



**PACP March Column
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Lawsuit Abuse Reform is Needed to Improve PA's Business Climate

In addition to tax structure and regulatory environment, a state's legal climate is one of the leading factors that drive business decisions on where to locate. A fair and equitable legal system is essential toward ensuring swift justice and more certainty, which in turn attracts business development. But Pennsylvania has a long road toward achieving this balance.

Despite some steps forward under the Corbett administration, Pennsylvania's legal climate remains one of the worst in the nation. The American Tort Reform Association recently put the Commonwealth on a list of "Judicial Hellholes," citing pro-plaintiff court systems in Philadelphia and Allegheny Counties as the catalyst behind delayed and costly cases. Additionally, the U.S. Chamber's Institute for Legal Reform has also ranked our state 37th in the nation in terms of favorability, adding that this dismal standing is estimated to reduce employment by 1.53 percent. This ranking is due in large part to the court system in Philadelphia, which has one of the "least fair and reasonable litigation environments in the country." These distinctions put the Commonwealth at a competitive disadvantage, which is why lawsuit abuse reform is a top priority for our organization.

The Pennsylvania Chamber has long pushed for legal reforms that will bring balance to our legal climate and rein in the actions of some trial lawyers, whose constant search for their next big pay day knows virtually no bounds. We were successful in 2011, when we led the charge on the enactment of the Fair Share Act – a Joint and Several Liability Law that prevents trial lawyers from targeting deep pocket defendants, even if they were at minimal fault for any harm caused. However, that legislation was just a first step. The PA Chamber supports additional reforms that include – but are not limited to – preventing "double dipping" in asbestos claims by plaintiffs' attorneys, stopping the creation of a state False Claims Act and bringing transparency to state contracts with outside legal counsel. Clearly, when it comes to the broad-based business community, we still have a long way to go to right size the Commonwealth's legal environment.

To that end, our organization is proud to be a part of the Pennsylvania Coalition for Civil Justice Reform, a group that was recently formed to address imbalances in our state's civil justice system. The PCCJR is working to educate Pennsylvania residents and their elected representatives about the negative effects of the imbalanced lawsuit system, while promoting commonsense policies that bring needed reform and ensure redress for those injured. At the same time, our group is committed to protecting citizens, employers and health care providers from any legislation that would only serve to benefit lawyers at the expense of jobs and access to health care.

Attracting private-sector businesses – and the jobs that come with them – requires an environment where job creators can grow and operate responsibly without fear of unfair litigation. The PA Chamber looks forward to working with the PCCJR to ensure that our legal system is fair for all and does not jeopardize business and job growth that is necessary for real economic prosperity. To learn more about our collective efforts toward a fairer and more just legal system, visit paforciviljusticereform.org.

Gene Barr

President and CEO
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*The **Pennsylvania Chamber of Business and Industry** is the state's largest broad-based business association, with its statewide membership comprising businesses of all sizes and across all industry sectors. The PA Chamber is The Statewide Voice of Business™.*