

## Rising Costs are Jeopardizing the "Business-Friendly" Reputation of Texas



**Unethical plaintiff's lawyers are misleading juries** to win huge settlements against Texas job creators of every size.



Due to litigation risks, employers increasingly encounter paying a **"Texas Premium"** just to insure their companies.



Facing higher operating costs, Texas businesses are forced to decide between **raising their prices or closing their doors.**

### 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

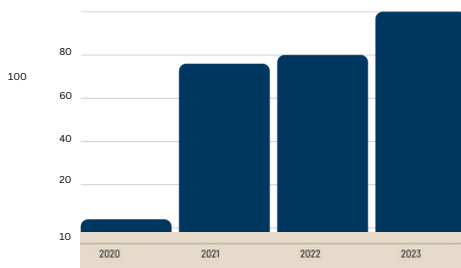
Texas saw more nuclear verdicts than any other state from 2009-2023, costing Texas job creators more than \$45 billion. Settlements that exceed \$10 million are considered "nuclear."

“

**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

**Texans need legislative reforms to restore fairness and transparency to the legal system and return stability to the insurance market.**



# PROTECT TEXAS BUSINESSES FROM UNFAIR LITIGATION -- JOIN LSEA.

## Who We Are

The Lone Star Economic Alliance (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. LSEA members include hundreds of small businesses, from landscaping and lumber companies to moving services, manufacturers, transportation and energy providers, local retailers, regional chambers of commerce and a host of trade organizations.

## What We're Fighting For

Texas lawmakers can help restore fairness in our state's courtrooms by:

- Require agreements between plaintiff's lawyers and healthcare providers to be disclosed.
- If the medical bills in a personal injury case are unpaid, govern the evidence of medical damages so that juries aren't misled and personal injury patients aren't billed at inflated rates compared to those who aren't involved in lawsuits.
- Give jurors understandable definitions of pain and suffering as well as mental anguish to prevent misuse of awards.
- Prevent attorneys from "anchoring" (i.e., suggesting amounts of noneconomic damages based on objects, values, or metrics with no connection to the facts).
- Instruct judges that jury charges should have four blanks in personal injury trials—past mental anguish; future mental anguish; past physical pain and suffering; future physical pain and suffering.

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.*

**ALL TEXAS EMPLOYERS  
HAVE A STAKE IN  
LAWSUIT REFORM. JOIN US.**

