

# FAIR AND TRANSPARENT LAWSUIT REFORM.

Alabama families and businesses are experiencing intense cost pressures and inflation on all essential goods and services. These increased burdens are due in part to certain practices in lawsuits that focus on the quantity of cases filed rather than the quality. These practices inflate the cost of litigation, lack transparency, and are unfair to Alabama consumers.

LAWSUIT ABUSE COSTS ALABAMA'S ECONOMY:

\$7.3 BILLION lost economic spending

\$2.3 BILLION lost personal income

34,7 | 4 lost jobs

For Alabama families and small businesses to achieve economic freedom, lawsuit abuse reform is needed in the following areas:

### LAWSUIT FINANCING

Require disclosure of information related to litigation finance companies with an interest in a lawsuit; provide consumer protections for plaintiffs utilizing finance companies; require reporting of foreign governments/entities funding lawsuits.

#### DIRECT NEGLIGENCE

Provide protections from **excessive direct negligence claims** against employers when an employer admits liability for the actions of their employee. These direct negligence claims intentionally and strategically drive up the costs of settlements and utilize what is referred to as the **"The Reptile Theory,"** to encourage the jury to focus on the acts of the defendant rather than the specific facts surrounding the individual plaintiff's injury.

#### SEAT BELT ADMISSIBILITY

Allow a defendant to introduce evidence of the plaintiff's failure to use a seatbelt for purposes other than to prove contributory negligence.

#### PROPER VENUE PROTECTION

Provide for the transfer of venue to the county where the accident occurred if it is filed in different county by the plaintiff.

#### **NON-ECONOMIC DAMAGES**

Limit the maximum award of damages for pain and suffering, mental anguish, and emotional distress damages to a reasonable amount similar to neighboring states.

#### MEDICAL FINANCING

Require **disclosure of third-party medical financiers** in the lawsuit and disclosure of referral relationships between attorneys and medical providers.

#### INDEPENDENT CONTRACTOR PROTECTION

Create a rebuttable presumption that an independent contractor relationship exists when a written contract establishes that relationship, which will support a defense to a defendant's liability for the acts of independent contractors.

#### TRUTH IN ADVERTISING

Prohibit advertising that includes an amount of damages recovered unless the amount represents **monies actually paid to** a **plaintiff** as the result of a lawsuit.

#### COLLATERAL SOURCE/MEDICAL EVIDENCE

Place limits on the type of evidence that can be presented as proof of medical expenses so that **only amounts actually paid to or reasonably expected to be owed to** a medical provider are included. Simply, plaintiffs should be made whole for paid or owed medical bills, rather than by billings that are not paid or owed by any party.

### **EXPERT TESTIMONY STANDARDIZATION**

Align Alabama law with **national standard**; require expert testimony to meet certain standards before becoming admissible at trial.



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## **COALITION PARTNERS**





























































If your organization would like to be listed as a partner of the Lawsuit Fairness for Alabama Coalition, please contant Mark Colson at mcolson@alabamatrucking.org.

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