



PRESS RELEASE

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Louisiana's unbalanced civil justice system is costing Louisiana's taxpayers and economy

New data shows lost jobs and revenue statewide and in major metropolitan areas

Baton Rouge, LA – With legal reform among the most important issues being addressed during the current legislative session, [Louisiana Lawsuit Abuse Watch \(LLAW\)](#) is releasing data measuring the impact of excessive civil court costs on the state's overall economy and in the New Orleans and Baton Rouge Metropolitan Statistical Areas (MSAs), specifically. These impacts were derived from the [Economic Benefits of Tort Reform](#) study conducted by The Perryman Group for Citizens Against Lawsuit Abuse using extensive survey data, industry information and a variety of corroborative source material. Louisiana families and businesses feel the negative impacts of the state's unbalanced civil justice system, while the state continues to lose jobs and revenue as a result.

Excessive tort litigation in Louisiana resulted in:

- Nearly **40,000 jobs** lost
- A hidden **"tort tax"** of over **\$1000** paid by every citizen
- More than **\$2.9M in personal income losses** for residents
- Over **\$9M in expenditure losses** to businesses
- More than **\$240M in state government losses**

This excessive litigation also resulted in more than \$200 million in losses to local government and more than \$4.6 million to the state's GDP. Nationally, the impact of these excessive civil court costs was more than \$3 billion.

- In the [New Orleans area](#), excessive tort litigation costs residents more than \$1.6 billion in personal income annually and results in a loss of nearly 22,000 jobs each year. Excessive costs result in an annual "tort tax" amounting to over \$2000 per person. Direct costs absorbed by residents and businesses amount to over \$1.7 billion annually and in excess of \$2.5 billion in gross product is lost due to litigation costs.
- The [Baton Rouge area](#) is also paying the price for excessive civil litigation, with residents losing more than \$570.7 million in personal income. Additionally, nearly 7,800 jobs are lost every year and residents pay an annual "tort tax" of over \$1,000 per person.

"We simply can't afford to stand by and continue to allow lawsuit abuse to negatively impact our residents, job creators and overall economy. Texas enacted sweeping reforms decades ago and has been repeatedly named a

top state for business. More recently, Florida and Georgia enacted comprehensive reforms to bring more balance and equity to their legal environments. If Louisiana doesn't follow suit and address the impacts of unfounded lawsuits and exorbitant plaintiff awards, we will continue to fall behind. This domino effect will impede opportunity for our residents and businesses, while they continue to absorb the rising costs of goods and services," said LLAW Executive Director Lana Venable.

According to the report, "tort reform can lead to substantial economic benefits, and states that have implemented reforms have seen improved judicial efficiency and measurable advancement in economic performance." Civil justice reforms that have resulted in the greatest reduction in losses are those aimed at reducing frivolous lawsuits, capping appeal bonds, setting negligence standards and limiting non-economic damages. These reforms have been shown to enhance innovation and increase productivity, as well as to improve judicial efficiency and economic performance.

Louisiana also continues to be ranked among the top Judicial Hellholes® in the country, **coming in at number ten in the [2024-25 Judicial Hellholes® Report](#)** issued by the American Tort Reform Foundation.

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About Louisiana Lawsuit Abuse Watch (LLAW)

Louisiana Lawsuit Abuse Watch (LLAW) is a high-impact watchdog group with nearly 20,000 supporters across the state dedicated to fixing Louisiana's broken legal system through transparency, accountability, and lawsuit reform. Visit us on [Facebook](#), [Twitter](#) and www.llaw.org.

About The Perryman Group (TPG)

An economic and financial analysis firm, The Perryman Group (TPG) provides clients with well-documented, carefully considered answers to even the most complex questions. For more than 30 years, The Perryman Group has met the challenges of thousands of clients through a systematic approach and a level of performance that assures a consistent standard of excellence. The firm has been involved in scores of major events shaping the economic landscape, from crucial corporate locations to landmark legislation to important regulatory policies to notable judicial decisions.