

**LOUISIANA LEGAL
REFORM COALITION**



LABI
Louisiana Association
OF BUSINESS AND INDUSTRY



Joint Statement on Legal Reform Legislation

FOR IMMEDIATE RELEASE – May 22, 2024

BATON ROUGE, LA – During the current Legislative Session, our organizations are working together to bring long overdue reforms to Louisiana’s civil justice system. We are actively supporting legislation to improve transparency, which we believe will result in more fairness, balance, and predictability in our system, while bringing Louisiana into alignment with other states. These reforms are part of Insurance Commissioner Tim Temple’s legislative package to address our worsening insurance crisis and bring much-needed relief to our families and businesses.

An important measure by Rep. McFarland repealing Louisiana’s direct action statute, HB 337, made it through the process with amendments. Rep. Melerine’s HB 423, which brings transparency to juries in the process of calculating past medical expenses, is on its way to the House for concurrence in Senate amendments. While not the exact bills we wanted as amended, they will help bring about needed change. We ask Governor Landry to sign both bills into law.

Unfortunately, other critical legislation met a different fate in the Senate Judiciary A committee, where legal reform has historically gone to die. One of these bills is Rep. Chenevert’s HB 336 creating the Litigation & Financial Disclosure Act, requiring disclosure of third parties who bankroll lawsuits with a financial interest in their outcome. Another is Rep. Melerine’s HB 24 which would require the plaintiff to have the full burden of proving causation in personal injury cases. Both bills were deferred, preventing a vote by the full Senate even after receiving overwhelming bipartisan

support in the House. We appeal to Senate leadership to allow these bills to be heard in Judiciary A so that the full body may potentially debate and vote on them.

Other states like Florida and Texas have made legal reform a priority and are seeing the benefits as a result. Meanwhile, we continue to fight an uphill battle with the full force of the trial bar in effect. Every single Louisiana citizen paid a hidden “tort tax” of nearly \$1000 and more than 40,500 jobs were lost in the state last year because of abuses of our legal system. To add insult to injury, Louisiana has been labeled a “Judicial Hellhole,” one of the worst civil justice climates in the U.S., for 14 years running.

The last set of meaningful reforms was enacted in 1996 – we can no longer afford to kick the proverbial can down the road by passing watered-down legislation in piecemeal fashion, such as that enacted at the onset of Covid-19 in 2020. Regardless of politics or party, support for common sense legal reforms that reduce costs passed down to consumers, improve the availability and affordability of insurance, and enhance Louisiana’s business climate should be an easy decision. Yet here we find ourselves again, scratching our heads while other states get it. The insurance crisis is just one palpable symptom of our broken system, and things will only get worse without real change. All Louisianians deserve better. We thank the three Senators on Judiciary A, and the Senators on the floor who have stood for change and improvement throughout the course of what has been a frustrating process and encourage the full body and Governor Landry to put hardworking Louisianians first by supporting these important reform measures.

Contact: Lana Venable, Louisiana Lawsuit Abuse Watch
225.328.8826
lane@llaw.org

Coalition Members:

- Karen Eddlemon, Louisiana Legal Reform Coalition
- Toni McAllister, Louisiana Loggers Association
- Will Green and Lauren Hadden, Louisiana Association of Business & Industry
- Leah Long, National Federation of Independent Business, Louisiana
- Michelle Shirley, Louisiana Homebuilders Association
- Renee Amar, Louisiana Motor Transport Association
- Kevin Cunningham, American Property Casualty Insurance Association
- Hannah Duke, Louisiana Manufactured Housing Association
- Carson DeLarue, Associated Builders and Contractors of Louisiana
- Coulter McMahan, Louisiana Automobile Dealers Association