

Louisiana's excessive \$50,000 threshold, also serves as yet another example of how Louisiana law is far out of alignment with most other states, and it contributes to our state's growing negative reputation. In recent years, Louisiana has become the subject of increasing national focus as a state with an unfair legal climate. In 2010, for example, Louisiana was ranked as having one of the least fair and reasonable court systems in the United States. In a national survey sponsored by the US Chamber's Institute for Legal Reform, which included 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 West Virginia. Louisiana ranked poorly in every category—from damage awards, to venue requirements, to jury fairness and judicial impartiality. New Orleans was also specifically noted as one of the top ten worst local court jurisdictions in the country.

In recent years, the American Tort Reform Association has described some areas of the state as "judicial hellholes." This label comes from a concern about some Louisiana courtrooms where laws may not be applied evenhandedly for all litigants, and trials may not be conducted in a fair and balanced manner.

Also, notably, auto insurance rates have climbed steadily in Louisiana in recent years, and they are now the second highest in the nation, with the average driver paying an annual premium of \$2,453. 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.

But it's not just national groups that say lawsuit abuse is a problem in our state. Individuals and small business owners who live and work in Louisiana also recognize that lawsuit abuse is a serious problem. A recent statewide survey conducted by Southern Media and Opinion Research found that voters across the political spectrum and from all parts of Louisiana believe abusive lawsuits are hurting the state's economy and the ability to create jobs.

For example:

- Approximately 2/3 of Louisiana voters believe there are too many lawsuits in our state.
- More than 8 out of 10 Louisiana voters believe lawsuit reform is needed.
- Roughly 70% believe lawsuit abuse costs jobs and hurts our state's economy.
- 85% believe that personal injury lawyer ads encourage people to sue; and
- 78% believe that lawyers take advantage of disasters to file frivolous lawsuits.

Simply put, Louisiana's legal environment is a challenging one, and it's imperative that we take reasonable and common sense steps, such as lowering the jury trial threshold, to improve it.

Is Louisiana's Excessive Threshold Increasing Auto Insurance Rates?

In recent years, auto insurance rates have climbed steadily in Louisiana and are now the second highest in the nation, with the average driver paying an annual premium of \$2,453. Is it possible that Louisiana's \$50,000 jury trial threshold is one of the main reasons why Pelican State drivers pay more than a thousand dollars over the national average in premiums? Indeed, according to the National Association of Insurance Commissioners, two of the driving forces behind Louisiana's increasing rates are the loose nature of our laws and the litigious nature of our citizenry. For example, Louisiana's threshold is a deterrent against the freedom to choose a jury trial. The practical impact of this is that it forces many auto insurance cases before a single elected judge, who determines fault and sets awards, as opposed to allowing the plaintiff or the defendant the right to request a trial before a 12-person jury. At \$50,000, Louisiana's jury trial threshold is, by far, the highest in the country, and it makes us stand out like a sore thumb when auto insurers are calculating rates.