

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 20, 2015

H.R. 758 Lawsuit Abuse Reduction Act of 2015

As ordered reported by the House Committee on the Judiciary on May 14, 2015

H.R. 758 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 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 effect on the federal budget. Enacting H.R. 758 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 758 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 Marin Burnett. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.