

Jeopardizing the "Business-Friendly" Reputation of Texas



Texas's litigation environment has shifted from protecting legitimately injured Texans to targeting all job creators, impacting every industry in our economy.



Insurers are afraid to go to court in Texas. Instead, they settle cases and pass the cost on to their clients, who must then choose between raising prices, firing employees or closing their doors.



Legislative reforms can restore fairness and transparency to the legal system and return stability to the insurance market.

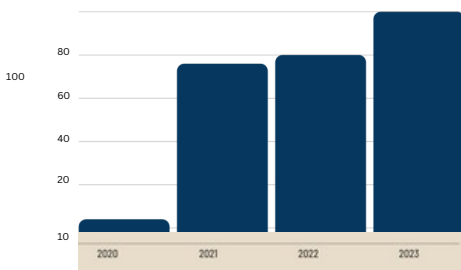
Why are Rates Rising?

Backdoor deals between unethical plaintiff's lawyers and physicians are generating exaggerated injuries and fraudulent, inflated medical bills, up to **10X more than the insurance-based rate.**

Worst in the Nation

Texas saw more nuclear verdicts than any other state from 2009-2023, costing Texas job creators more than \$45 billion. Settlements that exceed \$10 million are considered "nuclear."

“
There's going to be a lot less family-owned businesses like mine that are willing to stay in and continue to take that risk.
LouAnn Wagner, Texas Auto Carriers, Inc.
 ”



The number of nuclear verdicts against Texas job creators has nearly **tripled** since 2020.

THE PATH FORWARD

Texas businesses and Texas families need legislative reforms that will restore fairness and transparency to the legal system, return stability to the insurance market, and preserve Texas's prosperous economy – the eighth largest in the world.



PROTECT TEXAS BUSINESSES FROM UNFAIR LITIGATION

SB 30 BY SCHWERTNER/HB 4806 BY BONNEN

Who We Are

Over 1,000 Texas job creators comprise the Lone Star Economic Alliance (LSEA). Members include trade associations, citizens, and businesses of all sizes, across all sectors. They represent critical industries across the state: transportation, agriculture, construction, finance, food and beverage, home services, housing, law, medical supplies, and oil and gas.

LSEA advocates for policies that ensure employers can continue to create jobs and safely provide the goods and services that are essential to Texas families.

What We're Fighting For

Texas lawmakers can help restore transparency to our legal system and stability to our insurance market.

- Require agreements between plaintiff's lawyers and healthcare providers to be disclosed.
- Promote medical bill transparency and tie medical bills to real-world payments as reflected in the All-Payers Claims Database.
- Give jurors understandable definitions of pain and suffering as well as mental anguish to prevent misuse of awards.
- Require unanimous jury decisions about the amount of noneconomic damages.
- Allow defendants to request a reduction of the jury's award after trial and require trial judges to explain unusually high awards.
- Prevent attorneys from "anchoring" (i.e., suggesting amounts of noneconomic damages based on objects, values, or metrics with no connection to the facts)

It is definitely something that is **keeping these families, these businesses up at night:** the concern that although they follow every federal regulation, every state regulation, that it's not enough.

Mireya Zapata, Lumbermen's Assoc. of Texas

These fraudulent cases are bleeding small businesses... It's the attorneys. It's the ones who are out there putting a target on our backs... a [minor accident] that would normally settle for maybe \$15,000-\$20,000... they want \$500,000. **How does small business continue to survive like that?**

Sara Sagredo-Hammond, Atlas Electrical, Air Conditioning, Refrigeration and Services Inc.

LEARN MORE

