

Prahl v. Allstate Northbrook Indemnity Co.
Court of Appeal of California, Third Appellate District
March 28, 2025, Opinion Filed
C099904

Uninsured motorist arbitration is not an action under Code Civ. Proc., § 22, and Cal. Rules of Court, rule 1.6, nor is it a special proceeding under Code Civ. Proc., § 23, in the absence of a judicial remedy.

FACTS/PROCEDURE

On September 11, 2023, Prahl filed his petition to compel arbitration of an uninsured motorist claim. The petition alleged he was involved in a multiple vehicle accident in March 2016 while insured by Allstate with a policy that contained uninsured motorist coverage. The available insurance proceeds from two drivers at fault were insufficient to fully compensate Prahl for the injuries and damages he suffered.

Prahl settled with these drivers and then sought to initiate arbitration of his underinsured motorist claim. Allstate agreed to arbitration on May 29, 2018. Arbitration was scheduled for November 2022 but was continued based on Prahl's counsel's unavailability.

In August 2023, Prahl's counsel contacted counsel for Allstate to reset the arbitration. Allstate asserted that the five-year limitation set forth in Insurance Code section 11580.2, subdivision (i), had expired in May 2023.

The court concluded arbitration could not be compelled because the five-year deadline to complete arbitration set forth in Insurance Code section 11580.2, subdivision (i), had expired, and Judicial Council emergency rule 10 (Cal. Rules of Court, appen. I, emergency rule 10, hereafter Emergency Rule 10) did not extend the deadline. Prahl's petition followed, submitting a memorandum of points and authorities therewith explaining his position that Emergency Rule 10 extended the deadline to conclude arbitration by six months.

HOLDING/DISCUSSION

The court of appeals affirmed the trial court's order.

Insurance Code section 11580.2, subdivision (i)(2)(A) provides, as relevant to this proceeding, that any uninsured motorist arbitration must be concluded “[w]ithin five years from the institution of the arbitration proceeding.” Prahl argues this five-year deadline is extended by Emergency Rule 10.3.

Emergency Rule 10, which provided:⁴ “Notwithstanding any other law, including Code of Civil Procedure section 583.310, for all *civil actions* filed on or before April 6, 2020, the time in which to bring the action to trial is extended by six months for a total of five years and six months.” (Emergency Rule 10(a), italics added.)

In context, the term ‘civil action’ unambiguously refers to a court action.” (*Ibid.*) The Code of Civil Procedure defines an “action” as “an ordinary proceeding *in a court of justice* by

which one party prosecutes another for the declaration, enforcement, or protection of a right, the redress or prevention of a wrong, or the punishment of a public offense.” (Code Civ. Proc., § 22, italics added.) This court has explained that arbitration is an “*alternative*” to a civil action. (*Leshane v. Tracy VW, Inc.* (2022) 78 Cal.App.5th 159, 164–165).

To assert that a “civil action” in Emergency Rule 10 includes his arbitration, Prahli relies on the general definitions set forth in California Rules of Court, rule 1.6. Cal. Rules of Court, rule 1.6 defines "Action" to include special proceedings and "Case" to include action or proceeding.

The Court stated that Prahli misunderstands the definition of a “special proceeding.” A special proceeding is a remedy established by statute but still obtained in court.

The term ‘special proceeding’ applies only to a proceeding that is distinct from, and not a mere part of, any underlying litigation. The term ‘has reference only to such proceedings as may be commenced independently of a pending action by petition or motion upon notice in order to obtain special relief. (*People v. Superior Court (Laff)* (2001) 25 Cal.4th 703, 725.)

Thus, a special proceeding can only encompass arbitration when there is a judicial remedy involved such as a petition to compel arbitration. (*Bouton v. USAA Casualty Ins. Co.* (2008) 167 Cal.App.4th 412, 427.) Some courts have indicated that “[a]n arbitration proceeding which is ordered pursuant to part 3 of the Code of Civil Procedure is recognized as a ‘special proceeding.’” (*Lachkar v. Lachkar* (1986) 182 Cal.App.3d 641, 646.) But here the arbitration was not so ordered. Prahli cites no authority indicating his arbitration can be considered a special proceeding. Indeed, arbitration by itself is not a special proceeding