

1
2
3
4
5
6
7
8
9
0
1
2
3
4
5
6
7
8
9
0
1
2
3
4

April 12, 2022

ENGROSSED HOUSE
BILL NO. 4077

By: Wallace of the House

and

Garvin of the Senate

An Act relating to civil procedure; amending 12 O.S. 2021, Section 2011.1, which relates to determination of frivolous claims or defenses; allowing court to make certain determinations without request; defining term; amending 12 O.S. 2021, Section 2011, which relates to sanctions for frivolous claims or defenses; authorizing court to order payment without a motion; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 12 O.S. 2021, Section 2011.1, is amended to read as follows:

Section 2011.1 In any action not arising out of contract, ~~if~~
~~requested~~ the court ~~shall~~ may, upon ruling on a motion to dismiss an
action or a motion for summary judgment or subsequent to
adjudication on the merits, determine whether a claim or defense
asserted in the action by a nonprevailing party was frivolous or
proven knowingly false. As used in this section, "frivolous" means
the claim or defense was knowingly asserted in bad faith or without
any rational argument based in law or facts to support the position

1 of the litigant or to change existing law. As used in this section,
2 "knowingly false" means the claim or defense was knowingly asserted
3 with the intent to deceive which shall be proven by clear and
4 convincing evidence. Upon so finding, the court shall enter an
5 order requiring such nonprevailing party to reimburse the prevailing
6 party for reasonable costs, including attorney fees, incurred with
7 respect to such claim or defense. In addition, the court may impose
8 any sanction authorized by Section 2011 of this title.

9 SECTION 2. AMENDATORY 12 O.S. 2021, Section 2011, is
10 amended to read as follows:

11 Section 2011.

12 SIGNING OF PLEADINGS

13 A. SIGNATURE. Every pleading, written motion, and other paper
14 shall be signed by at least one attorney of record in the individual
15 name of the attorney, whose Oklahoma Bar Association identification
16 number shall be stated, or, if the party is not represented by an
17 attorney, shall be signed by the party. Each paper shall state the
18 address of the signer and telephone number, if any. Except when
19 otherwise specifically provided by rule or statute, pleadings need
20 not be verified or accompanied by affidavit. An unsigned paper
21 shall be stricken unless the omission of the signature is corrected
22 promptly after being called to the attention of the attorney or
23 party.

1 B. REPRESENTATIONS TO COURT. By presenting to the court,
2 whether by signing, filing, submitting, or later advocating, a
3 pleading, written motion, or other paper, an attorney or
4 unrepresented party is certifying that to the best of the person's
5 knowledge, information, and belief, formed after an inquiry
6 reasonable under the circumstances:

7 1. It is not being presented for any improper or frivolous
8 purpose, such as to harass or to cause unnecessary delay or needless
9 increase in the cost of litigation;

10 2. The claims, defenses and other legal contentions therein are
11 warranted by existing law or by a nonfrivolous argument for the
12 extension, modification, or reversal of existing law or the
13 establishment of new law;

14 3. The allegations and other factual contentions have
15 evidentiary support or, if specifically so identified, are likely to
16 have evidentiary support after a reasonable opportunity for further
17 investigation or discovery; and

18 4. The denials of factual contentions are warranted on the
19 evidence or, if specifically so identified, are reasonably based on
20 a lack of information or belief.

21 C. SANCTIONS. If, after notice and a reasonable opportunity to
22 respond, the court determines that subsection B of this section has
23 been violated, the court shall, subject to the conditions stated
24 below, impose an appropriate sanction upon the attorneys, law firms,

1 or parties that have violated subsection B of this section or are
2 responsible for the violation.

3 1. HOW INITIATED.

4 a. By Motion. A motion for sanctions under this rule
5 shall be made separately from other motions or
6 requests and shall describe the specific conduct
7 alleged to violate subsection B of this section. It
8 shall be served as provided in Section 2005 of this
9 title, but shall not be filed with or presented to the
10 court unless, within twenty-one (21) days after
11 service of the motion or such other period as the
12 court may prescribe, the challenged paper, claim,
13 defense, contention, allegation, or denial is not
14 withdrawn or appropriately corrected. If warranted,
15 the court may award to the party prevailing on the
16 motion the reasonable expenses and attorneys fees
17 incurred in presenting or opposing the motion. Absent
18 exceptional circumstances, a law firm shall be held
19 jointly responsible for violations committed by its
20 partners, associates, and employees.

21 b. On Court's Initiative. On its own initiative, the
22 court may enter an order describing the specific
23 conduct that appears to violate subsection B of this
24 section and directing an attorney, law firm, or party

1 to show cause why it has not violated subsection B of
2 this section with respect thereto.

3 2. NATURE OF SANCTIONS; LIMITATIONS. A sanction imposed for
4 violation of this section shall be limited to what is sufficient to
5 deter repetition of such conduct or comparable conduct by others
6 similarly situated. Subject to the limitations in subparagraphs a,
7 b and c of this paragraph, the sanction may consist of, or include,
8 directives of a nonmonetary nature, an order to pay a penalty into
9 court, or, if ~~imposed on motion and~~ warranted for effective
10 deterrence, an order directing payment to the movant of some or all
11 of the reasonable attorneys fees and other expenses incurred as a
12 direct result of the violation.

13 a. Monetary sanctions shall not be awarded against a
14 represented party for a violation of paragraph 2 of
15 subsection B of this section.

16 b. Monetary sanctions shall not be awarded on the court's
17 initiative unless the court issues its order to show
18 cause before a voluntary dismissal or settlement of
19 the claims made by or against the party which is, or
20 whose attorneys are, to be sanctioned.

21 c. Monetary sanctions shall be awarded for any violations
22 of paragraph 1 of subsection B of this section. The
23 sanctions shall consist of an order directing payment
24 of reasonable costs, including attorney fees, incurred

1 by the movant with respect to the conduct for which
2 the sanctions are imposed. In addition, the court may
3 impose any other sanctions authorized by this
4 paragraph.

5 3. ORDER. When imposing sanctions, the court shall describe
6 the conduct determined to constitute a violation of this section and
7 explain the basis for the sanction imposed.

8 D. INAPPLICABILITY TO DISCOVERY. This section does not apply
9 to disclosures and discovery requests, responses, objections, and
10 motions that are subject to the provisions of Sections 3226 through
11 3237 of this title.

12 E. DEFINITION. As used in this section, "frivolous" means the
13 action or pleading was knowingly asserted in bad faith or without
14 any rational argument based in law or facts to support the position
15 of the litigant or to change existing law.

16 SECTION 3. This act shall become effective November 1, 2022.

17 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY
18 April 12, 2022 - DO PASS
19
20
21
22
23
24