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IN THE CIRCUIT COURT FOR THE EIGHTH JUDICIAL CIRCUIT
IN AND FOR BRADFORD COUNTY, FLORIDA
CIVIL DIVISION

GRACE UNITED METHODIST CHURCH,
INC., et al.

Plaintiffs,

v. CASE NO.: 22-CA-000279

THE BOARD OF TRUSTEES OF THE
FLORIDA ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH,
INC., et al,

Defendants.
______________________________________/

RESPONSE TO MOTION FOR SANCTIONS

Plaintiffs, by and through undersigned counsel, hereby file their response to the Motion for Sanctions filed by Defendants, and in support thereof state as follows:

INTRODUCTION

Plaintiffs allege in their Amended Complaint that Defendants have claimed ownership of Plaintiffs' property pursuant to an unlawful trust clause. In their Motion to Dismiss, Defendants hide behind the Ecclesiastical Abstention Doctrine to persuade this Court that it may not even consider the unlawfulness of their secular conduct. In the instant Motion for Sanctions, Defendants pretend these issues are not subject to debate and summarily conclude Plaintiffs' claims are frivolous on their face and unsupported by the facts or the law. Defendants provide no detailed support for these strong accusations. Defendants also ignore the clear allegation of the Amended Complaint that *if* the Court finds the Ecclesiastical Abstention Doctrine bars Plaintiffs' claims, then Plaintiffs bring this suit to seek further appellate review to modify Florida's application of

the Ecclesiastical Abstention Doctrine so it cannot be used as a shield to immunize Defendants' behavior. This Court should deny the motion for sanctions.

MEMORANDUM OF LAW

"Section 57.105 must be applied with restraint to ensure that it serves its intended purpose of discouraging baseless claims without casting a chilling effect on use of the courts." *Swan Landing Dev., LLC v. First Tenn. Bank Nat'l Ass'n*, 97 So.3d 326, 328 (Fla. 2d DCA 2012). The standard under § 57.105, Fla. Stat. is that sanctions are only appropriate if the moving party shows the claim either: (1) "[w]as not supported by the material facts necessary to establish the claim or defense"; or (2) "[w]ould not be supported by the application of then-existing law to those material facts." § 57.105(1). A court must support an award of sanctions with specific factual findings as to why the claims were patently frivolous. *MC Liberty Express, Inc. v. All Points Services, Inc.*, 252 So.3d 397 (Fla 3rd DCA 2018). Where there is any ***arguable*** basis in law and fact for a party's claim, a trial court may not impose sanctions. *Minto PBLH, LLC. v. 1000 Friends of Florida, Inc.*, 228 So.3d 147 (Fla 4th DCA 2017).

Florida appellate courts have explained: "A claim is 'supported by the material facts' within the meaning of the statute when the party possesses admissible evidence sufficient to establish the fact if accepted by the finder of fact." *Casey v. Jensen*, 189 So. 3d 924, 926 (Fla. 2d DCA 2016). In *Casey*, the trial court denied a motion to dismiss and a motion for summary judgment before resolving at trial the plaintiff's claim raised in the complaint. *Id.* The trial court rejected Casey's testimony at trial as to the central issue and entered judgment against her and imposed sanctions under § 57.105. *Id.* The Second District reversed the imposition of sanctions under § 57.105 since the trial court had evidence at trial (even though it was ultimately rejected) squarely defeating a motion for sanctions. *Id.* Further, the fact the trial court denied the motion

to dismiss and motion for summary judgment was further evidence there was some evidence to support the claim – a per se bar to sanctions under § 57.105. *Id.*

Florida appellate courts routinely reverse sanctions awards when the conduct complained of did not rise to the level of egregious, frivolous pleading. *Reyes v. Cosculluela*, 335 So. 3d 1229 (Fla. 3d DCA 2021) (reversing an award of sanctions under § 57.105 since the plaintiff "asserted a viable claim, albeit a weak one," finding imposition of sanctions in that context contrary to Florida law); see also *Soto v. Carrollwood Vill. Phase III Homeowners Ass'n, Inc.*, 326 So. 3d 1181 (Fla. 2d DCA 2021) (reversing a sanctions award under § 57.105 and stating the general rule that the statute is "intended to address frivolous pleadings" and sanctions are only appropriate when a claim is "***so*** lacking in merit") (emphasis added).

Where there is any arguable basis in law and fact for a party's claim, there is no fee sanction available under the statute. Courts must apply sanctions with restraint, serving the salutary purpose of discouraging baseless claims but not chilling access to courts. *See Minto PBLH, LLC*, 228 So.3d at 147; *MacAlister v. Bevis Constr., Inc.*, 164 So.3d 773 (Fla. 2nd DCA 2015) (reversing an award of sanctions when plaintiff presented sufficient evidence of a dispute of fact to be resolved by the jury); *Peyton v. Horner*, 920 So.2d 180 (Fla. 2nd DCA 2006). So long as the claim has some legal merit, fees cannot be assessed. *Blinn v. Florida Power & Light*, 189 So.3d 227 (Fla. 2nd DCA 2016). Florida law has made it clear that just because the trial court determines the issues of fact adversely to the losing party based on conflicting evidence, section 57.105(1) does not authorize an award of attorney's fees against the attorney for the losing party and his or her client.

Further, Florida courts make clear that sanctions "may not be awarded" when the plaintiff's claim is brought "as a good faith argument for the establishment of new law, with a reasonable expectation of success." *McCullough v. Kubiak*, 158 So. 3d 739, 741 (Fla. 4th DCA 2015) (citing

the appropriate standard under § 57.105(3)(a)). In *McCullough*, the Fourth District rejected an attempt to sanction the plaintiff and plaintiff's counsel for bringing a lawsuit seeking to establish a new exception to the absolute litigation privilege. *Id.* While unsuccessful in their pursuit, the Fourth District reversed the order awarding sanctions under § 57.105, as this type of case fell squarely in the safe-harbor for bringing cases to change the law – something Florida courts have recognized as a noble endeavor. Without that exception, historical cases brought to change existing law that were, on their face, contrary to that law would have been sanctionable (e.g. *Dobbs* challenging *Roe*, just to name a recent example). Rather than sanction litigants that bring cases to expand or clarify the law, Florida protects these litigants with a specific, statutory safe-harbor protection.

Defendants' motion for sanctions fails for numerous reasons. As set forth in their response in opposition, Plaintiff Churches have established Defendants' Motion to Dismiss is due to be denied. To prevent undue briefing, Plaintiffs incorporate by reference here their opposition to the Motion to Dismiss. Defendants also fail to address how an award of sanctions would be permissible given Plaintiffs' well-pled allegation that this case was brought specifically to challenge the breadth of the Ecclesiastical Abstention Doctrine, should this Court determine it applies to prevent Plaintiffs' claims. This good faith argument for the extension or modification of Florida law squarely falls within the safe harbor under § 57.105(3)(a). On the record before this Court, there is no basis to award sanctions.

WHEREFORE Plaintiffs request this Court deny Defendants' Motion for Sanctions pursuant to Section 57.105 and award all other relief as is necessary and proper.

DATED: February 15, 2023

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on February 15, 2023, the foregoing was filed electronically using the Florida Courts E-Filing Portal and will be electronically served upon all counsel of record.

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