

SUPREME COURT OF THE STATE OF MONTANA

Wallace v. Hayes

2015 MT 80N (2015) · No. DA 14-0518 · Decided March 10, 2015

SUMMARY

The Montana Supreme Court reversed an order renewing a 2004 judgment because the judgment creditor sought renewal by motion rather than by filing a separate action. The court held that reversal did not entitle Wallace to relitigate the merits or obtain a hearing on challenges to the original judgment, which were barred by res judicata. The memorandum opinion is nonciteable under the Montana Supreme Court’s Internal Operating Rules.

CASE DETAILS

COURT	Supreme Court of the State of Montana
WRITING FOR THE COURT	Michael E. Wheat; Laurie McKinnon; Beth Baker; Jim Rice
JURISDICTION	Montana
DECIDED	March 10, 2015
DOCKET	DA 14-0518
DISPOSITION	reversed
PROCEDURAL POSTURE	Wallace appealed the District Court's order renewing a prior judgment on the appellees' motion.
PRECEDENTIAL VALUE	Nonprecedential; expressly designated a nonciteable memorandum opinion under Montana Supreme Court Internal Operating Rules § I, ¶ 3(d).
PARTIES	Leonard Wallace v. Norman Hayes, Rodney J. Hayes

TOPICS

- civil procedure
- appellate procedure
- res judicata
- remedies

PRACTICE AREAS

- Civil procedure
- Appellate procedure
- Judgment renewal
- Remedies

QUESTIONS PRESENTED

1. Whether a judgment may be renewed by motion rather than through a separate action to obtain a judgment on the judgment.
2. Whether reversal of the renewal order entitled Wallace to a hearing on the validity or merits of the original judgment.

HOLDINGS

1. A judgment cannot be renewed on a party's motion; extending a judgment beyond its ten-year duration requires filing a separate action to obtain a judgment on the judgment.
2. Reversal of the improper renewal order did not entitle Wallace to a hearing on the validity or merits of the original judgment; those arguments were settled as res judicata.

KEY QUOTATIONS

“a judgment may be extended past its 10 year duration only by filing a separate action to obtain a judgment on the judgment.” (§5)

“He is by no means entitled to a hearing on the arguments which he has unabatingly made to the District Court during the past thirteen years, which he has brought to the attention of this Court on eleven occasions, and which are – as they have been for over a decade – settled as res judicata.” (§6)

FACTUAL BACKGROUND

The appellees obtained a \$2.5 million judgment against Wallace on August 3, 2004. Nearly ten years later, they alleged that more than \$2 million remained unpaid and sought renewal of the judgment by motion. Wallace objected, asserting fraud, due process violations, and contempt relating to the original judgment, but the District Court renewed the judgment without a separate action.

PROCEDURAL HISTORY

In 2004, the District Court entered a \$2.5 million judgment against Wallace. In 2014, the judgment creditors moved to renew the judgment, and the District Court granted the motion despite Wallace's objections. On appeal, the appellees conceded that renewal by motion was improper, while Wallace also sought a hearing on the validity and merits of the original judgment.

DISPOSITION

reversed

REMAND INSTRUCTIONS

No remand for a merits hearing was ordered. The renewal order was reversed, without precluding the appellees from filing a separate action to renew the judgment.

CASES CITED

- Jones v. Arnold, 272 Mont. 317, 325, 328, 900 P.2d 917, 922, 924 (1995)

- Welch v. Huber, 262 Mont. 114, 116, 862 P.2d 1180, 1181 (1993)
- State v. Hart Refineries, 109 Mont. 140, 143, 92 P.2d 766, 768 (1939)
- Haupt v. Burton, 21 Mont. 572, 575-76, 55 P. 110, 111 (1898)

OPINION

PER CURIAM.

March 10 2015 DA 14-0518 Case Number: DA 14-0518 IN THE SUPREME COURT OF THE STATE OF MONTANA 2015 MT 80N LEONARD WALLACE, Plaintiff and Appellant, v. NORMAN HAYES and RODNEY J. HAYES, Defendants and Appellees. APPEAL FROM: District Court of the Thirteenth Judicial District, In and For the County of Yellowstone, Cause No. DV 01-0882 Honorable Gregory R. Todd, Presiding Judge COUNSEL OF RECORD: For Appellant: Leonard Wallace (self-represented); Coeur d'Alene, Idaho For Appellees: Tom Singer, Axilon Law Group, PLLC; Billings, Montana Submitted on Briefs: February 11, 2015 Decided: March 10, 2015 Filed: _____ Clerk Justice Michael E Wheat delivered the Opinion of the Court. ¶1 Pursuant to Section I, Paragraph 3(d), Montana Supreme Court Internal Operating Rules, this case is decided by memorandum opinion and shall not be cited and does not serve as precedent.

Its case title, cause number, and disposition shall be included in this Court's quarterly list of nonciteable cases published in the Pacific Reporter and Montana Reports. ¶2 Leonard Wallace (Wallace) appeals from the order of the Montana Thirteenth Judicial District Court, Yellowstone County, renewing a 2004 judgment it rendered in favor of Norman Hayes, MagTrac Bolus Partnership, Gerald Hill, Lucille Hill, Jack Heyneman, John Heyneman, and Rodney J. Hayes (Hayes, et al.).

We reverse. ¶3 On August 3, 2004, Hayes, et al., obtained a judgment against Wallace for \$2,500,000. On June 17, 2014, Hayes, et al., filed a motion asking the District Court to renew this judgment. They alleged that over \$2,068,771.22 of the judgment remained unsatisfied. Wallace objected to this motion. He argued that the original judgment was invalid because of fraud, due process violations, and contempt of court.

For these reasons, he claimed that the District Court should not renew the judgment, and he asked the District Court to review the legality of the judgment. Despite Wallace's arguments, the District Court granted the motion of Hayes, et al., and issued an order renewing the judgment. ¶4 Wallace appeals from this order. He repeats the arguments that he made to the District Court and asks this Court to reverse the order and to remand for a hearing on the validity of the original judgment. ¶5 Hayes, et al., concedes that the judgment was renewed in error.

They admit and we agree that a judgment cannot be renewed on the motion of a party. Jones v. Arnold, 272 2 Mont. 317, 325, 328, 900 P.2d 917, 922, 924 (1995); see also Welch v. Huber, 262

Mont. 114, 116, 862 P.2d 1180, 1181 (1993) (reversing an order granting an ex parte motion to renew a judgment).

As we have stated, “a judgment may be extended past its 10 year duration only by filing a separate action to obtain a judgment on the judgment.” Jones, 272 Mont. at 325, 900 P.2d at 922 (citing § 27-2-201(1), MCA; Welch, 262 Mont. at 116, 862 P.2d at 1181) (emphasis added).

Because Hayes, et al., did not file a separate action and instead requested renewal by motion, the District Court erred by renewing the judgment. For this reason, we reverse the order of the District Court. This decision does not preclude Hayes, et al., from filing a separate action to renew the judgment. ¶6 We do not agree, however, with Wallace’s claim that he is now entitled to remand and a hearing on the merits of the original matter.

Even if an action to renew the judgment was properly instituted, Wallace would not be entitled to argue the merits of the original matter. State v. Hart Refineries, 109 Mont. 140, 143, 92 P.2d 766, 768 (1939); Haupt v. Burton, 21 Mont. 572, 575-76, 55 P. 110, 111 (1898). He is by no means entitled to a hearing on the arguments which he has unabatingly made to the District Court during the past thirteen years, which he has brought to the attention of this Court on eleven occasions, and which are – as they have been for over a decade – settled as res judicata.

The District Court did not err by refusing to grant a hearing on Wallace’s arguments. ¶7 We have determined to decide this case pursuant to Section I, Paragraph 3(d) of our Internal Operating Rules, which provides for nonciteable memorandum opinions.

The issues in this case are legal and are controlled by settled Montana law, which the District Court 3 incorrectly interpreted. ¶8 Reversed. /S/ MICHAEL E WHEAT We Concur: /S/ LAURIE McKINNON /S/ BETH BAKER /S/ JIM RICE 4