settlement agreement. The district court set aside the judgment confirming the arbitration award under NRCP 60(b) and enforced the settlement agreement. Arce appealed.

#### DISCUSSION

Arce argues that NAR 19(C) bars a district court from applying NRCP 60(b) to set aside a judgment confirming an arbitration award. Sanchez counters that NAR 19(C) does not bar NRCP 60(b) relief because NAR 19(C) assumes the district court properly entered the judgment confirming the arbitration award. But here, Sanchez argues, the district court mistakenly entered a judgment confirming the arbitration award

<sup>&</sup>lt;sup>1</sup>We do not reach the parties' remaining arguments—whether a settlement agreement allegedly negotiated in violation of RPC 4.2 is enforceable and whether the district court erred in enforcing the settlement agreement under EDCR 7.50—because we hold that NAR 19(C) bars post-judgment relief under NRCP 60(b), which renders those arguments moot. See NCAA v. Univ. of Nev., Reno, 97 Nev. 56, 58, 624 P.2d 10, 11 (1981) ("A moot case is one which seeks to determine an abstract question which does not rest upon existing facts or rights.").

because there was a preexisting, enforceable settlement agreement. Because Storm obtained a judgment confirming the arbitration award knowing that the settlement agreement existed, Sanchez argues we should deem the judgment *void ab initio*.

# Standard of review

Although we typically review a district court's order setting aside a judgment under NRCP 60(b) for an abuse of discretion, *Cook v. Cook*, 112 Nev. 179, 181-82, 912 P.2d 264, 265 (1996), this case presents questions of law—the interpretation of NAR 19(C) and its interplay with NRCP 60—which we review de novo. *See Moon v. McDonald, Carano & Wilson, LLP*, 126 Nev. 510, 512, 515-16, 245 P.3d 1138, 1139, 1141 (2010) (reviewing the interpretation of NAR 5(A) de novo); *Moseley v. Eighth Judicial Dist. Court*, 124 Nev. 654, 662, 188 P.3d 1136, 1142 (2008) ("The interplay and interpretation of NRCP 25 and NRCP 6 are issues of law that we review de novo.").

# NAR 19(C) bars post-judgment relief under NRCP 60(b)

We apply the rules of statutory construction to interpret NAR 19. See Scott v. Zhou, 120 Nev. 571, 573, 98 P.3d 313, 314 (2004) (applying the rules of statutory construction to interpret NAR 20). In interpreting NAR 19(C), "words 'should be given their plain meaning unless this violates the spirit of the . . . [rule]." *Id.* (quoting *McKay v. Bd. of Supervisors*, 102 Nev. 644, 648, 730 P.2d 438, 441 (1986)).

NAR 19(C) provides that "[a]lthough clerical mistakes in judgments and errors therein arising from oversight or omission may be corrected by the court at any time on its own initiative or on the motion of any party, no other amendment of or relief from a judgment entered pursuant to this rule shall be allowed." NAR 19(C) (emphasis added). Thus, NAR 19(C) prevents a district court from granting post-judgment relief

except to correct "clerical mistakes in judgments and errors therein arising from oversight or omission." We turn to NRCP 60 to examine how it interacts with this limitation.

NRCP 60 offers two routes for post-judgment relief. Under NRCP 60(a), "[t]he court may correct a clerical mistake or a mistake arising from oversight or omission whenever one is found in a judgment . . . . The court may do so on motion or on its own . . . ." NRCP 60(b), on the other hand, provides grounds—one ground being that the challenged judgment is void—to set aside a judgment. NRCP 60(b)(4).

Arce argues that NAR 19(C) bars NRCP 60(b) relief. We agree. NAR 19(C) bars NRCP 60(b) relief because NRCP 60(b) provides nonclerical-mistake grounds for post-judgment relief, and NAR 19(C) provides that "no other amendment of or relief from a judgment entered pursuant to this rule shall be allowed." Even assuming the judgment confirming the arbitration award is void, as Sanchez contends, voidness is an NRCP 60(b) ground for relief, which NAR 19(C) bars.

Further, NAR 19(C) provides that a district court may "correct" a clerical mistake, not that a district court may set aside an entire judgment. The term "corrected" in NAR 19(C) and "correct" in NRCP 60(a) mean the same thing because "when the same word is used in different statutes that are similar with respect to purpose and content, the word will be used in the same sense, unless the statutes' context indicates otherwise...." Savage v. Pierson, 123 Nev. 86, 94, 157 P.3d 697, 702 (2007). NAR 19(C) and NRCP 60(a) both address post-judgment relief and use the following phrases: "correct[]," "clerical mistake[]," and "arising from oversight or omission."



"Correct" in NRCP 60(a) refers to reforming an error or mistake in a judgment. See Kirkpatrick v. Temme, 98 Nev. 523, 527-28, 654 P.2d 1011, 1014 (1982) (finding an NRCP 60(a) clerical error and remanding to fix the error, not vacating the judgment due to the error). "Correct" does not refer to setting aside an entire judgment. See id. Accordingly, we conclude that NAR 19(C)'s "corrected" language means that a court may fix a mistake or error in a judgment but not set aside a judgment entirely.

Arce argues that NAR 19(C) and its application to these facts align with the purpose of the rule. We agree. The purpose of the court annexed arbitration program is "to provide a simplified procedure for obtaining a prompt and equitable resolution of certain civil matters." NAR 2(A). Allowing Sanchez to set aside the judgment confirming the arbitration award under NRCP 60(b) in violation of NAR 19(C) undermines the "prompt" and "simplified" purpose of the program.<sup>2</sup>

### **CONCLUSION**

NAR 19(C) bars post-judgment relief under NRCP 60(b). Under NAR 19(C), a district court may grant post-judgment relief only to correct "clerical mistakes in judgments and errors therein arising from oversight or omission." Clerical mistake is not an NRCP 60(b) ground for setting aside a judgment. Instead, clerical mistake is an NRCP 60(a) ground for



<sup>&</sup>lt;sup>2</sup>Although Sanchez does not address this argument head-on, she suggests this outcome is inequitable. We disagree. Sanchez had reason to believe, while she still had over two weeks to request a trial de novo, that Storm would not honor the settlement agreement. Storm specifically asked Sanchez's lawyer to calendar a date for a trial de novo. Sanchez chose not to act. Again, in the weeks leading up to the deadline, Storm did not provide the requested settlement documents. Again, Sanchez chose not to act. We conclude these were tactical decisions made by Sanchez's lawyers, not an inequitable application of the law.

correcting a judgment. Accordingly, we reverse and remand with instructions to reinstate the judgment confirming the arbitration award.

Stiglich, J.

We concur:

Hardesty ,

**A** J.

Herndon