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State Supreme Court clarifies statute of limitations for non-client claims against attorneys

The California Supreme Court in *Escamilla v. Vannucci* clarified that the one-year statute of limitations under Code of Civil Procedure § 340.6 applies only to claims by clients or intended beneficiaries against attorneys, while claims by non-clients--such as third-party malicious prosecution actions—are governed by the statute of limitations for the underlying cause of action.

By Christopher R. Blazejewski


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The California Supreme Court recently resolved the question of which statute of limitations applies when attorneys face claims brought by those outside the attorney-client relationship. In *Escamilla v. Vannucci*, 565 P.3d 702 (Cal. March 20, 2025), the court held that the one-year statute of limitations under Code of Civil Procedure § 340.6 does *not* apply to claims brought against attorneys by parties who were never their clients or the intended beneficiaries of their clients. Instead, such claims are governed by the applicable statute of limitations for the underlying cause of action - in the case of the malicious prosecution claim at issue in *Escamilla*, the two-year period under § 335.1. This ruling potentially impacts a wide range of third-party claims against attorneys, creating significant implications for how California attorneys assess risk and navigate potential liabilities to non-clients.

Factual background

The case arose from events dating back to 2012, when plaintiff, a certified fugitive recovery agent, searched the home of two individuals (the "residents") while looking for one of their brothers who was wanted on felony drug trafficking charges. Following this search, the residents and their minor son, represented by an attorney, sued plaintiff for various torts including assault, battery, trespass, false imprisonment, and both negligent and intentional infliction of emotional distress.

Plaintiff defended the Residents' action against him by asserting the search was supported by probable cause, and he filed a cross-complaint against one of the Residents for abuse of process. When the case went to trial in August 2019, the jury rejected residents' claims against plaintiff and awarded plaintiff $20,000 in damages on his cross-complaint. The court entered judgment in plaintiff's favor on Sept. 13, 2019.

Just under two years later, on Aug. 30, 2021, plaintiff filed a malicious prosecution action against the Residents and their attorney. Plaintiff alleged that the prior lawsuit lacked probable cause and that the attorney knew or should have known that the factual and legal claims advanced in the litigation were materially false.

The attorney responded by filing an anti-SLAPP motion to strike the complaint. He contended that the malicious prosecution claim arose from protected activity and that plaintiff could not establish a probability of prevailing because the action was barred by section 340.6's one-year statute of limitations for claims against attorneys. Plaintiff countered that his claim was timely under section 335.1's two-year statute of limitations for tort claims.

The trial court granted the attorney's motion to strike the complaint as untimely, and the appellate court affirmed.

The California Supreme Court's analysis and ruling

The California Supreme Court found the text of section 340.6 ambiguous as to whether it applies to claims brought against attorneys by non-clients. The statute establishes a one-year limitations period for "an action against an attorney for a wrongful act or omission, other than for actual fraud, arising in the performance of professional services."

Turning to legislative history, the court determined that section 340.6 was enacted in 1977 primarily to address rising legal malpractice insurance premiums and to establish uniform accrual and tolling rules for claims by clients against their attorneys. The court found "no indication the Legislature ever intended that section 340.6 apply to malicious prosecution, or, indeed, any action brought by someone outside the attorney-client relationship."

The Court concluded that "the one-year limitations period of section 340.6 applies only to claims by an attorney's clients, or their intended beneficiaries, and only when the merits of the claim necessarily depend on proof the attorney violated a professional obligation." This holding reinforces a crucial limitation on section 340.6: regardless of the specific cause of action, the shortened one-year limitations period applies only within the context of the attorney-client relationship or where the plaintiff is an intended beneficiary of the attorney's services.

Reversing the judgment of the appellate and trial courts, the Court remanded the case with directions for the trial court to consider any unaddressed arguments in the attorney's anti-SLAPP motion.

Implications for California attorneys

The *Escamilla* decision has implications far beyond malicious prosecution cases in California. By ruling that section 340.6 applies only to claims brought by clients or intended beneficiaries, the court has established that claims by non-clients against attorneys will be governed by the statute of limitations applicable to the underlying cause of action. Furthermore, by emphasizing that section 340.6 applies only when the merits of the claim necessarily depend on proof that the attorney violated a professional obligation, the ruling invites potential future legal battles with clients who, for one reason or another, try to avoid the one-year limitations period by arguing that their claim does not depend on such proof. The ruling also sets up potential future disputes about whether an individual is an intended beneficiary of the attorney-client relationship.

Practical tips for attorneys in defining clients and non-clients

While *Escamilla* directly impacts California practice, its reasoning highlights broader concerns about attorney liability to non-clients that transcend jurisdictional boundaries. Attorneys should implement clear client identification procedures, establish explicit boundaries of representation, document interactions with non-clients, and maintain records of the factual and legal bases for their actions. These risk management strategies protect attorneys regardless of which statute of limitations might apply in a particular jurisdiction or to a particular claim.

Regardless of jurisdiction, clear engagement letters are the first line of defense against confusion about who is - and who is not - a client. Defining the client may be especially important in entity or corporate representations, family matters, trust and estate matters, or multi-party transactions. When appropriate, attorneys may wish to state in the engagement letter whether services are intended to benefit third parties who are not clients. As matters evolve, attorneys should document changes in the scope of representation, especially if additional parties become involved.

Conclusion

The California Supreme Court's decision in *Escamilla* represents a significant clarification of the legal landscape for attorney liability in California. By holding that section 340.6's one-year statute of limitations applies only to claims brought by clients or intended beneficiaries, the court has established a framework that potentially extends attorneys' exposure to all varieties of third-party claims.

Beyond California's borders, the reasoning in *Escamilla* highlights a fundamental distinction that exists in many jurisdictions: the different treatment of claims brought by clients versus claims brought by non-clients. While *Escamilla* directly impacts California practice, its analytical framework provides valuable guidance for attorneys everywhere in navigating the complex interplay between professional obligations to clients and potential liability to third parties.

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