



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 24, 2013

H.R. 2655 **Lawsuit Abuse Reduction Act of 2013**

As ordered reported by the House Committee on the Judiciary on September 11, 2013

H.R. 2655 would amend Rule 11 of the Federal Rules of Civil Procedure to require courts to impose appropriate sanctions on attorneys, law firms, or parties who file frivolous lawsuits and to require them to compensate parties injured by such conduct. Under current law, courts may, but are not required to, impose such sanctions.

Under the legislation, any monetary sanction imposed under Rule 11 would be paid by the parties to the suit. Thus, CBO estimates that implementing the bill would result in no significant impact on the federal budget. Enacting H.R. 2655 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 2655 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Martin von Gnechten. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.