S-3426.3				

## SENATE BILL 6395

State of Washington 61st Legislature 2010 Regular Session

By Senators Kline, Kauffman, and Kohl-Welles

Read first time 01/13/10. Referred to Committee on Judiciary.

AN ACT Relating to lawsuits aimed at chilling the valid exercise of the constitutional rights of speech and petition; adding a new section to chapter 4.24 RCW; creating new sections; and prescribing penalties.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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5 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds and declares that:

- (a) It is concerned about lawsuits brought primarily to chill the valid exercise of the constitutional rights of freedom of speech and petition for the redress of grievances;
- (b) Such lawsuits, called "Strategic Lawsuits Against Public Participation" or "SLAPPs," are typically dismissed as groundless or unconstitutional, but often not before the defendants are put to great expense, harassment, and interruption of their productive activities;
- (c) The costs associated with defending such suits can deter individuals and entities from fully exercising their constitutional rights to petition the government and to speak out on public issues;
- (d) It is in the public interest for citizens to participate in matters of public concern and provide information to public entities and other citizens on public issues that affect them without fear of reprisal through abuse of the judicial process; and

p. 1 SB 6395

- 1 (e) An expedited judicial review would avoid the potential for abuse in these cases.
  - (2) The purposes of this act are to:
  - (a) Strike a balance between the rights of persons to file lawsuits and to trial by jury and the rights of persons to participate in matters of public concern;
- 7 (b) Establish an efficient, uniform, and comprehensive method for 8 speedy adjudication of strategic lawsuits against public participation; 9 and
- 10 (c) Provide for attorneys' fees, costs, and additional relief where 11 appropriate.
- NEW SECTION. Sec. 2. A new section is added to chapter 4.24 RCW to read as follows:
  - (1) As used in this section:

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- 15 (a) "Claim" includes any lawsuit, cause of action, claim, cross-16 claim, counterclaim, or other judicial pleading or filing requesting 17 relief;
- 18 (b) "Government" includes a branch, department, agency, 19 instrumentality, official, employee, agent, or other person acting 20 under color of law of the United States, a state, or subdivision of a 21 state or other public authority;
- (c) "Moving party" means a person on whose behalf the motion described in subsection (4) of this section is filed seeking dismissal of a claim;
  - (d) "Other governmental proceeding authorized by law" means a proceeding conducted by any board, commission, agency, or other entity created by state, county, or local statute or rule, including any self-regulatory organization that regulates persons involved in the securities or futures business and that has been delegated authority by a federal, state, or local government agency and is subject to oversight by the delegating agency.
- (e) "Person" means an individual, corporation, business trust, state, trust, partnership, limited liability company, association, joint venture, or any other legal or commercial entity;
- 35 (f) "Responding party" means a person against whom the motion 36 described in subsection (4) of this section is filed.

SB 6395 p. 2

(2) This section applies to any claim, however characterized, that is based on an action involving public participation and petition. As used in this section, an "action involving public participation and petition" includes:

- (a) Any oral statement made, or written statement or other document submitted, in a legislative, executive, or judicial proceeding or other governmental proceeding authorized by law;
- (b) Any oral statement made, or written statement or other document submitted, in connection with an issue under consideration or review by a legislative, executive, or judicial proceeding or other governmental proceeding authorized by law;
- (c) Any oral statement made, or written statement or other document submitted, that is reasonably likely to encourage, or to enlist public participation in an effort to effect, consideration or review of an issue in a legislative, executive, or judicial proceeding or other governmental proceeding authorized by law;
- (d) Any oral statement made, or written statement or other document submitted, in a place open to the public or a public forum in connection with an issue of public concern; or
- (e) Any other lawful conduct in furtherance of the exercise of the constitutional right of free speech in connection with an issue of public concern, or in furtherance of the exercise of the constitutional right of petition.
- (3) This section does not apply to any action brought by the attorney general, district attorney, or city attorney, acting as a public prosecutor, to enforce laws aimed at public protection.
- (4)(a) A party may bring a special motion to strike any claim that is based on an action involving public participation and petition, as defined in subsection (2) of this section.
- (b) A moving party bringing a special motion to strike a claim under this subsection has the initial burden of showing by a preponderance of the evidence that the claim is based on an action involving public participation and petition. If the moving party meets this burden, the burden shifts to the responding party to establish by clear and convincing evidence a probability of prevailing on the claim. If the responding party meets this burden, the court shall deny the motion.

p. 3 SB 6395

(c) In making a determination under (b) of this subsection, the court shall consider pleadings and supporting and opposing affidavits stating the facts upon which the liability or defense is based.

- (d) If the court determines that the responding party has established a probability of prevailing on the claim:
- (i) The fact that the determination has been made and the substance of the determination may not be admitted into evidence at any later stage of the case; and
- (ii) The determination does not affect the burden of proof or standard of proof that is applied in the underlying proceeding.
- (e) The attorney general's office or any government body to which the moving party's acts were directed may intervene to defend or otherwise support the moving party.
- (5)(a) The special motion to strike may be filed within sixty days of the service of the most recent complaint or, in the court's discretion, at any later time upon terms it deems proper. A hearing shall be held on the motion not later than thirty days after the service of the motion unless the docket conditions of the court require a later hearing. Notwithstanding this subsection, the court is directed to hold a hearing with all due speed and such hearings should receive priority.
- (b) The court shall render its decision as soon as possible but no later than seven days after the hearing is held.
  - (c) All discovery and any pending hearings or motions in the action shall be stayed upon the filing of a special motion to strike under subsection (4) of this section. The stay of discovery shall remain in effect until the entry of the order ruling on the motion. Notwithstanding the stay imposed by this subsection, the court, on motion and for good cause shown, may order that specified discovery or other hearings or motions be conducted.
  - (d) Every party has a right of expedited appeal from a trial court order on the special motion or from a trial court's failure to rule on the motion in a timely fashion.
  - (6)(a) The court shall award to a moving party who prevails, in part or in whole, on a special motion to strike made under subsection (4) of this section, without regard to any limits under state law:
- 37 (i) Costs of litigation and any reasonable attorneys' fees incurred 38 in connection with each motion on which the moving party prevailed;

SB 6395 p. 4

1 (ii) An amount of ten thousand dollars, not including the costs of litigation and attorney fees; and

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- (iii) Such additional relief, including sanctions upon the responding party and its attorneys or law firms, as the court determines shall be necessary to deter repetition of the conduct and comparable conduct by others similarly situated.
- (b) If the court finds that the special motion to strike is frivolous or is solely intended to cause unnecessary delay, the court shall award to a responding party who prevails, in part or in whole, without regard to any limits under state law:
- 11 (i) Costs of litigation and any reasonable attorneys' fees incurred 12 in connection with each motion on which the responding party prevailed; 13 and
- 14 (ii) An amount of ten thousand dollars, not including the costs of litigation and attorneys' fees.
- 16 (7) Nothing in this section limits or precludes any rights the 17 moving party may have under any other constitutional, statutory, case 18 or common law, or rule provisions.
- NEW SECTION. Sec. 3. This act shall be applied and construed liberally to effectuate its general purpose of protecting participants in public controversies from an abusive use of the courts.
- NEW SECTION. Sec. 4. This act may be cited as the Washington Act Limiting Strategic Lawsuits Against Public Participation.
- NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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p. 5 SB 6395