



Drinking from the Taxpayer Trough:

The Cost of Lawsuits Against Louisiana Municipalities

A Research Report by
Louisiana Lawsuit Abuse Watch

February 2011



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About Louisiana Lawsuit Abuse Watch

Louisiana Lawsuit Abuse Watch (LLAW) is a non-partisan, non-profit, citizen watchdog group focused on civil justice issues in Louisiana. Since it was formed in 2007, LLAW has grown to nearly 5,000 supporters across the state, representing small business owners, health care providers, taxpayers and workers and their families.

Using community outreach, voter education and grassroots advocacy, LLAW works to raise awareness about the costs and consequences of lawsuit abuse and urge elected officials to bring more balance, fairness and common sense to Louisiana's civil justice system.

To learn more about LLAW and how you can support the fight against lawsuit abuse, visit www.LLAW.org or call 888-284-LLAW (5529).

Executive Summary

Lawsuits are pervasive in Louisiana and the entire nation. Some lawsuits are legitimate, and some are filed purely in search of enrichment from the “lawsuit lottery.” According to national reports and surveys of major employers, Louisiana has a reputation as one of the worst states in the nation for unfair court decisions and weak civil laws. An element of our litigious culture that can have a direct impact on taxpayers is litigation against municipalities, where taxpayers pay for the costs of attorneys, verdicts and settlements.

Louisianans see evidence of the litigation costs municipalities face in the daily newspapers:

- A Baton Rouge trip-and-fall lawsuit settling for more than \$300,000.ⁱ
- A Lafayette lawsuit over the minimum grade-point average required of student athletes.ⁱⁱ
- A Gonzalez lawsuit involving a drunk driver who died in a crash after being pursued in a 110 MPH police chase; his family successfully sued for \$175,000.ⁱⁱⁱ
- An Orleans Parish lawsuit filed by teachers terminated from the school system after Hurricane Katrina, leading to a \$7 million payment.^{iv}
- A Terrebonne lawsuit seeking unspecified damages for bus drivers who claim they are “entitled” to their bus routes.^v
- A City of Church Point lawsuit by the family of a man who shot himself while in police custody, leading to an undisclosed settlement.^{vi}

To better understand the taxpayer impacts of municipal lawsuits, Louisiana Lawsuit Abuse Watch collected data on recent municipal lawsuit filings for: the City of Alexandria, the Consolidated Government of the City of Baton Rouge and Parish of East Baton Rouge, the Lafayette Consolidated Government, the City of Lake Charles, the City of Monroe, the City of New Orleans, the City of Shreveport and the Terrebonne Parish Consolidated Government. These jurisdictions represent most of the largest cities and parishes in the state, 30 percent of the state’s population and 40 percent of the state’s non-rural population.^{vii} The municipalities were asked to provide the number of lawsuits against the municipalities, the municipalities’ cost of verdicts and settlements, and the cost of outside counsel over five recent years. The calendar/fiscal years of 2006–2009 were then analyzed as the years in which consistent data were available.

LLAW’s research found:

- Nearly 3,000 lawsuits were filed against the eight municipalities over four years, and the number of suits per year increased by 16 percent over the period. Statewide, according to Louisiana Supreme Court annual reports, the number of all civil filings (which include all types of lawsuits as well as other legal actions) in Louisiana city and parish courts rose 24 percent over the four-year period.
- Over the four-year period, 82 percent of the municipal lawsuits were filed in just three of the eight jurisdictions studied — Baton Rouge, New Orleans and Shreveport. On a per-household basis,^{viii} the number of lawsuits over the period ranged from nearly 8 per thousand in New Orleans down to slightly more than one per thousand in Lafayette.
- Municipal lawsuit costs averaged \$13 million per year for the eight municipalities combined. The statewide municipal lawsuit cost, based on a conservative extrapolation of costs across all non-rural areas in Louisiana, is estimated to be \$23.6 million per year.^{ix}

- LLAW compared verdicts and settlements paid in Baton Rouge, Louisiana and Austin, Texas — as capital cities in adjacent states — over the three-year period of 2007-2009. The City of Austin has nearly twice the population of the combined City/Parish of Baton Rouge, and yet Baton Rouge has paid out nearly three times as much in verdicts and settlements over the last several years. On a per-household basis, the cost of verdicts and settlements in Baton Rouge is more than five times that of Austin^x — and even higher for New Orleans, Terrebonne, Lafayette and Lake Charles.
- If the municipalities researched in this report could have directed lawsuit costs to better use, Baton Rouge could have hired roughly 80 new police officers^{xi}; New Orleans could have hired 72 more teachers,^{xii} and Lafayette could have paid for 30 additional fire fighters.^{xiii}

As this report shows, in recent years Louisiana’s municipalities have been repeatedly targeted for lawsuits. Our local governments spend tens of millions of dollars defending against and paying settlements and verdicts from scores of lawsuits. These costs to government are an unproductive use of taxpayer dollars, especially at a time when tax revenues are decreasing and our state and local governments are experiencing unprecedented budget hardships. Our municipalities would be much better off using tax dollars for public services such as education, law enforcement, health care and road repairs.

We cannot afford to keep paying millions of dollars in litigation costs while so many of our public institutions such as schools, hospitals, libraries and police departments are losing their funding. Lawsuits are meant to provide justice for those who have been truly wronged, not a windfall for a handful of plaintiffs and their attorneys targeting local governments and causing taxpayer dollars to be spent in an unproductive and frivolous manner.

Drinking from the Taxpayer Trough:

The Cost of Lawsuits Against Louisiana Municipalities

Introduction and Background

Lawsuits are pervasive in Louisiana and the entire nation. Some lawsuits are legitimate, and some are filed purely in search of enrichment from the “lawsuit lottery.” Unfortunately, Louisiana has a reputation as one of the worst states in the nation for unfair court decisions and weak civil laws. Personal injury lawyers from across the country file lawsuits in Louisiana hoping to enrich themselves, often with cases that may have little merit and are designed to secure a quick and profitable settlement from a defendant rather than to redress a wrong.

Are Local Governments Easy Targets for Lawsuits?

LLAW undertook this study of municipal taxpayer costs of lawsuits because news stories of lawsuits frequently reference municipalities as being defendants in disputes. The following are examples of some individual cases that have been filed against Louisiana municipalities which illustrate the litigation challenges that local governments — and local taxpayers — face.

- **Trip and Fall — \$300,000:** In Baton Rouge, a woman who tripped on a sidewalk sued the city-parish and received a settlement of more than \$300,000.^{xiv}
- **Studying Versus Suing the School:** In Lafayette, a local plaintiffs’ attorney is suing the school board claiming it violated his son’s constitutional right to an equal education because student athletes are only required to maintain a minimum 1.5 grade-point average.^{xv}
- **Drunk Driver, 110 MPH Chase, \$175,000 Paid:** In Gonzales, the family of a drunk driver sued and received \$175,000 from their local government after the man was involved in a six-mile chase with police officers that hit top speeds of 110 mph and ended in a fatal crash.^{xvi}

Louisiana’s Reputation as an Unfair Legal Climate

In recent years, Louisiana has become the subject of increasing national focus as a state with an unfair legal climate. For example:

- In a national survey of more than 1,000 attorneys representing many of the nation’s largest employers, Louisiana courts placed 49th out of 50 for legal fairness, just ahead of the last place state, West Virginia.^{xvii}
 - From damage awards to venue requirements, jury fairness and judicial impartiality, Louisiana ranked poorly in all categories.
 - New Orleans was specifically noted as one of the ten worst local court jurisdictions in the country.

Overview: Louisiana’s Legal Climate

Louisiana ranked 49th out of all 50 states in the country for legal fairness.

Source: Harris Interactive national survey of major employers (2010)

89 percent of Louisiana’s small business owners say frivolous lawsuits hamper the state’s business climate.

Source: Public Opinion Strategies (2008)

New Orleans is ranked among the 10 least fair and reasonable court systems in the country.

Source: Harris Interactive national survey of major employers (2010)

More than three out of four Louisianans say there are too many frivolous lawsuits in Louisiana courts — delaying justice for those who are truly harmed.

Source: Braun Research (2007)

– Harris Interactive, the non-partisan global market research firm that surveyed the employers, has conducted these surveys eight times over the last nine years. In all of them Louisiana has never ranked higher than 47th on the list.^{xviii}

- The Manhattan Institute’s Center for Legal Policy has labeled Louisiana as a “magnet for mass tort lawyers” and a “hotbed for new legal theories.”^{xix}
- The American Tort Reform Association’s “Judicial Hellholes” research has cautioned about courts in some areas of Louisiana as “historically problematic,” “plagued by attempts at fraud,” and facing a high volume of lawsuits “that threaten to further erode civil justice.”^{xx}

- Schools Closed after Katrina — then Terminated Teachers Get \$7 Million: The Orleans Parish School Board recently paid more than \$7 million to public school employees and staff who sued alleging they were unlawfully terminated in the aftermath of Hurricane Katrina, when hundreds of schools were damaged and destroyed.^{xxi}
- Bus Drivers “Entitled” to Their Bus Routes: In Terrebonne, a group of bus drivers is suing and seeking “unspecified monetary damages” from the local school board alleging that changes to their bus routes have robbed them of wages and other privileges they are “entitled” to as veteran employees.^{xxii}
- Damages Awarded over Arrested Man Shooting Himself: In 2009, the family of a man who shot himself while in police custody sued and received untold thousands of dollars in an undisclosed out-of-court settlement with the City of Church Point.^{xxiii}

There was a time when some of the more absurd lawsuits would have been laughed out of court. But now they must be taken seriously.

Public Opinion:

Public opinion in Louisiana shares the view that the Pelican State’s legal environment needs to improve.

- A 2008 survey of Louisiana small businesses found that 89 percent of small business owners say frivolous lawsuits hamper the state’s business climate.^{xxiv}
- Public opinion research sponsored by LLAW found more than three out of four Louisianans saying there are too many frivolous lawsuits in Louisiana courts — delaying justice for those who are truly harmed.^{xxv}

Louisiana’s casinos are not the only games in town; our courts are widely viewed, in-state and out, as a place to try to strike it rich by playing the “lawsuit lottery.”

Methodology

In order to determine the extent of litigation impact on Louisiana’s municipalities and municipal budgets, LLAW surveyed the following jurisdictions to collect data on municipal litigation costs: the City of Alexandria, the Consolidated Government of the City of Baton Rouge and Parish of East Baton Rouge, the Lafayette Consolidated

Government, the City of Lake Charles, the City of Monroe, the City of New Orleans, the City of Shreveport and the Terrebonne Parish Consolidated Government. These jurisdictions represent most of the largest cities and parishes in the state, 30 percent of the state’s population and 40 percent of the state’s non-rural population.^{xxvi}

Each municipality was asked to provide the following information for fiscal years 2005/06, 2006/07, 2007/08 and 2008/09 (this last range is the most recent data that was available):

- Total number of lawsuits filed against the municipality;
- Total amount the municipality paid out in verdicts, settlements and damages; and
- Total amount the municipality paid for outside counsel.

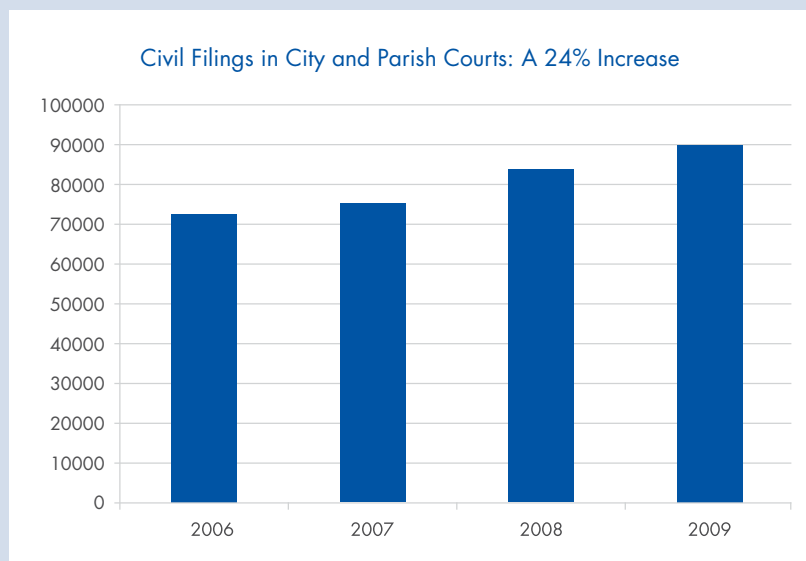
All municipalities except Lafayette provided data. (In Lafayette, local government administrators claimed they were not required to respond to our request for public records and stated it would be “unduly burdensome” for them to conduct the necessary research to provide us with this information. Therefore data for Lafayette was gathered through a manual search of the Clerk of Court’s records.) In most cases the municipalities were able to provide year-by-year information, although a few jurisdictions were only able to provide the average number of lawsuits and amount of legal counsel fees paid over the time period. Also, for a number of municipalities, fiscal 2005 data were not available, and, as a result, 2005 data were excluded from this report. The data from the municipalities are listed in the Appendix.

LLAW also conducted media and internet research on municipal litigation and obtained data from Austin, Texas for comparison. Verdict and settlement data were available for Austin between 2007–2009, which was analyzed using comparable data from the Louisiana municipalities.

The results of LLAW’s research and analysis follow.

Civil Filings: The Trend Across all Louisiana Municipalities

Between 2006 and 2009, Louisiana experienced a major increase in the number of civil filings in our local courts. During this period, the total number of civil filings in all city and parish courts across Louisiana increased from fewer than 73,000 to nearly 90,000.^{xxvii} That’s an increase of 24 percent in statewide civil filings.



Source: Supreme Court of Louisiana Annual Reports 2006-2009

Municipal Litigation Costs in Louisiana

LLAW’s research and analysis of litigation costs for eight local jurisdictions in Louisiana reveals trends that many local residents and taxpayers may find alarming.

- **Increasing Municipal Lawsuits:** For the nearly 3,000 lawsuits filed against the group of municipalities during the period, the number of suits per year increased from 706 in 2006 to 814 in 2009 — an increase of 15 percent over the period. The average number of lawsuits for the jurisdictions was 88 in 2006 and 102 in 2009.
- **A Majority of the Municipal Suits Filed During the Period, 82 Percent, Were in Three Jurisdictions — Baton Rouge, New Orleans and Shreveport:** These municipalities represent only 64 percent of the group of municipalities by population. On a per-household basis,^{xxviii} most of the municipalities faced approximately five lawsuits per thousand households over the four-year period. New Orleans led with nearly eight per thousand; Terrebonne faced fewer than three per thousand, and Lafayette faced slightly more than one per thousand.
- **\$13 Million in Average Annual Municipal Lawsuit Costs:** From 2006–2009, Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans, Shreveport and Terrebonne spent more than \$52 million in taxpayer funded litigation costs, including \$37 million in verdicts and settlements and \$14.9 million in payments to outside counsel. The average total is more than \$13 million per year for the eight municipalities combined.

Total Litigation Costs for Municipalities (2006-2009)

Municipality	Verdicts & Settlements	Outside Counsel	Total
Alexandria	\$720,660	\$2,559,876	\$3,280,536
Baton Rouge	\$9,561,882	\$659,291	\$10,221,173
Lafayette	\$6,430,370	\$334,329	\$6,764,699
Lake Charles	\$2,935,942	\$154,765	\$3,090,707
Monroe	\$725,984	\$357,096	\$1,083,080
New Orleans	\$10,316,892	\$3,851,252	\$14,168,144
Shreveport	\$3,242,694	\$6,834,419	\$10,077,113
Terrebonne	\$3,144,258	\$197,692	\$3,341,950
TOTAL	\$37,078,682	\$14,948,720	\$52,027,402

- **\$23.6 Million in Statewide Average Annual Municipal Lawsuit Costs (Extrapolated):** Municipal lawsuit costs for the rest of the state’s non-rural population were conservatively estimated at the rate of Monroe (the municipality identified with the lowest relative costs among the jurisdictions studied). The full statewide municipal lawsuit cost extrapolates to \$94,271,472 for the time period studied, or \$23,567,867 per year.^{xxix}

Taxpayer Impact

What is the relative impact of municipal lawsuits on the citizens and taxpayers of the municipalities studied? The following chart lists the per-household value^{xxx} of what the municipalities spent on verdicts and settlements plus payments to outside counsel over the time period.

<i>Municipal Litigation Costs per Household (2006 – 2009)</i>	
Municipality	Cost per Household
Alexandria	\$184
Baton Rouge	\$59
Lafayette	\$79
Lake Charles	\$110
Monroe	\$55
New Orleans	\$97
Shreveport	\$126
Terrebonne	\$85
Average	\$88

In light of the national recession and recent budget cuts that have been made in nearly every city and parish in the state, our local municipalities can no longer afford to absorb millions to pay for lawsuits filed against municipalities and other government entities. More and more public servants are losing their jobs or suffering reductions in pay; our streets are manned by fewer and fewer law enforcement officers, and many programs have undergone major reductions — but litigation marches on.

The Opportunity Cost of Municipal Lawsuits

To illustrate the weight of these litigation costs, the following are examples of other budget items that could have been funded by what was spent on litigation:

- **More Police:** In Baton Rouge, where crime is a major problem, the \$10.2 million spent on litigation from 2006-2009 could have been used to hire roughly 80 new police officers over the same four year period.^{xxxi}
- **More Teachers:** In New Orleans, the \$14.1 million could have paid the salaries of 72 more teachers.^{xxxii} (Consider as well the \$7 million settlement paid by the New Orleans Public Schools to teachers fired after Hurricane Katrina — that settlement alone could have hired nearly 36 additional teachers.)
- **More Firefighters:** In Lafayette, the \$6.7 million could have been used to pay salary and benefits for 30 additional fire fighters.^{xxxiii}

If You Could Choose – What Would You Pick?

Pay for Municipal Lawsuits in...	In the Amount of...	Or Hire...
Baton Rouge	\$10.2 million	80 new police officers
New Orleans	\$14.1 million	72 more teachers
Lafayette	\$6.7 million	30 additional fire fighters

**Louisiana’s state and local governmental leaders
would be well advised to take this quiz!**

A Comparison of Two Neighboring State Capitals as well as the Other Louisiana Jurisdictions

Baton Rouge, Louisiana and Austin, Texas are capital cities in adjacent states. Yet, from 2007–2009, the City of Austin paid out nearly \$2.76 million in settlements and judgments.^{xxxiv} By comparison, the City/Parish of Baton Rouge paid out approximately \$8.1 million in settlements and judgments during the same period.^{xxxv} The City of Austin, Texas has a population of 709,893 people,^{xxxvi} nearly twice the population of the combined City/Parish of Baton Rouge,^{xxxvii} and yet Baton Rouge has paid out nearly three times as much in “lawsuit taxes” over the last several years.

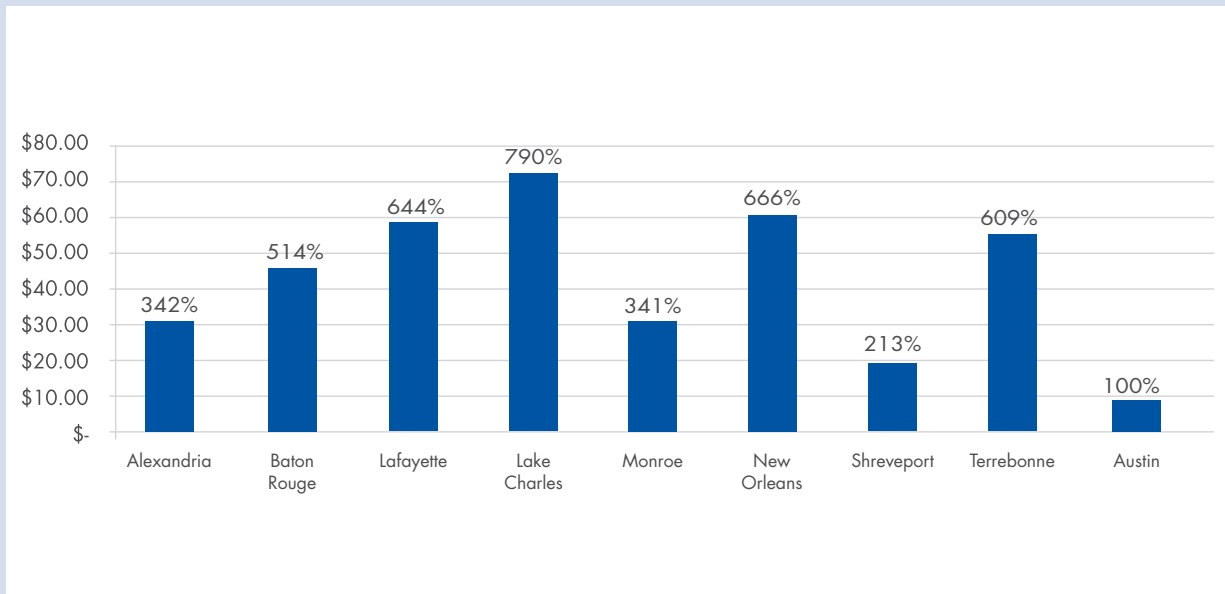
A Comparison of Two Neighboring State Capitals

Year	Baton Rouge – Verdicts & Settlements	Austin – Verdicts & Settlements
2007	\$1,024,775	\$421,766
2008	\$3,431,291	\$132,990
2009	\$3,678,956	\$2,205,209
TOTAL	\$8,135,022	\$2,759,965

Source: City/Parish of Baton Rouge, City of Austin

On a per-household basis,^{xxxviii} verdicts and settlements in Baton Rouge between 2007-2009 are more than five times that of Austin, nearly \$47 in our capitol as compared to slightly more than \$9 in the Texas capital.^{xxxix} Moreover, verdicts and settlements over this period per-household are even higher for New Orleans, Terrebonne, Lafayette and Lake Charles.

Municipal Verdict/Settlement Cost Per Household 2007 – 2009 Louisiana Municipalities Versus Austin, TX



Source: City/Parish Provided Data, U.S. Census Bureau

Unfortunately, Louisiana’s city halls and parish offices are exposed to lawsuits that capture taxpayer dollars through litigation settlements, verdicts and legal fees. The loud and clear message to taxpayers is that Louisiana’s “laissez les bon temps roulez” culture seems to mean as well that Louisianans are allowing personal injury lawyers to roll the dice for high stakes in municipal litigation.

Texas has passed some of the strongest lawsuit reform laws in the country, while in Louisiana, friends of the personal injury bar work to kill legislative reforms and pass lawsuit–expanding legislation. Even though most of the Texas reforms are aimed at curbing lawsuit abuse in the private sector, the Austin/ Baton Rouge comparison suggests the Texas reform laws may be helping to drive away lawsuit abuses in the public sector as well.

Discussion: Other Costs of Litigation

Municipal litigation is only one type of litigation affecting citizens and taxpayers. Most lawsuits are between private parties, and some involve state and federal government. The full cost of the tort system is much higher than simply the municipal costs described in this report.

- **Lost Jobs and Economic Opportunity:** Louisiana’s reputation as a magnet for personal injury lawyers is taking its toll on our economy as we continue losing out on new jobs and opportunities for economic growth. Our struggling state economy lost nearly 50,000 private sector jobs in 2009,^{xi} while the number of civil filings in state and district courts increased.^{xii} Simply put, the more lawsuits we attract, the more jobs we shed. Nearly 70 percent of the business leaders taking part in an annual survey of the nation’s largest employers agreed that a state’s legal environment is a major factor in deciding where to expand or relocate their business.^{xiii} We know companies look to invest and create jobs where the legal system is fair, so why would they choose to come to a state ranked second worst in the country for legal fairness? Louisiana’s unemployment rate of 8.1 percent^{xliii} shows that Louisiana is not immune to the national recession. In these tough economic times, the state should be doing everything it can to attract prospective employers, not discourage them.
- **Hidden Taxes:** Excessive litigation and damage awards divert resources to the lawsuit industry and away from more productive activities such as research and development or expanding access to health care. According to Tillinghast–Towers Perrin, which compiles the most frequently cited study on tort costs, direct U.S. tort costs were nearly \$255 billion in 2008. That translates to a hidden “lawsuit tax” of \$838 per person and \$3,352 for the average Louisiana family of four. In contrast, costs were only \$106 per person in 1950, adjusted for inflation. On average during the past 58 years, direct U.S. tort costs have risen nine percent per year while nominal gross domestic product (GDP) has increased seven percent per year. As a result, tort costs have become a larger share of the U.S. economy — from only 0.62 percent in 1950 to 1.79 percent in 2008.^{xiv} Simply put America — as a whole — has become a more litigious society. As a result, we all pay more for everyday goods and services such as groceries and medical bills.
- **Higher Auto Insurance Rates:** Over the last five years, auto insurance rates have climbed steadily in Louisiana and are now the highest in the nation, with the average driver paying an annual premium of \$2,510.^{xlv} According to the National Association of Insurance Commissioners, two of the main reasons for this are the loose nature of Louisiana’s laws and the litigious nature of our citizenry.^{xlvi} In Louisiana, for instance, the jury trial threshold is \$50,000. This means more cases are settled out of court with expensive settlements because only cases with claims in excess of \$50,000 can receive a jury trial. By comparison, 38 states have a zero threshold and all others have an amount lower than \$50,000.^{xlvii} Louisiana’s threshold is a deterrent against the freedom to choose a jury trial — thus more defendants are forced to settle claims regardless of the merits of the lawsuits. Louisiana is also different from other states in that people tend to make claims for bodily injuries even if those injuries are not that bad. Louisiana has the highest frequency of bodily injury claims, despite the fact that the severity of the claims in Louisiana is not unusual and is in fact lower than the countrywide average.^{xlviii} This suggests Louisiana’s lawsuit-happy culture and plaintiff-friendly court system simply yields higher settlements.
- **Higher Homeowner Insurance Rates:** Louisiana also leads the country with the highest homeowner insurance rates, with the average homeowner paying an annual premium of \$1,392.00. That’s well above the U. S. average rate of \$690.62.^{xlix}

Conclusion

Litigation costs will always be present in the public sector, as there will always be lawsuits with merit that deserve their day in court. However, government entities are too often seen as easy targets, even in today's tough economic times, and abusive lawsuits are filed by some plaintiffs in an attempt to get rich quick. With many of these lawsuits being filed on a contingency fee basis, plaintiffs' attorneys have plenty of motives to file lawsuits in the hopes of a quick settlement or a large verdict.

At every level, the financial outlook of our public entities is bleak. Globally, nationally, and locally, our governments are going through unprecedented hardships. With Louisiana's unemployment rate hovering at 8.1 percent,^l and a budget deficit that has ballooned to \$1.6 billion,^{li} it's clear that now more than ever before, waste in government spending needs to be sought out and eliminated.

This research report shows that municipalities face high costs of litigation through verdicts, settlements and attorney fees: \$13 million per year total for the eight municipalities studied, and \$23.5 million extrapolated as an annual cost for all Louisiana municipalities. The high cost of litigation for local governments and taxpayers can, and should, be reduced in a number of ways.

One of the most basic reforms Louisiana can implement is to make sure that information about litigation costs to taxpayers is more accessible to the public for review. For example, the Los Angeles County Board produces an annual report on the overall cost of litigation including outside legal costs. The report also outlines the steps taken each year to keep those costs to a minimum.

None of the agencies we contacted while researching this issue produce such a report. Furthermore, we found that most of the information contained in this report is not available online. Is it any wonder that lawsuits and litigation costs are out-of-control when facts about the costs and consequences are mostly hidden from public view? Information about the cost of civil litigation to taxpayers should be more accessible because accuracy and transparency are essential to accountability.

State and city officials can also play a key role in reducing litigation costs by fighting back against lawsuit abuse. Clearly, personal injury lawyers are targeting our municipalities because they know most cases will be settled out of court. Our state and local elected officials should stop settling these outrageous cases and start sending a clear message to personal injury lawyers and potential plaintiffs merely looking for jackpot justice that lawsuits will be fought aggressively. Taking a more assertive approach to handling frivolous lawsuits could save millions of dollars and help increase the morale of many officers, teachers, hospital workers and other public servants who are often the targets of these suits.

Moreover, as the comparison of Baton Rouge with Austin, Texas suggests, our legislators need to address the broad issues of lawsuit abuse by enacting comprehensive, meaningful legal reforms to make Louisiana's courts more fair. This will benefit workers and their families in many ways, as a fairer legal climate can help to attract new jobs and economic investment in Louisiana as well as help reduce the cost of consumer goods, help expand access to healthcare, and help to keep taxes down.

The bottom line is we can and must do more. While some lawsuits have merit, many do not. We cannot afford to keep paying millions of dollars in litigation costs while so many of our public institutions such as schools, hospitals, libraries and police departments are losing their funding. Lawsuits are meant to provide justice for those who have been truly wronged, not a windfall for a handful of plaintiffs and their attorneys.

Endnotes

- ⁱ "Panel to consider settling faulty-sidewalk lawsuits," *The Advocate*, January 7, 2004
- ⁱⁱ "GPA rule draws lawsuit," *The Advocate*, January 20, 2010. School budgets may be separate from municipal budgets but nevertheless involve taxpayer dollars
- ⁱⁱⁱ "Settlement reached in fatal chase lawsuit," *The Advocate*, February 25, 1994
- ^{iv} "N.O. board to pay fired school staff," *The Times Picayune*, October 2, 2007
- ^v "Terrebonne bus drivers file suit," *Houma Courier*, February 3, 2010
- ^{vi} "Police, family of man who shot himself settle suit," *The Advocate*, January 31, 2009
- ^{vii} Based on US Census Bureau population data, quickfacts.uscensus.gov, and USDA Economic Research Service rural population count, www.ers.usda.gov/StateFacts/LA.htm
- ^{viii} Household data from <http://FactFinder.census.gov>, 2005 – 2009 American Community Survey 5-Year Estimates, population per household by parish. For New Orleans, see "Recovery jobs spur metro migration," *The Times Picayune*, January 2, 2009
- ^{ix} Per capita Monroe municipal cost, based on LLAW's municipal research and US Census Bureau quickfacts.uscensus.gov, applied to Louisiana urban population, based on USDA Economic Research Service, www.ers.usda.gov/StateFacts/LA.htm, excluding the population of the municipalities studied, and the total added to the costs identified in this report
- ^x City/Parish of Baton Rouge, City of Austin, U.S. Census Bureau
- ^{xi} Based on police compensation data from the Baton Rouge Police Department
- ^{xii} Based on teacher compensation data from the Louisiana Department of Education
- ^{xiii} Based on fire fighter compensation data from the Lafayette Consolidated Government 2011 Proposed Annual Budget
- ^{xiv} "Panel to consider settling faulty-sidewalk lawsuits," *The Advocate*, January 7, 2004
- ^{xv} "GPA rule draws lawsuit," *The Advocate*, January 20, 2010
- ^{xvi} "Settlement reached in fatal chase lawsuit," *The Advocate*, February 25, 1994
- ^{xvii} "Lawsuit Climate 2010: Ranking the States," Harris Interactive, available at <http://www.instituteforlegalreform.com/lawsuit-climate.html#/2010/louisiana> (March 22, 2010)
- ^{xviii} "Louisiana's Lawsuit Climate Second Worst in the Nation," Institute for Legal Reform, available at http://www.instituteforlegalreform.com/component/ilr_media/30/pressrelease/2010/496.html (March 22, 2010)
- ^{xix} "Trial Lawyers Inc., Update: Louisiana Litigators," The Manhattan Institute Center for Legal Policy, December 2008
- ^{xx} "Judicial Hellholes, 2008/2009" and "Judicial Hellholes 2009/2010," American Tort Reform Foundation
- ^{xxi} "N.O. board to pay fired school staff," *The Times Picayune*, October 2, 2007
- ^{xxii} "Terrebonne bus drivers file suit," *Houma Courier*, February 3, 2010
- ^{xxiii} "Police, family of man who shot himself settle suit," *The Advocate*, January 31, 2009
- ^{xxiv} Research by Public Opinion Strategies, 2008
- ^{xxv} "Attitudes Toward Personal Injury Lawsuits: A Survey of Louisiana Residents," Braun Research, 2007
- ^{xxvi} Based on US Census Bureau population data, quickfacts.uscensus.gov, and USDA Economic Research Service rural population count, www.ers.usda.gov/StateFacts/LA.htm
- ^{xxvii} Supreme Court of Louisiana Annual Reports 2006-2009. Civil filings may include lawsuits as well as restraining orders, garnishments, evictions, etc.

- xxviii Household data from <http://FactFinder.census.gov>, 2005 – 2009 American Community Survey 5-Year Estimates, population per household by parish. For New Orleans, see “Recovery jobs spur metro migration,” *The Times Picayune*, January 2, 2009
- xxix Per capita Monroe municipal cost, based on LLAW’s municipal research and US Census Bureau quickfacts.uscensus.gov, applied to Louisiana urban population, based on USDA Economic Research Service, www.ers.usda.gov/StateFacts/LA.htm, excluding the population of the municipalities studied, and the total added to the costs identified in this report
- xxx Household data from <http://FactFinder.census.gov>, 2005 – 2009 American Community Survey 5-Year Estimates, population per household by parish. For New Orleans, see “Recovery jobs spur metro migration,” *The Times Picayune*, January 2, 2009
- xxxi Based on police compensation data from the Baton Rouge Police Department
- xxxii Based on teacher compensation data from the
- xxxiii Based on fire fighter compensation data from the Lafayette Consolidated Government 2011 Proposed Annual Budget
- xxxiv City of Austin
- xxxv City/Parish of Baton Rouge
- xxxvi U.S. Census Bureau, 2006 Population Estimate
- xxxvii U.S. Census Bureau, 2009 Population Estimate
- xxxviii Household data from <http://FactFinder.census.gov>, 2005 – 2009 American Community Survey 5-Year Estimates, population per household by parish. For New Orleans, see “Recovery jobs spur metro migration,” *The Times Picayune*, January 2, 2009
- xxxix City/Parish of Baton Rouge, City of Austin, U.S. Census Bureau
- xl “Louisiana job outlook improves somewhat in January,” Associated Press, March 12, 2010
- xli Supreme Court of Louisiana Annual Reports 2008 & 2009
- xliv “Louisiana’s Lawsuit Climate Second Worst in the Nation,” Institute for Legal Reform, available at http://www.instituteforlegalreform.com/component/ilr_media/30/pressrelease/2010/496.html (March 22, 2010)
- xlvi Kaiser Family Foundation, www.statehealthfacts.org, October 2010
- xlv “2009 Update on U.S. Tort Cost Trends,” Towers Perrin
- xlv “Louisiana’s auto insurance rates have climbed steadily since Hurricane Katrina and are now the highest in the nation,” *The Times Picayune*, April 18, 2010
- xlvi “Louisiana’s auto insurance rates have climbed steadily since Hurricane Katrina and are now the highest in the nation,” *The Times Picayune*, April 18, 2010
- xlvii “Where Auto Insurance Is Most Expensive,” *New York Times*, April 12, 2010
- xlviii “Louisiana’s auto insurance rates have climbed steadily since Hurricane Katrina and are now the highest in the nation,” *The Times Picayune*, April 18, 2010
- xlix “Louisiana, Gulf Coast in Bad Hands with Insurance Costs,” <http://www.bayoubuzz.com/buzz/latest-buzz/81260-louisiana-gulf-coast-in-bad-hands-with-insurance-costs>, October 14, 2010
- l Kaiser Family Foundation, www.statehealthfacts.org, October 2010
- li *The Times-Picayune*, “Gov. Bobby Jindal says he plans no new fees on health care providers,” December 03, 2010

Appendix: Municipal Lawsuit Data 2006-2009

City of Alexandria

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel
2006	25	\$167,555	\$333,050
2007	19	\$69,826	\$363,830
2008	25	\$403,353	\$595,111
2009	32	\$79,926	\$1,267,885
TOTAL	101	\$720,660	\$2,559,876

Source: City of Alexandria

City/Parish of Baton Rouge

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel
2006	211	\$1,426,860	\$201,734
2007	253	\$1,024,775	\$194,184
2008	184	\$3,431,291	\$109,385
2009	203	\$3,678,956	\$153,988
TOTAL	851	\$9,561,882	\$659,291

Source: City/Parish of East Baton Rouge

Lafayette Consolidated Government

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel
2006	25	\$1,442,873	\$21,170
2007	44	\$2,043,378	\$44,969
2008	21	\$1,510,982	\$108,216
2009	9	\$1,433,137	\$159,974
TOTAL	99	\$6,430,370	\$334,329

Source: Lafayette Consolidated Government

City of Lake Charles

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel
2006	25	\$930,974	\$13,573
2007	29	\$567,036	\$53,269
2008	36	\$731,662	\$17,323
2009	31	\$706,270	\$70,600
TOTAL	121	\$2,935,942	\$154,765

Source: City of Lake Charles

City of Monroe

Year	Number of Lawsuits*	Verdicts & Settlements	Outside Counsel*
2006	24	\$117,043	\$89,274
2007	24	\$135,359	\$89,274
2008	24	\$290,561	\$89,274
2009	24	\$183,021	\$89,274
TOTAL	96	\$725,984	\$357,096

Source: City of Monroe

*Note: Data provided as an average.

City of New Orleans

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel*
2006	274	\$1,496,920	\$962,813
2007	158	\$2,053,256	\$962,813
2008	305	\$1,612,557	\$962,813
2009	393	\$5,154,159	\$962,813
TOTAL	1,130	\$10,316,892	\$3,851,252

Source: City of New Orleans

*Note: Data provided as an average.

City of Shreveport

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel
2006	90	\$1,693,374	\$1,907,485
2007	149	\$74,483	\$1,911,360
2008	85	\$804,837	\$1,613,610
2009	99	\$670,000	\$1,401,964
TOTAL	423	\$3,242,694	\$6,834,419

Source: City of Shreveport

Terrebonne Parish Consolidated Government

Year	Number of Lawsuits	Verdicts & Settlements	Outside Counsel
2006	32	\$965,312	\$21,704
2007	19	\$439,837	\$17,708
2008	23	\$1,462,983	\$40,707
2009	23	\$276,126	\$117,573
TOTAL	97	\$3,144,258	\$197,692

Source: Terrebonne Parish Consolidated Government



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