1 A bill to be entitled 2 An act relating to administrative procedures; amending s. 120.595, F.S.; requiring that a final order in 3 4 specified administrative proceedings award all 5 reasonable costs and attorney fees to a prevailing 6 party under certain circumstances; revising the 7 criteria used by an administrative law judge to 8 determine whether a party participated in a proceeding 9 for an improper purpose; authorizing the recovery of 10 reasonable attorney fees and costs incurred by a 11 prevailing party in litigating entitlement to or 12 quantification of underlying attorney fees and costs; removing certain limitations on such attorney fees and 13 costs; providing an effective date. 14

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Subsection (1) of section 120.595, Florida Statutes, is amended, and subsection (7) is added to that section, to read:

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120.595 Attorney Attorney's fees and costs.-

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120.57(1).-

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(a) The provisions of This subsection is are supplemental to, and does does not abrogate, other provisions allowing the award of fees or costs in administrative proceedings.

CHALLENGES TO AGENCY ACTION PURSUANT TO SECTION

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(b) The final order in a proceeding <u>conducted</u> pursuant to s. 120.57(1) shall award <u>all</u> reasonable costs and <u>all</u> a reasonable <u>attorney fees</u> attorney's fee to the prevailing party only <u>if</u> where the <u>administrative law judge determines that the</u> nonprevailing adverse party has been determined by the administrative law judge to have participated in the proceeding for an improper purpose.

- (c) In proceedings <u>conducted</u> pursuant to s. 120.57(1), <u>it</u> <u>shall be rebuttably presumed that a nonprevailing adverse party participated in the current proceeding for an improper purpose if the administrative law judge determines that:</u>
- 1. The nonprevailing adverse party participated in another such proceeding involving the same prevailing party and project as an adverse party in which the nonprevailing adverse party did not establish either the factual or legal merits of its position.
- 2. The factual or legal position asserted in the current proceeding would have been cognizable in the previous proceeding and upon motion, the administrative law judge shall determine whether any party participated in the proceeding for an improper purpose as defined by this subsection. In making such determination, the administrative law judge shall consider whether the nonprevailing adverse party has participated in two or more other such proceedings involving the same prevailing party and the same project as an adverse party and in which such two or more proceedings the nonprevailing adverse party did not

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establish either the factual or legal merits of its position, and shall consider whether the factual or legal position asserted in the instant proceeding would have been cognizable in the previous proceedings. In such event, it shall be rebuttably presumed that the nonprevailing adverse party participated in the pending proceeding for an improper purpose.

- (d) In <u>a</u> any proceeding in which the administrative law judge determines that a party participated in the proceeding for an improper purpose, the recommended order shall so designate that party and shall determine the award of costs and <u>attorney</u> attorney's fees.
 - (e) For <u>purposes</u> the <u>purpose</u> of this subsection, the term:
- 1. "Improper purpose" means participation in a proceeding pursuant to s. 120.57(1) primarily to harass or to cause unnecessary delay or for frivolous purpose or to needlessly increase the cost of litigation, licensing, or securing the approval of an activity.
- 2. "Costs" has the same meaning as the costs allowed in civil actions in this state as provided in chapter 57.
- 3. "Nonprevailing adverse party" means a party that has failed to have substantially changed the outcome of the proposed or final agency action which is the subject of a proceeding. If In the event that a proceeding results in any substantial modification or condition intended to resolve the matters raised in a party's petition, it shall be determined that the party having raised the issue addressed is not a nonprevailing adverse

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party. The recommended order shall state whether the change is substantial for purposes of this subsection. In no event shall the term "nonprevailing party" or "prevailing party" $\underline{\text{may not}}$ be deemed to include $\underline{\text{a}}$ any party that has intervened in a previously existing proceeding to support the position of an agency.

purposes of this chapter, s. 57.105(5), and s. 57.111, in addition to an award of reasonable attorney fees and costs, the prevailing party, if the prevailing party is not a state agency, shall also recover reasonable attorney fees and costs incurred in litigating entitlement to, and the determination or quantification of, reasonable attorney fees and costs for the underlying matter. Reasonable attorney fees and costs awarded for litigating entitlement to, and the determination or quantification of, reasonable attorney fees and costs for the underlying matter are not subject to the limitations on amounts provided in this chapter or s. 57.111.

Section 2. This act shall take effect July 1, 2014.