HOUSE BILL 129

D33lr0349 HB 70/22 – JUD CF SB 619 By: Delegate Rosenberg Introduced and read first time: January 13, 2023 Assigned to: Judiciary Committee Report: Favorable House action: Adopted Read second time: February 25, 2023 CHAPTER AN ACT concerning Courts - Strategic Lawsuits Against Public Participation FOR the purpose of altering the conditions under which a lawsuit is a strategic lawsuit against public participation (SLAPP suit); altering the conditions under which a defendant in a SLAPP suit is not civilly liable for certain communications; establishing certain standards and requirements relating to a motion to dismiss an alleged SLAPP suit; and generally relating to SLAPP suits. BY repealing and reenacting, with amendments, Article – Courts and Judicial Proceedings Section 5–807 Annotated Code of Maryland (2020 Replacement Volume and 2022 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: Article - Courts and Judicial Proceedings 5-807.In this section, "SLAPP suit" means a strategic lawsuit against public (a) participation. [A] SUBJECT TO SUBSECTION (C) OF THIS SECTION, A lawsuit is a SLAPP (b)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

1 suit if it is [:

- 2 (1) Brought in bad faith against a party who has communicated with a federal, State, or local government body or the public at large to report on, comment on, rule on, challenge, oppose, or in any other way exercise rights under the First Amendment of the U.S. Constitution or Article 10, Article 13, or Article 40 of the Maryland Declaration of Rights regarding any matter within the authority of a government body or any issue of public concern;
- 8 (2) Materially related to the defendant's communication; and
- 9 (3) Intended to inhibit or inhibits the exercise of rights under the First 10 Amendment of the U.S. Constitution or Article 10, Article 13, or Article 40 of the Maryland
- 11 Declaration of Rights BROUGHT AGAINST A PERSON BASED ON AN ACT OR A
- 12 STATEMENT OF THE PERSON THAT WAS DONE OR MADE IN FURTHERANCE OF THE
- 13 PERSON'S RIGHT OF PETITION OR FREE SPEECH UNDER THE UNITED STATES
- 14 CONSTITUTION OR THE MARYLAND CONSTITUTION OR DECLARATION OF RIGHTS
- 15 IN CONNECTION WITH A PUBLIC ISSUE OR AN ISSUE OF PUBLIC INTEREST,
- 16 INCLUDING A WRITTEN OR ORAL STATEMENT MADE:
- 17 (1) BEFORE A LEGISLATIVE, EXECUTIVE, OR JUDICIAL PROCEEDING 18 OR ANY OTHER OFFICIAL PROCEEDING AUTHORIZED BY LAW;
- 19 **(2)** IN CONNECTION WITH AN ISSUE UNDER CONSIDERATION OR 20 REVIEW BY A LEGISLATIVE, EXECUTIVE, OR JUDICIAL BODY OR ANY OTHER OFFICIAL
- 21 PROCEEDING AUTHORIZED BY LAW;
- 22 (3) IN A PLACE OPEN TO THE PUBLIC OR A PUBLIC FORUM IN 23 CONNECTION WITH AN ISSUE OF PUBLIC INTEREST; OR
- 24 (4) TO A GOVERNMENT OFFICIAL OR AN INDIVIDUAL RUNNING FOR 25 PUBLIC OFFICE.
- 26 (C) A LAWSUIT IS NOT A SLAPP SUIT IF:
- 27 (1) THE LAWSUIT IS BROUGHT IN THE PUBLIC INTEREST OR ON 28 BEHALF OF THE GENERAL PUBLIC AND EACH OF THE FOLLOWING CONDITIONS 29 EXISTS:
- 30 (I) EXCEPT FOR CLAIMS FOR ATTORNEY'S FEES, COSTS, OR 31 PENALTIES, THE PLAINTIFF DOES NOT SEEK ANY RELIEF GREATER THAN OR
- 32 DIFFERENT FROM THE RELIEF SOUGHT FOR THE GENERAL PUBLIC OR A CLASS OF
- 33 WHICH THE PLAINTIFF IS A MEMBER;
 - (II) THE LAWSUIT, IF SUCCESSFUL, WOULD ENFORCE AN

- 1 IMPORTANT RIGHT AFFECTING THE PUBLIC INTEREST AND WOULD CONFER A
- 2 SIGNIFICANT BENEFIT, PECUNIARY OR NONPECUNIARY, TO THE GENERAL PUBLIC
- 3 OR A LARGE CLASS OF PERSONS; AND
- 4 (III) PRIVATE ENFORCEMENT IS NECESSARY AND PLACES A
- 5 DISPROPORTIONATE FINANCIAL BURDEN ON THE PLAINTIFF IN RELATION TO THE
- 6 PLAINTIFF'S STAKE IN THE MATTER; OR
- 7 (2) THE LAWSUIT INVOLVES A DEFENDANT WHO:
- 8 (I) PRIMARILY ENGAGES IN THE BUSINESS OF SELLING OR
- 9 LEASING GOODS OR SERVICES, INCLUDING INSURANCE, SECURITIES, OR FINANCIAL
- 10 INSTRUMENTS; AND
- 11 (II) 1. MADE A STATEMENT OR ENGAGED IN CONDUCT THAT
- 12 CONSISTED OF REPRESENTATIONS OF FACT ABOUT THE DEFENDANT'S OR A
- 13 BUSINESS COMPETITOR'S BUSINESS OPERATIONS, GOODS, OR SERVICES FOR THE
- 14 PURPOSE OF OBTAINING APPROVAL FOR, PROMOTING, OR SECURING SALES OR
- 15 LEASES OF OR COMMERCIAL TRANSACTIONS IN THE DEFENDANT'S GOODS OR
- 16 SERVICES; OR
- 17 **2.** In the course of delivering the defendant's
- $18\,\,$ GOODS OR SERVICES IS ALLEGED TO HAVE MADE A STATEMENT OR ENGAGED IN
- 19 CONDUCT THAT DISPARAGES A BUSINESS COMPETITOR'S BUSINESS OPERATIONS,
- 20 GOODS, OR SERVICES.
- [(c)] (D) A defendant in a SLAPP suit is not civilly liable for communicating with
- a federal, State, or local government body or the public at large, if the defendant, without
- 23 constitutional malice, [reports on, comments on, rules on, challenges, opposes, or in any
- 24 other way exercises rights under the First Amendment of the U.S. Constitution or Article
- 25 10, Article 13, or Article 40 of the Maryland Declaration of Rights] ACTED IN
- 26 FURTHERANCE OF THE DEFENDANT'S RIGHT OF PETITION OR FREE SPEECH UNDER
- 27 THE UNITED STATES CONSTITUTION OR THE MARYLAND CONSTITUTION OR
- 28 **DECLARATION OF RIGHTS** regarding any matter within the authority of a government
- 29 body or any PUBLIC issue OR ISSUE of public [concern] INTEREST.
- 30 [(d)] (E) (1) A defendant in an alleged SLAPP suit may move to:
- 31 [(1)] (I) Dismiss the alleged SLAPP suit, in which case the court shall
- 32 hold a hearing on the motion to dismiss as soon as practicable AND RULE EXPEDITIOUSLY;
- 33 or
- [(2)] (II) Stay all court proceedings until the matter about which the
- defendant communicated to the government body or the public at large is resolved.

1		(2	2) IT I	S THE I	PLAINT	TIFF'S BURI	EN IN RES	SPOND	ING TO	O A MOTION	TC
2	DISMISS	TO	SHOW	THAT	THE	ALLEGED	SLAPP	SUIT	HAS	SUBSTANTI	ΑI
3	JUSTIFIC	ATIO	N IN LA	W AND I	FACT.						

- 4 (3) (I) IF IT APPEARS LIKELY THAT DISCOVERY WILL ENABLE THE
 5 PLAINTIFF TO DEFEAT A MOTION TO DISMISS AND THAT THE DISCOVERY WILL NOT
 6 BE UNDULY BURDENSOME, THE COURT MAY ORDER THAT SPECIFIED DISCOVERY BE
 7 CONDUCTED.
- 8 (II) AN ORDER UNDER THIS PARAGRAPH SHALL BE 9 CONDITIONED ON THE PLAINTIFF PAYING ANY EXPENSES INCURRED BY THE 10 DEFENDANT IN RESPONDING TO THE DISCOVERY.
- 11 (4) (I) IF THE COURT GRANTS AN ANTI-SLAPP MOTION, THE 12 COURT SHALL AWARD COSTS AND REASONABLE ATTORNEY'S FEES TO THE MOVING 13 PARTY IF THE COURT DETERMINES THAT JUSTICE AND EQUITY REQUIRE IT.
- 14 (II) IF THE COURT FINDS THAT A MOTION TO DISMISS IS
 15 FRIVOLOUS OR SOLELY INTENDED TO CAUSE UNNECESSARY DELAY, THE COURT MAY
 16 AWARD COSTS AND REASONABLE ATTORNEY'S FEES TO THE RESPONDING PARTY.
- 17 **[(e)] (F)** This section:
- 18 (1) Is applicable to SLAPP suits notwithstanding any other law or rule; and
- 19 (2) Does not diminish any equitable or legal right or remedy otherwise 20 available to a defendant in a SLAPP suit.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any cause of action arising before the effective date of this Act.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2023.