

# ABUSIVE LAWSUITS ARE MAKING IT RISKY TO OWN A BUSINESS IN TEXAS

### Rising Costs are Jeopardizing the "Business-Friendly" Reputation of Texas



Plaintiff's lawyers are misleading juries to win huge settlements against Texas job creators of every size.



Due to litigation risks, employers increasingly encounter paying a "**Texas Premium**" just to insure their companies.



Facing higher operating costs, Texas businesses are forced to decide between **raising their prices or closing their doors**.

## Why are Rates Rising?

Backdoor deals between plaintiff lawyers and physicians are generating exaggerated injuries and fraudulent, inflated medical bills, up to 10X more than the insurance-based rate.

#### **Worst in the Nation**

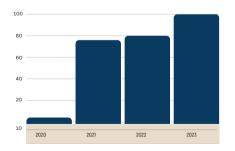
Texas saw more nuclear verdicts than any other state from 2009-2023, costing Texas job creators more than \$45 billion. Settlements that exceed \$10 million are considered "nuclear."



There's going to be a lot less family-owned businesses like mine that are willing to stay in and continue to take that risk.

LouAnn Wagner, Texas Auto Carriers, Inc.





The number of nuclear verdicts against Texas job creators has nearly **tripled** since 2020.

#### THE PATH FORWARD

Texans need legislative reforms to restore fairness and transparency to the legal system and return stability to the insurance market.



# LSEA PROTECT TEXAS BUSINESSES FROM UNFAIR LITIGATION – JOIN LSEA.

#### Who We Are

The Lone Star Economic Alliance (LSEA) advocates for policies that ensure employers can continue to create jobs and safely provide the goods and services that are essential to Texas families. LSEA members include hundreds of small businesses, from landscaping and lumber companies to moving services, manufacturers, transportation and energy providers, local retailers, regional chambers of commerce and a host of trade organizations.

What We're Fighting For

Texas lawmakers can help restore fairness in our state's courtrooms by:

- Improving the transparency of medical bills
   presented at trial to ensure personal injury trial
   lawyers aren't vastly inflating medical damage
   demands.
- Giving jurors the information they need to make informed decisions about pain and suffering and other non-economic damages.
- Clarifying the 2021 commercial vehicle litigation bill to achieve the original legislative intent.

It is definitely something that is keeping these families, these businesses up at night: the concern that although they follow every federal regulation, every state regulation, that it's not enough.

Mireya Zapata, Lumbermen's Assoc. of Texas

These fraudulent cases are
bleeding small businesses... It's the
attorneys. It's the ones who are out
there putting a target on our backs...
a [minor accident] that would
normally settle for maybe
\$15,000-\$20,000... they want
\$500,000. How does small business
continue to survive like that?

Sara Sagredo-Hammond, Atlas Electrical, Air Conditioning, Refrigeration and Services Inc.

ALL TEXAS EMPLOYERS
HAVE A STAKE IN
LAWSUIT REFORM. JOIN US.

