

Impact of Tort Costs and the Potential Economic Benefits of Tort Reform in the United States



CALA

CITIZENS AGAINST
LAWSUIT ABUSE



JOHNDUNHAM
& ASSOCIATES

February 2021

CONTENTS

EXECUTIVE SUMMARY 3

INTRODUCTION 3

DEFINITION OF TORTS 4

THE TORT SYSTEM IN THE UNITED STATES..... 4

POTENTIAL OF TORT REFORM 8

CONCLUSION 9

METHODOLOGY 10

 Appendix A..... 15

 Appendix B 16

EXECUTIVE SUMMARY

Tort law is an integral part of the civil justice system in America. Under tort law, individuals have a legal duty to act responsibly and not cause harm to other individuals. When these legal duties are breached, tort law acts as a form of restorative justice for those harmed to seek monetary compensation to remedy losses or injuries. Unfortunately, an overly aggressive tort system can result in filing meritless frivolous lawsuits, excessive damages and rewards and can have negative consequences on the economy.

Based on an analysis of legal costs across all 50 states and the District of Columbia and 544 separate industries, John Dunham & Associates (JDA) found that excessive tort costs in the U.S. currently total \$160.1 billion or about \$488 for each man, woman, and child in America. These excessive costs have been destructive to American businesses and harmful to consumers, likely wiping out as much as \$435.6 billion in overall economic activity (based on 2018 figures). This is equivalent to 1.2 percent of the overall the U.S. economy.¹

Frivolous tort cases and those resulting in excessive damages result in a “tort tax” for Americans estimated to be \$488 per person.

This analysis shows that these tort costs impact 2,211,450 jobs across the country, with a loss of \$143.8 million in wages, and decreasing the economic pie by \$435.6 billion.

Additionally, these tort costs deprive the Federal Government of \$29.5 billion in tax revenues, and state and local governments of \$18.1 billion in tax revenues.

If all jurisdictions were to enact all of the reforms examined as part of this study, the benefits of tort reform initiatives would be substantial.

INTRODUCTION

Tort law is a cornerstone of the American legal system. It is an orderly process of resolving disputes and remedy for injuries parties. The primary aims of tort law are to provide relief to injured parties for harms caused by others, to impose liability on parties responsible for the harm, and to deter others from committing harmful acts.² Tort law is a crucial part of the American legal system and covers most civil suits. When it works properly legal disputes are resolved fairly, justified, and reasonable; but when the system is misused, there are serious unfavorable consequences not only for the parties related to the lawsuit but for society in whole.

An overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential into creating a safer and more productive environment where economic activity can flourish.

¹ Based on Total Gross Output of \$36.6 Trillion. See: *Gross Output of All Industries*, U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/GOAL>.

² *Tort*, *Wex Legal Dictionary*, Legal Information Institute, Cornell Law School, (n.d.), <https://www.law.cornell.edu/wex/tort>.

Citizens Against Lawsuit Abuse (CALA) commissioned JDA to conduct analysis on the impact of tort costs and the potential economic benefits of tort reform in all 50 states to determine the effect on state economies.

DEFINITION OF TORTS

A tort is an act or omission that gives rise to injury or harm to another person.³ Generally, all claims that arise in civil court except for contractual disputes, falls under tort law.⁴ This means that torts are one of the major areas of law and result in more civil litigation than any other category.⁵

In general tort law falls into three categories:

- 1) Negligent torts encompass harm done to people generally through the failure of another to exercise a certain level of care⁶ and include car/bicycle/motorcycle accidents, slip and fall cases, medical malpractice, etc.
- 2) Intentional torts refer to when the harm was done by the willful misconduct of another, such as assault, fraud, and theft.
- 3) Unintentional but non-negligent acts are known as a strict liability. Defective product cases are prime examples of when strict liability is maintained despite intent.⁷

The U.S. tort law requires the one who is found to be at fault for harming another, to compensate the injured party. The money that the court awards to the injured party as compensation is called damages. The damages can be grouped into three categories:

- 1) Economic damages: awards for the injured party to recover the financial losses associated with the injury such as the loss of income, medical expenses, cost of living with disabilities, etc.
- 2) Non-economic damages: a type of compensatory damages awarded for injuries such as pain and suffering, disfigurement, humiliation, etc.⁸
- 3) Punitive damages: damages awarded in addition to compensatory (economic and noneconomic) damages to punish a defendant for the wrong done to the injured party.⁹

THE TORT SYSTEM IN THE UNITED STATES

The purpose of the tort system is to provide the mechanism that makes the injured person *whole* through awards of full and fair compensation. The tort system binds those who injured and harmed others to compensate the injured party for damages and deters businesses and individuals from acting in ways that may cause injury to others.

In practice, however, since noneconomic and punitive damages involve no direct economic loss and have no precise value, it is not easy for juries to assign a dollar value to these losses; and as a result, these awards

³ *Tort*, Wex Legal Dictionary, Legal Information Institute, Cornell Law School, (n.d.), <https://www.law.cornell.edu/wex/tort>.

⁴ Hayes, Adam, *Tort Law*, Investopedia, June 1, 2020, <https://www.investopedia.com/terms/t/tort-law.asp>

⁵ *Tort*, Legal Dictionary, Law.com, <https://dictionary.law.com/Default.aspx?selected=2137>

⁶ Op. cit. Hayes

⁷ *What is a tort law?* American Museum of Tort Law, <https://www.tortmuseum.org/what-is-tort-law/>

⁸ Bonner, Marianne, *What Does Tort Reform Mean?* The Balance Small Business, June 25, 2019, <https://www.thebalancesmb.com/how-tort-reform-affects-your-business-4152126>

⁹ Colby, Thomas B., *Beyond the Multiple Punishment Problem: Punitive Damages as Punishment for Individual, Private Wrong*. University of Minnesota Law School, 2003, <https://core.ac.uk/download/pdf/217211689.pdf>

tend to be erratic and often excessive. The broad discretion given juries in awarding these damages is the single greatest contributor to the inequities and inefficiencies of the tort liability system.¹⁰

Laws in the United States usually require that each side in a lawsuit must pay their own legal fees, whether they win or lose (the rule called *American rule*). Additionally, trial lawyers often work on a contingency basis, receiving payment in the form of a percentage of the settlement/payout, only if the plaintiff wins the case. This means that those who file lawsuits often have nothing to lose, leaving the door open for some people and unscrupulous lawyers that represent them to abuse the system by filing meritless lawsuits.

Tort reform advocates believe that an excess of the 15 million lawsuits filed annually in the U.S. are *frivolous* and superfluous.¹¹ Furthermore, lawsuit abuse does not come without a cost. A 2018 study completed by Perryman Group for CALA estimated that the cost of the tort system in the U.S., where these frivolous lawsuits take place, to be approximately \$373.1 billion in 2019.¹²

There is also evidence that the U.S. is more litigious than other countries. Most countries do not allow contingency fees and do not apply the “American rule,” which benefits lawyers, but there is no evidence that it benefits the rest of the other population. According to the President's Council on Competitiveness, for example, in 1996, the United States had 69,800 more product-liability cases than the United Kingdom.¹³ One of the possible reasons why the U.K. had less litigation when compared to the U.S. is that the U.K. does not apply the unique *American rule*. Courts in the U.K. usually order the loser in litigation to reimburse the winner for all legal costs that it incurred in connection with the litigation.

These frivolous lawsuits and the resulting overspending have reduced the competitiveness of American companies. They also increase corporate incentives to locate factories elsewhere where the tort environment is more reasonable.

The 2018 study by the U.S. Chamber Institute for Legal Reform also found that around 43 percent of the aggregate costs and compensation of the tort system go toward the payment of legal fees and other costs of the tort system.¹⁴ (See Figure 1)

¹⁰ *Tort Reform Records*, American Tort Reform Association, July 2019, <http://www.atra.org/issue/noneconomic-damages-reform/>

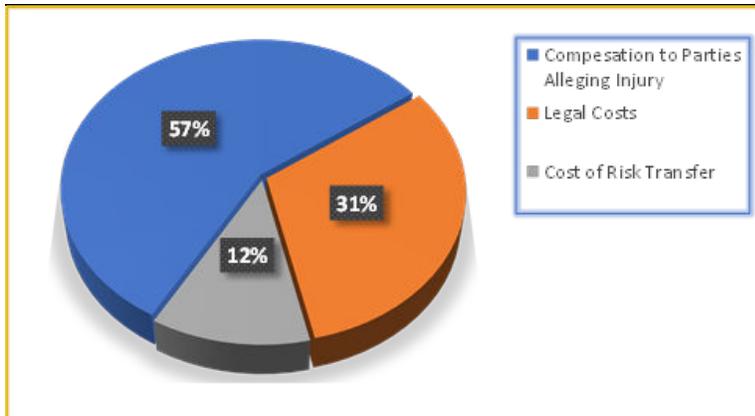
¹¹ Demaggio, John M., *Congress needs to pass tort reform to protect CARES Act funding*, *The Hill*, June 22, 2020, <https://thehill.com/opinion/judiciary/503891-congress-needs-to-pass-tort-reform-to-protect-cares-act-funding>

¹² *Economic Benefits of Tort Reforms*, Perriman Group, September, 2018

¹³ Anderson, Debra Rae, *The Cost of Frivolous Cases is No Joke*, *Minneapolis/St. Paul Business Journal*, August 10, 1997, <https://www.bizjournals.com/twincities/stories/1997/08/11/editorial2.html>

¹⁴ *Cost and Compensation of the U.S. Tort System*, U.S. Chamber Institute of Legal Reform, October 2018.

Figure 1
Estimated Source of Tort Costs (Percent)



A tort system that includes excessive damages, frivolous lawsuits, and exorbitant attorney's fees has considerable negative effects on the U.S. economy. Excessive tort liability leads to lower spending on research, development, and innovations, higher health care costs and insurance premiums. It can lead to firms discontinuing certain services, job losses, and increases in both the cost and risk of doing businesses.

**An estimated
2.2 million net
jobs are lost to
excessive tort
costs.**

The economic effects go beyond the direct impact in terms of expenditures.¹⁵ Resources that could have been directed toward productive uses including monetary, labor and time are diverted instead to the tort system. Rather than spending time developing new products and services or increasing their productivity, businesses are forced to take unproductive actions not needed to improve safety or product quality, but rather to reduce exposure to tort liability. For example, excessive torts encourage doctors to practice *defensive medicine* by ordering extra tests, procedures, and other medical care that are not necessary to treat the patient, but rather to prevent malpractice suits if a problem occurs.¹⁶ The unrestrained tort system also increases premiums for malpractice insurance, one of the factors leading to high health care costs in the United States.

In addition, the inequitable and inefficient tort liability system can have a *chilling effect* on investors willing to develop innovative technologies and products. High damage awards and the court's reliance on custom may reduce willingness to adopt new but riskier technologies, even if they are potentially superior for customers.

It is clear, that large insurance premiums, excessive damages, and high legal fees increase the cost of doing business and can even cause some firms to curtail or discontinue providing certain services, or even close their doors.

¹⁵ *Economic Report of the President, 2004*, Administration of George W. Bush, www.gpo.gov
¹⁶ Ibid

It is estimated that about 2.2 million net jobs are lost due to excessive tort costs, which would have provided workers with \$143.8 million in wages and benefits. (See Table 1)

Based on JDA’s analysis presented below, it is likely that excessive tort costs in the U.S. currently total \$160.1 billion or about \$488 for every man, woman, and child in America. These excessive costs have been destructive to American businesses and harmful to consumers, likely wiping out as much as \$435.6 billion in overall economic activity (based on 2018 figures). This is equivalent to 1.2 percent of the overall the U.S. economy.¹⁷

Excessive tort costs harm businesses and consumers, likely wiping out as much as \$435.6 billion in overall economic activity.

While some businesses benefit from the current tort system (for example lawyers, expert witnesses and the judicial sector of the government) others face a great deal of harm. Looking across industry types, those impacted by tort costs the most are concentrated in travel and entertainment, real estate, and business and personal services industry, sometimes called a “super sector,” that comprises three sectors professional, scientific and technical services which encompass a wide range of professions, including engineering, computer system design etc.; though others like manufacturing would benefit a great deal simply because of their importance to the general economy.

**Table 1
How Industries are Impacted by Excessive Tort Costs Nationwide**

Industry Segment	Jobs	Wages	Economic Output
Agriculture	(24,728) \$	(818,342,381) \$	(3,192,787,033)
Mining	(15,585) \$	(1,287,946,502) \$	(7,080,808,138)
Construction	(127,471) \$	(8,534,866,717) \$	(21,098,849,982)
Manufacturing	(121,220) \$	(10,510,640,347) \$	(59,796,468,911)
Wholesaling	(34,853) \$	(3,352,471,349) \$	(11,476,580,938)
Retailing	(100,890) \$	(3,834,666,609) \$	(9,719,097,866)
Transportation and Communication	(157,630) \$	(16,233,567,530) \$	(65,419,613,348)
Finance, Insurance and Real Estate	(317,077) \$	(20,415,849,143) \$	(95,693,040,040)
Business and Personal Services	(867,113) \$	(62,632,513,175) \$	(119,993,704,608)
Travel and Entertainment	(408,377) \$	(13,815,839,350) \$	(37,207,759,096)
Government	(14,958) \$	(1,421,075,914) \$	(3,447,014,879)
Other	(21,544) \$	(898,124,034) \$	(1,495,191,398)
Total	(2,211,445) \$	(143,755,903,052) \$	(435,620,916,235)

Citizens Against Lawsuit Abuse (CALA), as well as noted jurists including the late Supreme Court Justice Antonia Scalia, have long called for reform of the American system of tort law.¹⁸ In general, tort reform advocates believe that the purpose of tort reform is never to take away the right to sue or the rights of the plaintiff, but to put in to place a common sense, responsible civil justice system that will not drain the U.S. economy.¹⁹

¹⁷ Based on Total Gross Output of \$36.6 Trillion. See: *Gross Output of All Industries*, U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/GOAL>.

¹⁸ In a 1993 opinion Scalia wrote that lawyers who go to court without evidence for their cases should be sanctioned with mandatory fines, and they should not be given any opportunity to correct their errors by withdrawing frivolous filings. Scalia thought that courts must punish this conduct to deter bad behavior and free up the use of the courts' time to hear legitimate disputes. See: *Supreme Court of The United States Amendments to The Federal Rules Of Civil Procedure*, April 22, 1993, at: <https://www.law.cornell.edu/supct/html/2RULESK.ZA1.html>

¹⁹ Holly Foxen Wells, *Don't Make Me Pay for Other's Frivolous Lawsuits*, May 27, 2008, <https://www.pacificresearch.org/dont-make-me-pay-for-others-frivolous-lawsuits/>

Tort reforms aim to discourage filling of certain types of lawsuits or limit the damages that can be received. They are designed to relieve the civil justice system from the abundance of frivolous lawsuits, prevent hurtful and abusive practices against businesses, prevent lawsuits that are too costly, and create mechanisms to gain access to the civil justice for truly injured parties to be fully and fairly compensated.

Various tort reforms can impact many areas of legislation; from reducing the liability in a car accident using the seat belt defense to reducing the amount of time allowed to file the lawsuit. One of the most important reforms in terms of the benefit to the U.S. economy is the "cap" on punitive and non-economic damages. This includes providing guidance on awards and placing a limit on the monetary amount in settlements to ensure fair and efficient resources are spent. These are only a few examples, another reform that helps to restrain the number of frivolous lawsuits, is limiting the contingency fees from trial lawyers. This would allow for more transparency to the plaintiffs and public and helps eliminates the sole financial interest surrounding meritless claims. Additionally, collateral source rule is a reform that also has a huge positive impact on the U.S. economy. The list extends from this report as there are many other tort reforms, all of which have the same general goal – benefit the U.S. economy, reduce the number of frivolous lawsuits, and stop lawsuit abuse.

To date, nearly 242 of these reforms have been implemented at the state level. Appendix A provides a list of the states and the actions that they have implemented to date.

POTENTIAL OF TORT REFORM

If all of the states to enact the reforms listed above, the nation could save as much as \$160.1 billion in excessive legal costs and generate \$435.6 billion in additional economic activity. Eliminating these costs will also benefit the country by increasing government revenues. The Federal Government is expected to see about \$29.5 billion more in tax revenue, while state and local governments could see an additional \$18.1 billion. And these revenues come not through higher tax rates, but through increased jobs, wages and economic activity that would be freed through tort reform.

Table 2 below shows the potential overall economic benefit of tort reform across the country.

Table 2
Economic Benefit of Tort Reform

	Direct	Supplier	Induced	Total
Jobs	818,997	589,725	802,728	2,211,450
Wages	\$56,205,636,100	\$41,493,757,800	\$46,056,510,200	\$143,755,904,100
Economic Output	\$164,025,368,100	\$125,336,933,100	\$146,258,614,200	\$435,620,915,400
		Federal	State & Local	Total
Taxes		\$29,516,853,000	\$18,087,444,000	\$47,604,297,000

These national effects would occur if all the selected tort reform measures were adopted in all 50 states and the District of Columbia.

CONCLUSION

In the current environment, legal costs have a significant negative impact on economic activity across the United States. This study found that excessive tort costs in the U.S. currently total \$160.1 billion or about \$488 for a family of three in America. These excessive costs have been destructive to American businesses and harmful to consumers, likely wiping out as much as \$435.6 billion in overall economic activity (based on 2018 figures). This is equivalent to 1.2 percent of the overall the U.S. economy.²⁰

Tort costs impact 2,211,450 jobs across the country, with a loss of \$143.8 million in wages, and decreasing economic output by \$435.6 billion.

Additionally, these tort costs deprive the Federal Government of \$29.5 billion in tax revenues, and state and local governments of \$18.1 billion in tax revenues.

While many separate tort reform measures have been adopted across the country to date, there remain billions of dollars in potential legal cost savings that would result from full implementation of tort reform. Through additional tort reform, states would experience a spurt of economic growth resulting in millions of jobs gained, billions of dollars in increased wage and benefits and a significant expansion of economic activity. Federal and state governments would also benefit from millions of dollars in additional tax revenues.

²⁰ Based on Total Gross Output of \$36.6 Trillion. See: *Gross Output of All Industries*, U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/GOAL>.

METHODOLOGY

This analysis is an extension of work conducted in 2018 by the Perryman Group for the organization Citizens Against Lawsuit Abuse. This research examined the anticipated impact from tort reform on six states. The results suggested that reforms would benefit those states by billions of dollars and would create thousands of jobs.

Table C-1
Results from Perryman Group Studies

	Cost (\$ billion)	Jobs	Tort Tax
California	\$ 15.100	242,761	\$ 595.00
Florida	\$ 10.000	161,735	\$ 719.00
Illinois	\$ 5.700	99,966	\$ 762.00
Louisiana	\$ 1.400	19,794	\$ 418.00
Missouri	\$ 2.000	32,205	\$ 505.00
West Virginia	\$ 0.442	5,605	\$ 308.00

These studies examined just six states and did not look at them in the context of tort reform as a whole. This new analysis looks at tort reform across all 50 states and the District of Columbia, and uses an econometric model controlling for the specifics of each state’s population and economies to determine the effect of both existing reforms on legal costs, as well as the potential effect were all the reforms examined to be enacted. This allows for the comparison of tort reform efforts across states, as well as the impact of different industries.

To account for the differences across states, JDA constructed a model using an industry by industry, state by state matrix of legal costs. The IMPLAN Inc. input output model is used as the basis for this.²¹ The model adopts an accounting framework through which the relationships between different inputs and outputs across industries and sectors are computed. This model can show the impact of a given economic decision – such as a factory opening or operating a sports facility – on a pre-defined, geographic region. It is based on the national income accounts generated by the U.S. Department of Commerce, Bureau of Economic Analysis (BEA).²² IMPLAN therefore contains a coefficient for the value of legal services used by industry and by state.

There are 544 separate industries included in the IMPLAN model, so there are 544 separate variables outlining the percent of production costs that are accounted for by legal services. If the assumption that various forms of tort reform help to lower litigation costs is true, then the input variable for a given industry in a state with a lot of reforms should be lower than one in a state with no reforms, controlling of course for other factors.

In order to determine the control factors, a series of economic and demographic variables across states were regressed against the overall percentage of economic output that consists of legal costs in each state. Again, the goal is to determine if there are other factors outside of tort reforms that have significant effects on legal costs. The model suggests that five factors (median income, median age, percent of the population that is

²¹ The model uses 2018 input/output accounts.

²² RIMS II is a product developed by the U.S. Department of Commerce, Bureau of Economic Analysis as a policy and economic decision analysis tool. IMPLAN was originally developed by the U.S. Forest Service, the Federal Emergency Management Agency and the Bureau of Land Management. It was converted to a user-friendly model by the Minnesota IMPLAN Group in 1993.

Impact of Tort Costs and the Potential Economic Benefits of Tort Reform

black, the percent of the population that is college educated, and the percent of the population that does not have health insurance) are all significant factors. The regression results are shown in Table C-2 below.

Table C-2
State Factors Associated with Legal Cost Differentials

	Coefficient	P-Value
Intercept	0.0030	0.195401244
Median Income	(0.0000)	0.116295356
Median Age	0.0001	0.082874554
Percent Black	(0.0038)	0.00033782
Percent College	0.0001	0.000251582
Percent Uninsured	0.0102	0.01970839

T-Statistic: 5.671

Adjusted R²: 0.3228

Next, aggregated legal cost variables for 14 subsets of the 544 different industries are created based on the weighted average of legal costs as a share of economic output for each subset. The subsets used are shown in Table C-3, along with the legal cost share at the U.S. level. The 14 subsets contain a legal cost factor for each state.

Table C-3
Industry Subsets and Legal Cost Factor

	Agriculture	Mining	Oil & Natural Gas	Construction	Manufacturing	Wholesaling	Retailing
State TIPAC/PARSA Laws	0.1377	(0.1382)	(0.1898)	0.3500	0.3500	0.0015	(0.1030)
Punitive Damage Reform	(0.1898)	(0.1898)	(0.1873)	0.3500	0.1996	0.0119	0.0341
Noneconomic Damage Reform	0.3500	(0.1898)	(0.1361)	0.3500	0.1611	(0.0048)	(0.0834)
Daubert Reforms	0.0403	(0.1898)	(0.0186)	0.3500	0.0272	(0.0282)	(0.0992)
Admissibility of Seat Belt Non-Usage Evidence	(0.1771)	(0.1898)	0.0040	0.3500	0.2696	(0.0060)	0.0889
Forum and Venue Reform	0.1257	(0.1143)	0.1374	0.3500	0.2682	(0.0181)	0.0109
Reform the Collateral Source Rule	0.3500	(0.1594)	0.0093	0.3500	0.1829	(0.0185)	(0.0539)
Statute of Repose Reform	0.3500	(0.1898)	(0.1898)	0.3500	0.3500	0.0197	0.0281
Prejudgment Interest Reform Below Median	(0.1898)	0.3500	0.3419	(0.1473)	(0.0818)	0.0133	0.0273
Statute of Limitations Below Average	(0.1898)	0.1298	0.1771	(0.1119)	(0.1280)	(0.0567)	(0.0661)

	Transportation and Communication	Finance, Insurance and Real Estate	Business Services	Personal Services	Travel and Entertainment	Other	Government
State TIPAC/PARSA Laws	0.3500	0.0282	0.0328	0.0554	0.3500	(0.0591)	0.0016
Punitive Damage Reform	0.1491	0.0038	0.0086	0.0052	0.2699	0.0684	(0.0173)
Noneconomic Damage Reform	0.2180	0.0233	0.0251	0.0163	0.0840	(0.1659)	(0.0282)
Daubert Reforms	0.2019	0.0269	(0.0255)	0.1066	0.3500	(0.1813)	(0.0337)
Admissibility of Seat Belt Non-Usage Evidence	0.3052	0.0525	0.0517	0.0867	0.1836	0.2863	(0.0484)
Forum and Venue Reform	(0.0889)	0.0169	0.0298	0.0132	0.3500	0.3500	(0.0693)
Reform the Collateral Source Rule	0.1851	(0.0147)	(0.0347)	0.0286	0.2637	0.0029	(0.0337)
Statute of Repose Reform	0.1218	0.0383	0.0802	0.0029	0.3500	(0.0203)	(0.0963)
Prejudgment Interest Reform Below Median	(0.1235)	0.0708	0.0703	0.0434	(0.0254)	0.1122	0.0334
Statute of Limitations Below Average	0.0478	0.0465	0.1012	(0.0207)	(0.1570)	(0.1445)	0.0035

The natural log of legal costs by industry subset is then used as the dependent variable in a regression model to estimate the correlation between legal costs in each subset of industries, and the 10 reform variables used in the analysis (See Appendix A for a listing of reforms by state). In effect, each reform is a dummy variable (either a 1 if the state has enacted reforms, and a 0 if the state has not). The resulting equations will calculate the percentage difference in legal costs associated with each of the 10 reform variables, for each industry subset. These results were normalized to remove outliers.

The results are additive, so if a state has enacted multiple reforms, the coefficient for each reform applies. These are then multiplied by the dollar value of output in each industry in the subset. These output values also come from the IMPLAN Inc. model and are equal to either the gross sales, or in the case of retailers and wholesalers the gross margin, of all the firms in that industry in that state.²³

The resulting dollar value is then multiplied by the legal share of costs in the state to provide an estimate of the value of reforms by industry by state. These are then aggregated and reported as the *current benefits* of tort reform in each state. A separate calculation is performed with all of the reform dummy variables set to one, indicating that the state has passed all of the reforms. The aggregated value across industries is then reported as the *potential benefits* of tort reform in each state. Finally, the difference between the two figures is defined as the *tort tax*. These values for each state are shown in Appendix B.

The methodology used for the model does produce some anomalies, particularly when the share of legal jobs in a state is high relative to other industries. The most blatant example of this is in Washington, D.C., where the legal and government sectors overwhelm other economic activities. The states of Delaware and New York are also outliers.

Once the benefits (or in some cases costs) of tort reform are calculated across the 544 industries, the resulting values are used as the catalyst for calculating the economic impact of potential tort reforms in the states. This is again accomplished using the IMPLAN Input/Output modeling system. The input-output model is used to create job, wage and output change estimates were the resulting savings/costs to accrue to each of the 544 industries. In addition, the model calculates the *multiplier* effects of the savings/costs on other industries within the state or district.

Industries are linked to each other when one industry buys from another to produce its own products. Each industry in turn makes purchases from a different mix of other industries, and so on. Employees in all industries extend the economic impact when they spend their earnings. Thus, economic activity started by the aluminum industry generates output (and jobs) in hundreds of other industries, often in sectors and states far removed from the original economic activity. The impact of supplier firms, and the “induced impact” of the re-spending by employees of industry and supplier firms, is calculated using an input/output model of the United States. The study calculates the impact on a national basis, by state, and by congressional district.

The study also estimates taxes paid by the industry and its employees. Federal taxes include industry-specific excise and sales taxes, business and personal income taxes, FICA, and unemployment insurance. Direct retail taxes include state and local sales taxes, license fees, and applicable gross receipt taxes. The aluminum industry pays real estate and personal property taxes, business income taxes, and other business levies that vary in each state and municipality. All entities engaged in business activity generated by the industry pay similar taxes.

It is sometimes mistakenly thought that initial spending accounts for all of the impact of an economic activity or a product. For example, at first glance it may appear that consumer expenditures for a product are the sum total of the impact on the local economy. However, one economic activity always leads to a ripple effect whereby other sectors and industries benefit from this initial spending. This inter-industry effect of an economic activity can be assessed using multipliers from regional input-output modeling.

The economic activities of events are linked to other industries in the state and national economies. If a manufacturer (for example) finds that their costs are lower because they pay less in legal fees or for

²³ Total US output has been measured by the U.S. Department of Commerce, Bureau of Economic Analysis to be \$37.8 trillion in 2019. See: *Gross Output of All Industries*, U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GOAI.8>

insurance, the savings will accrue either to owners of capital, to labor, or to consumers. These savings generate the direct effects on the economy. Supplier (or indirect) impacts occur when these activities lead to the purchases of goods and services such as machinery or electricity from local or regional suppliers. Additional induced impacts occur when workers involved in direct and indirect activities spend their wages. The ratio between induced output and direct output is termed the multiplier.

The IMPLAN data are used to generate estimates of direct wages and output. Wages are derived from data from the U.S. Department of Labor's ES-202 reports that are used by IMPLAN to provide annual average wage and salary establishment counts, employment counts and payrolls at the county level. Since this data only covers payroll employees, it is modified to add information on independent workers, agricultural employees, construction workers, and certain government employees. Data are then adjusted to account for counties where non-disclosure rules apply. Wage data include not only cash wages, but health and life insurance payments, retirement payments and other non-cash compensation. It includes all income paid to workers by employers.

Total output is the value of production by industry in a given state. It is estimated by IMPLAN from sources similar to those used by the BEA in its RIMS II series. Where no Census or government surveys are available, IMPLAN uses models such as the Bureau of Labor Statistics' growth model to estimate the missing output.

The model also includes information on income received by the federal, state and local governments, and produces estimates for the following taxes at the Federal level: corporate income; payroll, personal income, estate and gift, and excise taxes, customs duties; and fines, fees, etc. State and local tax revenues include estimates of: Corporate profits, property, sales, severance, estate and gift and personal income taxes; licenses and fees and certain payroll taxes.

IMPLAN Methodology²⁴

Francoise Quesnay one of the fathers of modern economics, first developed the analytical concept of inter-industry relationships in 1758. The concept was actualized into input-output analysis by Wassily Leontief during the Second World War, an accomplishment for which he received the 1973 Nobel Prize in Economics.

Input-Output analysis is an econometric technique used to examine the relationships within an economy. It captures all monetary market transactions for consumption in a given period and for a specific geography. The IMPLAN model uses data from many different sources – as published government data series, unpublished data, sets of relationships, ratios, or as estimates. The Minnesota IMPLAN group gathers this data, converts it into a consistent format, and estimates the missing components.

There are three different levels of data generally available in the United States: Federal, state and county. Most of the detailed data are available at the county level, but there are many issues with disclosure – especially in the case of smaller industries. IMPLAN overcomes these disclosure problems by combining a large number of datasets and by estimating those variables that are not found from any of them. The data is then converted into national input-output matrices (Use, Make, By-products, Absorption and Market Shares) as well as national tables for deflators, regional purchase coefficients and margins.

²⁴ This section is paraphrased from IMPLAN Professional: Users Guide, Analysis Guide, Data Guide, Version 2.0, MIG, Inc., June 2000.

The IMPLAN Make matrix represents the production of commodities by industry. The Bureau of Economic Analysis (BEA) Benchmark I/O Study of the U.S. Make Table forms the bases of the IMPLAN model. The Benchmark Make Table is updated to current year prices, and rearranged into the IMPLAN sector format. The IMPLAN Use matrix is based on estimates of final demand, value-added by sector and total industry and commodity output data as provided by government statistics or estimated by IMPLAN.

The BEA Benchmark Use Table is then bridged to the IMPLAN sectors. Once the re-sectoring is complete, the Use Tables can be updated based on the other data and model calculations of interstate and international trade.

In the IMPLAN model, as with any input-output framework, all expenditures are in terms of producer prices. This allocates all expenditures to the industries that produce goods and services. As a result, all data not received in producer prices is converted using margins which are derived from the BEA Input-Output model. Margins represent the difference between producer and consumer prices. As such, the margins for any good add to one. If, for example, 10 percent of the consumer price of sheet metal is from the purchase of aluminum, then the aluminum margin would be 0.1.

Deflators, which account for relative price changes during different time periods, are derived from the Bureau of Labor Statistics (BLS) Growth Model. The 224 sector BLS model is mapped to the 544 sectors of the IMPLAN model. Where data are missing, deflators from BEA's Survey of Current Businesses are used.

Finally, the Regional Purchase Coefficients (RPCs) – essential to the IMPLAN model – must be derived. IMPLAN is derived from a national model, which represents the “average” condition for a particular industry. Since national production functions do not necessarily represent particular regional differences, adjustments need to be made. Regional trade flows are estimated based on the Multi-Regional Input-Output Accounts, a cross-sectional database with consistent cross interstate trade flows developed in 1977. These data are updated and bridged to the 536 sector IMPLAN model.

Once the databases and matrices are created, they go through an extensive validation process. IMPLAN builds separate state and county models and evaluates them, checking to ensure that no ratios are outside of recognized bounds. The final datasets and matrices are not released before extensive testing takes place.

Impact of Tort Costs and the Potential Economic Benefits of Tort Reform

Appendix A

Tort Reforms Enacted by State

State	State TiPAC/PARS A Laws	Punitive Damage Reform	Noneconomic Damage Reform	Daubert Reforms	Admissibility of Seat Belt Non-Usage Evidence	Forum and Venue Reform	Reform the Collateral Source Rule	Statute of Repose Reform	Prejudgment Interest Reform Below Median	Statute of Limitations Below Average
Alabama	X	X		X		X	X		X	X
Alaska		X	X	X	X		X		X	X
Arizona	X			X	X		X		X	X
Arkansas	X			X		X				
California		X	X	X	X					X
Colorado	X	X	X	X	X		X	X		X
Connecticut	X	X		X			X	X		
Delaware				X						X
District of Columbia				X					X	
Florida	X	X			X		X	X	X	
Georgia	X	X		X		X		X		X
Hawaii			X	X						X
Idaho		X	X	X			X			X
Illinois							X	X	X	X
Indiana	X	X	X	X			X	X		X
Iowa	X	X	X	X	X		X	X	X	X
Kansas	X	X		X				X		X
Kentucky	X				X		X	X	X	X
Louisiana	X		X	X	X	X			X	X
Maine				X			X		X	
Maryland			X	X					X	
Massachusetts			X	X					X	
Michigan			X	X	X		X	X	X	
Minnesota	X						X			
Mississippi	X	X	X	X		X			X	
Missouri	X	X	X	X		X	X		X	
Montana		X	X	X			X			
Nebraska			X	X	X			X		
Nevada	X	X	X						X	X
New Hampshire		X		X					X	
New Jersey		X			X		X		X	X
New Mexico			X	X						
New York					X		X			
North Carolina	X	X	X	X				X		
North Dakota	X	X	X				X		X	
Ohio	X	X	X	X	X		X	X		X
Oklahoma		X		X	X	X	X		X	X
Oregon					X		X	X		X
Pennsylvania									X	X
Rhode Island				X						
South Carolina		X	X			X				
South Dakota			X	X						
Tennessee		X	X	X	X	X		X		X
Texas	X	X	X	X	X	X		X	X	X
Utah	X	X	X	X					X	X
Vermont				X						
Virginia	X	X	X			X			X	X
Washington							X	X	X	
West Virginia	X	X	X	X		X			X	X
Wisconsin	X	X	X	X	X			X	X	
Wyoming				X						

Appendix B

State by State Impact Analysis

Tort Reform in Alabama

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Alabama** can reap the benefits of a more efficient judicial system while growing the economy.

Were Alabama to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,642,619,000.

This means that the residents are in effect paying a “Tort Tax” of \$335 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 19,470 additional jobs and \$3.01 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Alabama

	Direct	Supplier & Induced	Total
Jobs	11,173	8,297	19,470
Wages	\$495,407,916	\$388,726,677	\$884,134,593
Economic Output	\$1,715,997,616	\$1,298,786,254	\$3,014,783,870
Tax Revenues			\$141,187,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **Alabama** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Alabama

Industry	Jobs	Wages	Output
Construction	(2,384)	\$(127,874,035)	\$(330,037,928)
Manufacturing	(1,126)	\$(79,779,824)	\$(457,839,031)
Wholesaling	(135)	\$(10,700,335)	\$(40,661,441)
Retailing	(516)	\$(17,751,714)	\$(47,200,776)
Transportation and Communication	(1,009)	\$(74,436,228)	\$(384,619,086)
Finance, Insurance and Real Estate	(2,236)	\$(95,962,694)	\$(558,616,828)
Business and Personal Services	(6,189)	\$(347,334,446)	\$(730,843,578)
Travel and Entertainment	(5,388)	\$(110,922,727)	\$(386,090,108)
Other	(486)	\$(19,372,589)	\$(78,875,093)
Total	(19,470)	\$(884,134,593)	\$(3,014,783,870)

Tort Reform in Alaska

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Alaska** can reap the benefits of a more efficient judicial system while growing the economy.

Were Alaska to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$86,896,000.

This means that the residents are in effect paying a “Tort Tax” of \$119 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 861 additional jobs and \$146.06 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Alaska

	Direct	Supplier & Induced	Total
Jobs	527	334	861
Wages	\$30,757,414	\$18,289,395	\$49,046,809
Economic Output	\$90,133,396	\$55,921,938	\$146,055,334
Tax Revenues			\$7,783,400

Industries Are Harmed by the Lack of Tort Reform

Industries across **Alaska** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Alaska

Industry	Jobs	Wages	Output
Construction	(96)	\$(8,246,046)	\$(16,423,294)
Manufacturing	(17)	\$(888,465)	\$(6,876,007)
Wholesaling	(3)	\$(208,509)	\$(926,297)
Retailing	(26)	\$(1,056,508)	\$(2,459,669)
Transportation and Communication	(73)	\$(6,131,662)	\$(30,614,519)
Finance, Insurance and Real Estate	(85)	\$(3,792,467)	\$(23,138,743)
Business and Personal Services	(268)	\$(19,152,280)	\$(37,801,064)
Travel and Entertainment	(288)	\$(8,248,663)	\$(26,276,936)
Other	(4)	\$(1,322,209)	\$(1,538,804)
Total	(861)	\$(49,046,809)	\$(146,055,334)

Tort Reform in Arizona

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Arizona** can reap the benefits of a more efficient judicial system while growing the economy.

Were Arizona to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,471,145,000.

This means that the residents are in effect paying a “Tort Tax” of \$202 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 17,918 additional jobs and \$3.11 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Arizona

	Direct	Supplier & Induced	Total
Jobs	8,313	9,605	17,918
Wages	\$471,689,389	\$514,190,972	\$985,880,361
Economic Output	\$1,520,461,286	\$1,592,970,314	\$3,113,431,600
Tax Revenues			\$150,202,100

Industries Are Harmed by the Lack of Tort Reform

Industries across **Arizona** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Arizona

Industry	Jobs	Wages	Output
Construction	(1,275)	\$(75,602,928)	\$(208,875,148)
Manufacturing	(599)	\$(56,147,454)	\$(251,806,709)
Wholesaling	(173)	\$(16,053,382)	\$(54,592,864)
Retailing	(623)	\$(23,957,434)	\$(60,301,994)
Transportation and Communication	(1,420)	\$(103,555,173)	\$(511,688,822)
Finance, Insurance and Real Estate	(3,105)	\$(154,567,596)	\$(801,027,319)
Business and Personal Services	(6,851)	\$(421,959,854)	\$(848,787,698)
Travel and Entertainment	(3,557)	\$(117,124,550)	\$(319,934,099)
Other	(315)	\$(16,911,989)	\$(56,416,947)
Total	(17,917)	\$(985,880,361)	\$(3,113,431,600)

Tort Reform in Arkansas

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Arkansas** can reap the benefits of a more efficient judicial system while growing the economy.

Were Arkansas to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$750,195,000.

This means that the residents are in effect paying a “Tort Tax” of \$249 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 9,100 additional jobs and \$1.35 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Arkansas

	Direct	Supplier & Induced	Total
Jobs	5,488	3,612	9,100
Wages	\$211,612,383	\$161,624,007	\$373,236,390
Economic Output	\$785,739,550	\$568,142,056	\$1,353,881,606
Tax Revenues			\$75,382,400

Industries Are Harmed by the Lack of Tort Reform

Industries across **Arkansas** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Arkansas

Industry	Jobs	Wages	Output
Construction	(1,268)	\$(61,773,363)	\$(173,234,821)
Manufacturing	(615)	\$(36,761,794)	\$(246,906,456)
Wholesaling	(97)	\$(7,814,998)	\$(31,423,328)
Retailing	(167)	\$(5,820,043)	\$(15,899,366)
Transportation and Communication	(497)	\$(33,364,505)	\$(177,899,321)
Finance, Insurance and Real Estate	(773)	\$(26,801,536)	\$(193,853,300)
Business and Personal Services	(2,487)	\$(135,143,391)	\$(285,045,073)
Travel and Entertainment	(2,950)	\$(55,060,679)	\$(204,167,993)
Other	(245)	\$(10,696,081)	\$(25,451,948)
Total	(9,100)	\$(373,236,390)	\$(1,353,881,606)

Tort Reform in California

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **California** can reap the benefits of a more efficient judicial system while growing the economy.

Were California to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$22,691,096,000.

This means that the residents are in effect paying a “Tort Tax” of \$574 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 206,474 additional jobs and \$46.07 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in California

	Direct	Supplier & Induced	Total
Jobs	94,700	111,774	206,474
Wages	\$8,332,628,406	\$7,991,119,279	\$16,323,747,685
Economic Output	\$23,532,717,726	\$22,534,423,513	\$46,067,141,239
Tax Revenues			\$2,548,344,800

Industries Are Harmed by the Lack of Tort Reform

Industries across **California** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in California

Industry	Jobs	Wages	Output
Construction	(18,580)	\$(1,423,895,966)	\$(3,335,273,255)
Manufacturing	(11,333)	\$(1,335,054,474)	\$(5,743,361,565)
Wholesaling	(2,127)	\$(211,982,341)	\$(720,789,599)
Retailing	(8,195)	\$(379,672,529)	\$(918,678,543)
Transportation and Communication	(20,945)	\$(3,033,844,894)	\$(11,120,464,078)
Finance, Insurance and Real Estate	(24,590)	\$(1,857,423,271)	\$(8,350,134,024)
Business and Personal Services	(77,025)	\$(6,212,191,948)	\$(11,323,024,060)
Travel and Entertainment	(41,795)	\$(1,725,747,164)	\$(4,300,936,934)
Other	(1,884)	\$(143,935,099)	\$(254,479,181)
Total	(206,474)	\$(16,323,747,685)	\$(46,067,141,239)

Tort Reform in Colorado

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Colorado** can reap the benefits of a more efficient judicial system while growing the economy.

Were Colorado to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$345,855,000.

This means that the residents are in effect paying a “Tort Tax” of \$60 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 3,873 additional jobs and \$703.03 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Colorado

	Direct	Supplier & Induced	Total
Jobs	1,898	1,975	3,873
Wages	\$108,964,043	\$113,132,399	\$222,096,442
Economic Output	\$357,159,929	\$345,867,581	\$703,027,510
Tax Revenues			\$34,134,900

Industries Are Harmed by the Lack of Tort Reform

Industries across **Colorado** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Colorado

Industry	Jobs	Wages	Output
Construction	(467)	\$(31,969,779)	\$(78,338,427)
Manufacturing	(191)	\$(16,452,783)	\$(82,884,561)
Wholesaling	(50)	\$(4,926,540)	\$(16,240,001)
Retailing	(142)	\$(5,312,564)	\$(13,683,418)
Transportation and Communication	(366)	\$(25,902,382)	\$(143,071,410)
Finance, Insurance and Real Estate	(532)	\$(26,731,155)	\$(139,592,941)
Business and Personal Services	(1,218)	\$(87,353,981)	\$(164,795,172)
Travel and Entertainment	(944)	\$(32,258,087)	\$(94,756,747)
Other	35	\$8,810,831	\$30,335,168
Total	(3,874)	\$(222,096,442)	\$(703,027,510)

Tort Reform in Connecticut

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Connecticut** can reap the benefits of a more efficient judicial system while growing the economy.

Were Connecticut to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,245,451,000.

This means that the residents are in effect paying a “Tort Tax” of \$349 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 11,986 additional jobs and \$2.33 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Connecticut

	Direct	Supplier & Induced	Total
Jobs	6,618	5,368	11,986
Wages	\$465,613,085	\$375,480,409	\$841,093,494
Economic Output	\$1,297,064,573	\$1,030,792,311	\$2,327,856,885
Tax Revenues			\$150,071,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Connecticut** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Connecticut

Industry	Jobs	Wages	Output
Construction	(1,555)	\$(127,719,249)	\$(246,660,936)
Manufacturing	(888)	\$(83,577,913)	\$(326,108,404)
Wholesaling	(173)	\$(19,218,344)	\$(72,336,396)
Retailing	(412)	\$(19,059,443)	\$(42,237,539)
Transportation and Communication	(903)	\$(87,439,892)	\$(398,595,655)
Finance, Insurance and Real Estate	(1,282)	\$(113,982,428)	\$(444,558,348)
Business and Personal Services	(3,432)	\$(267,003,296)	\$(484,359,261)
Travel and Entertainment	(3,310)	\$(121,957,898)	\$(316,004,339)
Other	(29)	\$(1,135,031)	\$3,003,994
Total	(11,986)	\$(841,093,494)	\$(2,327,856,885)

Tort Reform in Delaware

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Delaware** can reap the benefits of a more efficient judicial system while growing the economy.

Were Delaware to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,460,696,000.

This means that the residents are in effect paying a “Tort Tax” of \$1,500 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 15,778 additional jobs and \$2.70 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Delaware

	Direct	Supplier & Induced	Total
Jobs	8,682	7,096	15,778
Wages	\$562,246,261	\$394,640,359	\$956,886,620
Economic Output	\$1,511,569,424	\$1,184,988,238	\$2,696,557,662
Tax Revenues			\$136,686,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **Delaware** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Delaware

Industry	Jobs	Wages	Output
Construction	(1,039)	\$(71,989,097)	\$(181,429,664)
Manufacturing	237	\$2,736,114	\$84,622,777
Wholesaling	155	\$13,570,708	\$49,424,111
Retailing	151	\$3,395,887	\$14,991,132
Transportation and Communication	(936)	\$(72,239,902)	\$(331,035,910)
Finance, Insurance and Real Estate	(3,100)	\$(174,954,104)	\$(946,630,951)
Business and Personal Services	(7,166)	\$(562,030,925)	\$(1,065,123,702)
Travel and Entertainment	(4,296)	\$(112,065,487)	\$(345,134,040)
Other	217	\$16,690,186	\$23,758,584
Total	(15,778)	\$(956,886,620)	\$(2,696,557,662)

Tort Reform in The District Of Columbia

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **The District Of Columbia** can reap the benefits of a more efficient judicial system while growing the economy.

Were the District of Columbia to enact reforms examined in this report, the resulting savings to the residents and businesses of the district would be \$8,051,133,000.

This means that the residents are in effect paying a “Tort Tax” of \$11,408 per person.

If savings from reforming the tort system could be realized, they would flow through the district’s economy, supporting 65,430 additional jobs and \$12.53 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in The District Of Columbia

	Direct	Supplier & Induced	Total
Jobs	45,269	20,161	65,430
Wages	\$3,928,490,566	\$1,917,430,029	\$5,845,920,595
Economic Output	\$8,365,774,436	\$4,167,863,903	\$12,533,638,339
Tax Revenues			\$745,260,800

Industries Are Harmed by the Lack of Tort Reform

Industries across **The District Of Columbia** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in The District Of Columbia

Industry	Jobs	Wages	Output
Construction	(1,778)	\$(126,889,651)	\$(301,892,062)
Manufacturing	24	\$2,010,932	\$10,612,871
Wholesaling	(203)	\$(29,687,638)	\$(72,015,653)
Retailing	(502)	\$(27,757,760)	\$(54,396,308)
Transportation and Communication	(2,080)	\$(268,759,065)	\$(1,150,627,893)
Finance, Insurance and Real Estate	(8,304)	\$(852,991,327)	\$(2,759,720,463)
Business and Personal Services	(33,040)	\$(3,585,332,441)	\$(5,802,446,248)
Travel and Entertainment	(19,343)	\$(970,606,014)	\$(2,295,560,620)
Other	(203)	\$14,092,368	\$(107,591,963)
Total	(65,429)	\$(5,845,920,595)	\$(12,533,638,339)

Tort Reform in Florida

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Florida** can reap the benefits of a more efficient judicial system while growing the economy.

Were Florida to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$5,385,843,000.

This means that the residents are in effect paying a “Tort Tax” of \$251 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 71,971 additional jobs and \$11.52 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Florida

	Direct	Supplier & Induced	Total
Jobs	35,336	36,635	71,971
Wages	\$1,738,863,878	\$1,865,414,444	\$3,604,278,322
Economic Output	\$5,597,863,787	\$5,918,569,659	\$11,516,433,447
Tax Revenues			\$643,405,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Florida** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Florida

Industry	Jobs	Wages	Output
Construction	(6,201)	\$(347,094,907)	\$(995,312,616)
Manufacturing	(2,650)	\$(196,606,182)	\$(995,698,767)
Wholesaling	(1,210)	\$(109,911,233)	\$(401,931,678)
Retailing	(3,536)	\$(124,757,075)	\$(336,220,881)
Transportation and Communication	(4,748)	\$(331,490,314)	\$(1,561,770,039)
Finance, Insurance and Real Estate	(10,423)	\$(451,448,237)	\$(2,609,831,836)
Business and Personal Services	(23,692)	\$(1,419,813,037)	\$(2,861,063,265)
Travel and Entertainment	(18,236)	\$(546,164,680)	\$(1,608,985,760)
Other	(1,276)	\$(76,992,656)	\$(145,618,604)
Total	(71,971)	\$(3,604,278,322)	\$(11,516,433,447)

Tort Reform in Georgia

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Georgia** can reap the benefits of a more efficient judicial system while growing the economy.

Were Georgia to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$3,032,367,000.

This means that the residents are in effect paying a “Tort Tax” of \$286 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 38,209 additional jobs and \$6.24 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Georgia

	Direct	Supplier & Induced	Total
Jobs	19,537	18,672	38,209
Wages	\$983,389,682	\$987,965,070	\$1,971,354,751
Economic Output	\$3,155,972,835	\$3,087,336,957	\$6,243,309,792
Tax Revenues			\$291,047,200

Industries Are Harmed by the Lack of Tort Reform

Industries across **Georgia** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Georgia

Industry	Jobs	Wages	Output
Construction	(3,580)	\$(209,325,828)	\$(575,138,316)
Manufacturing	(1,752)	\$(124,054,562)	\$(698,141,285)
Wholesaling	(426)	\$(37,948,131)	\$(142,343,685)
Retailing	(1,413)	\$(49,632,211)	\$(128,929,401)
Transportation and Communication	(2,798)	\$(259,857,704)	\$(1,054,191,173)
Finance, Insurance and Real Estate	(4,176)	\$(212,863,919)	\$(1,208,572,125)
Business and Personal Services	(13,006)	\$(806,475,393)	\$(1,603,315,733)
Travel and Entertainment	(10,652)	\$(252,902,156)	\$(793,498,807)
Other	(405)	\$(18,294,849)	\$(39,179,267)
Total	(38,209)	\$(1,971,354,751)	\$(6,243,309,792)

Tort Reform in Hawaii

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Hawaii** can reap the benefits of a more efficient judicial system while growing the economy.

Were Hawaii to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$734,746,000.

This means that the residents are in effect paying a “Tort Tax” of \$519 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 7,419 additional jobs and \$1.35 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Hawaii

	Direct	Supplier & Induced	Total
Jobs	4,016	3,403	7,419
Wages	\$253,536,319	\$182,087,563	\$435,623,883
Economic Output	\$764,828,468	\$581,946,345	\$1,346,774,813
Tax Revenues			\$96,009,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Hawaii** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Hawaii

Industry	Jobs	Wages	Output
Construction	(750)	\$(62,925,898)	\$(145,333,246)
Manufacturing	(77)	\$(4,557,889)	\$(37,617,824)
Wholesaling	35	\$2,568,946	\$8,259,118
Retailing	73	\$204,393	\$6,599,356
Transportation and Communication	(653)	\$(47,853,080)	\$(241,781,860)
Finance, Insurance and Real Estate	(1,068)	\$(51,197,229)	\$(322,003,986)
Business and Personal Services	(2,977)	\$(192,964,948)	\$(381,397,684)
Travel and Entertainment	(2,082)	\$(86,122,639)	\$(238,606,576)
Other	80	\$7,224,462	\$5,107,891
Total	(7,420)	\$(435,623,883)	\$(1,346,774,813)

Tort Reform in Idaho

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Idaho** can reap the benefits of a more efficient judicial system while growing the economy.

Were Idaho to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$381,594,000.

This means that the residents are in effect paying a “Tort Tax” of \$214 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 4,232 additional jobs and \$685.87 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Idaho

	Direct	Supplier & Induced	Total
Jobs	2,299	1,933	4,232
Wages	\$111,373,037	\$86,564,713	\$197,937,749
Economic Output	\$395,423,124	\$290,448,318	\$685,871,442
Tax Revenues			\$29,780,400

Industries Are Harmed by the Lack of Tort Reform

Industries across **Idaho** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Idaho

Industry	Jobs	Wages	Output
Construction	(722)	\$(37,601,840)	\$(112,883,799)
Manufacturing	(233)	\$(23,031,581)	\$(104,282,331)
Wholesaling	(22)	\$(1,631,582)	\$(6,360,272)
Retailing	(78)	\$(3,176,880)	\$(6,537,735)
Transportation and Communication	(303)	\$(18,981,177)	\$(105,404,503)
Finance, Insurance and Real Estate	(499)	\$(17,393,159)	\$(120,902,856)
Business and Personal Services	(1,238)	\$(69,442,315)	\$(145,844,745)
Travel and Entertainment	(1,137)	\$(26,580,141)	\$(85,929,544)
Other	(1)	\$(99,075)	\$2,274,342
Total	(4,232)	\$(197,937,749)	\$(685,871,442)

Tort Reform in Illinois

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Illinois** can reap the benefits of a more efficient judicial system while growing the economy.

Were Illinois to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$13,290,561,000.

This means that the residents are in effect paying a “Tort Tax” of \$1,049 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 140,630 additional jobs and \$27.51 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Illinois

	Direct	Supplier & Induced	Total
Jobs	66,174	74,456	140,630
Wages	\$4,786,103,677	\$4,781,241,558	\$9,567,345,236
Economic Output	\$13,821,658,522	\$13,688,670,210	\$27,510,328,732
Tax Revenues			\$1,528,467,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Illinois** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Illinois

Industry	Jobs	Wages	Output
Construction	(6,591)	\$(446,436,272)	\$(1,138,041,728)
Manufacturing	(5,532)	\$(519,687,620)	\$(2,588,072,189)
Wholesaling	(1,024)	\$(111,795,797)	\$(382,536,199)
Retailing	(5,470)	\$(195,635,026)	\$(518,928,058)
Transportation and Communication	(8,430)	\$(672,121,380)	\$(3,005,223,655)
Finance, Insurance and Real Estate	(22,919)	\$(1,635,328,479)	\$(7,340,613,871)
Business and Personal Services	(62,584)	\$(5,005,671,422)	\$(9,466,988,912)
Travel and Entertainment	(24,659)	\$(864,871,326)	\$(2,448,361,266)
Other	(3,421)	\$(115,797,913)	\$(621,562,854)
Total	(140,630)	\$(9,567,345,236)	\$(27,510,328,732)

Tort Reform in Indiana

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Indiana** can reap the benefits of a more efficient judicial system while growing the economy.

Were Indiana to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,075,317,000.

This means that the residents are in effect paying a “Tort Tax” of \$160 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 10,437 additional jobs and \$1.90 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Indiana

	Direct	Supplier & Induced	Total
Jobs	5,618	4,819	10,437
Wages	\$312,554,497	\$258,375,581	\$570,930,078
Economic Output	\$1,121,807,720	\$781,846,117	\$1,903,653,836
Tax Revenues			\$119,545,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **Indiana** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Indiana

Industry	Jobs	Wages	Output
Construction	(1,226)	\$(74,774,457)	\$(184,178,875)
Manufacturing	(965)	\$(77,482,069)	\$(427,628,323)
Wholesaling	(128)	\$(11,585,135)	\$(39,814,451)
Retailing	(321)	\$(11,610,158)	\$(28,522,528)
Transportation and Communication	(774)	\$(54,594,574)	\$(267,236,434)
Finance, Insurance and Real Estate	(857)	\$(59,859,420)	\$(264,815,174)
Business and Personal Services	(3,192)	\$(195,347,651)	\$(406,532,997)
Travel and Entertainment	(3,003)	\$(87,829,505)	\$(295,596,806)
Other	28	\$2,152,892	\$10,671,752
Total	(10,438)	\$(570,930,078)	\$(1,903,653,836)

Tort Reform in Iowa

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Iowa** can reap the benefits of a more efficient judicial system while growing the economy.

Were Iowa to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$154,893,000.

This means that the residents are in effect paying a “Tort Tax” of \$49 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 1,553 additional jobs and \$270.78 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Iowa

	Direct	Supplier & Induced	Total
Jobs	872	681	1,553
Wages	\$45,913,218	\$32,907,410	\$78,820,629
Economic Output	\$161,557,103	\$109,222,754	\$270,779,857
Tax Revenues			\$14,749,300

Industries Are Harmed by the Lack of Tort Reform

Industries across **Iowa** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Iowa

Industry	Jobs	Wages	Output
Construction	(180)	\$(11,095,732)	\$(26,798,667)
Manufacturing	(103)	\$(8,918,393)	\$(41,814,957)
Wholesaling	(17)	\$(1,518,012)	\$(5,424,030)
Retailing	(61)	\$(1,974,108)	\$(5,071,889)
Transportation and Communication	(107)	\$(7,547,625)	\$(38,449,802)
Finance, Insurance and Real Estate	(192)	\$(9,949,062)	\$(57,071,537)
Business and Personal Services	(473)	\$(27,517,051)	\$(57,754,221)
Travel and Entertainment	(388)	\$(8,980,924)	\$(32,159,898)
Other	(32)	\$(1,319,722)	\$(6,234,856)
Total	(1,554)	\$(78,820,629)	\$(270,779,857)

Tort Reform in Kansas

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Kansas** can reap the benefits of a more efficient judicial system while growing the economy.

Were Kansas to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$721,688,000.

This means that the residents are in effect paying a “Tort Tax” of \$248 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 7,916 additional jobs and \$1.27 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Kansas

	Direct	Supplier & Induced	Total
Jobs	4,643	3,273	7,916
Wages	\$238,044,391	\$158,717,556	\$396,761,947
Economic Output	\$743,487,719	\$525,807,284	\$1,269,295,003
Tax Revenues			\$67,184,200

Industries Are Harmed by the Lack of Tort Reform

Industries across **Kansas** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Kansas

Industry	Jobs	Wages	Output
Construction	(926)	\$(54,248,919)	\$(139,150,996)
Manufacturing	(485)	\$(34,053,593)	\$(215,323,188)
Wholesaling	(43)	\$(3,985,610)	\$(14,260,229)
Retailing	(205)	\$(7,057,860)	\$(19,248,172)
Transportation and Communication	(649)	\$(59,758,961)	\$(265,286,611)
Finance, Insurance and Real Estate	(951)	\$(42,639,213)	\$(240,550,937)
Business and Personal Services	(2,657)	\$(162,473,700)	\$(350,824,010)
Travel and Entertainment	(2,672)	\$(53,116,099)	\$(198,705,863)
Other	672	\$20,572,008	\$174,055,002
Total	(7,916)	\$(396,761,947)	\$(1,269,295,003)

Tort Reform in Kentucky

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Kentucky** can reap the benefits of a more efficient judicial system while growing the economy.

Were Kentucky to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,059,955,000.

This means that the residents are in effect paying a “Tort Tax” of \$237 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 11,598 additional jobs and \$1.93 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Kentucky

	Direct	Supplier & Induced	Total
Jobs	6,208	5,390	11,598
Wages	\$317,131,071	\$260,445,665	\$577,576,737
Economic Output	\$1,102,324,682	\$824,593,083	\$1,926,917,765
Tax Revenues			\$91,588,900

Industries Are Harmed by the Lack of Tort Reform

Industries across **Kentucky** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Kentucky

Industry	Jobs	Wages	Output
Construction	(932)	\$(51,790,720)	\$(140,879,457)
Manufacturing	(647)	\$(46,186,807)	\$(290,587,751)
Wholesaling	(115)	\$(9,251,797)	\$(35,973,532)
Retailing	(476)	\$(14,878,711)	\$(39,975,227)
Transportation and Communication	(799)	\$(55,850,243)	\$(266,050,564)
Finance, Insurance and Real Estate	(1,475)	\$(72,669,934)	\$(390,855,196)
Business and Personal Services	(4,425)	\$(253,587,050)	\$(539,411,473)
Travel and Entertainment	(2,381)	\$(59,531,757)	\$(181,168,730)
Other	(347)	\$(13,829,717)	\$(42,015,836)
Total	(11,598)	\$(577,576,737)	\$(1,926,917,765)

Tort Reform in Louisiana

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Louisiana** can reap the benefits of a more efficient judicial system while growing the economy.

Were Louisiana to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$2,096,012,000.

This means that the residents are in effect paying a “Tort Tax” of \$451 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 22,550 additional jobs and \$3.87 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Louisiana

	Direct	Supplier & Induced	Total
Jobs	12,243	10,307	22,550
Wages	\$627,610,160	\$489,273,744	\$1,116,883,904
Economic Output	\$2,210,215,326	\$1,656,390,869	\$3,866,606,195
Tax Revenues			\$228,894,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **Louisiana** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Louisiana

Industry	Jobs	Wages	Output
Construction	(2,647)	\$(164,078,201)	\$(385,439,573)
Manufacturing	(637)	\$(49,821,541)	\$(481,779,999)
Wholesaling	(226)	\$(19,001,673)	\$(67,585,672)
Retailing	(773)	\$(26,835,103)	\$(73,961,645)
Transportation and Communication	(1,205)	\$(80,977,466)	\$(409,931,824)
Finance, Insurance and Real Estate	(2,685)	\$(96,820,638)	\$(644,735,064)
Business and Personal Services	(7,717)	\$(446,128,877)	\$(951,193,502)
Travel and Entertainment	(5,609)	\$(163,423,146)	\$(545,116,128)
Other	(1,050)	\$(69,797,259)	\$(306,862,787)
Total	(22,550)	\$(1,116,883,904)	\$(3,866,606,195)

Tort Reform in Maine

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Maine** can reap the benefits of a more efficient judicial system while growing the economy.

Were Maine to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$661,217,000.

This means that the residents are in effect paying a “Tort Tax” of \$492 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 9,172 additional jobs and \$1.30 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Maine

	Direct	Supplier & Induced	Total
Jobs	5,071	4,101	9,172
Wages	\$234,085,340	\$191,850,675	\$425,936,015
Economic Output	\$689,779,416	\$609,938,979	\$1,299,718,395
Tax Revenues			\$80,360,300

Industries Are Harmed by the Lack of Tort Reform

Industries across **Maine** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Maine

Industry	Jobs	Wages	Output
Construction	(1,170)	\$(61,461,492)	\$(148,294,719)
Manufacturing	(187)	\$(11,753,554)	\$(69,751,908)
Wholesaling	(74)	\$(5,706,959)	\$(23,645,168)
Retailing	(246)	\$(8,827,297)	\$(21,624,077)
Transportation and Communication	(390)	\$(22,036,545)	\$(112,819,505)
Finance, Insurance and Real Estate	(1,076)	\$(50,183,625)	\$(285,879,695)
Business and Personal Services	(3,032)	\$(180,173,673)	\$(370,501,526)
Travel and Entertainment	(2,840)	\$(79,886,468)	\$(248,746,329)
Other	(156)	\$(5,906,402)	\$(18,455,469)
Total	(9,171)	\$(425,936,015)	\$(1,299,718,395)

Tort Reform in Maryland

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Maryland** can reap the benefits of a more efficient judicial system while growing the economy.

Were Maryland to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$3,735,892,000.

This means that the residents are in effect paying a “Tort Tax” of \$618 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 39,887 additional jobs and \$7.16 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Maryland

	Direct	Supplier & Induced	Total
Jobs	21,169	18,718	39,887
Wages	\$1,413,921,427	\$1,168,416,422	\$2,582,337,849
Economic Output	\$3,879,463,397	\$3,284,559,377	\$7,164,022,774
Tax Revenues			\$448,058,800

Industries Are Harmed by the Lack of Tort Reform

Industries across **Maryland** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Maryland

Industry	Jobs	Wages	Output
Construction	(4,457)	\$(298,864,296)	\$(707,373,891)
Manufacturing	(493)	\$(47,519,839)	\$(223,653,127)
Wholesaling	(376)	\$(36,090,409)	\$(126,774,831)
Retailing	(817)	\$(36,266,818)	\$(79,916,928)
Transportation and Communication	(2,512)	\$(219,707,547)	\$(934,171,565)
Finance, Insurance and Real Estate	(6,215)	\$(443,018,226)	\$(1,874,745,824)
Business and Personal Services	(16,626)	\$(1,196,212,086)	\$(2,337,601,967)
Travel and Entertainment	(8,347)	\$(309,501,129)	\$(859,361,135)
Other	(43)	\$4,842,502	\$(20,423,506)
Total	(39,887)	\$(2,582,337,849)	\$(7,164,022,774)

Tort Reform in Massachusetts

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Massachusetts** can reap the benefits of a more efficient judicial system while growing the economy.

Were Massachusetts to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$6,951,016,000.

This means that the residents are in effect paying a “Tort Tax” of \$1,008 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 70,416 additional jobs and \$14.15 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Massachusetts

	Direct	Supplier & Induced	Total
Jobs	33,740	36,676	70,416
Wages	\$2,880,318,130	\$2,662,025,239	\$5,542,343,369
Economic Output	\$7,193,630,340	\$6,956,659,002	\$14,150,289,342
Tax Revenues			\$702,526,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Massachusetts** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Massachusetts

Industry	Jobs	Wages	Output
Construction	(5,671)	\$(471,370,759)	\$(954,881,994)
Manufacturing	(1,467)	\$(168,073,577)	\$(739,122,159)
Wholesaling	(800)	\$(94,661,894)	\$(284,679,402)
Retailing	(1,956)	\$(84,572,156)	\$(178,510,062)
Transportation and Communication	(4,552)	\$(450,688,877)	\$(1,924,189,605)
Finance, Insurance and Real Estate	(11,310)	\$(1,005,918,720)	\$(3,851,583,983)
Business and Personal Services	(30,805)	\$(2,701,896,546)	\$(4,904,077,540)
Travel and Entertainment	(13,445)	\$(542,302,076)	\$(1,257,959,838)
Other	(408)	\$(22,858,764)	\$(55,284,758)
Total	(70,415)	\$(5,542,343,369)	\$(14,150,289,342)

Tort Reform in Michigan

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Michigan** can reap the benefits of a more efficient judicial system while growing the economy.

Were Michigan to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$2,839,793,000.

This means that the residents are in effect paying a “Tort Tax” of \$284 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 33,758 additional jobs and \$5.70 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Michigan

	Direct	Supplier & Induced	Total
Jobs	16,783	16,975	33,758
Wages	\$955,126,169	\$919,674,996	\$1,874,801,166
Economic Output	\$2,953,205,146	\$2,748,718,333	\$5,701,923,480
Tax Revenues			\$288,678,300

Industries Are Harmed by the Lack of Tort Reform

Industries across **Michigan** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Michigan

Industry	Jobs	Wages	Output
Construction	(2,829)	\$(181,168,671)	\$(464,389,213)
Manufacturing	(2,231)	\$(188,202,674)	\$(846,272,169)
Wholesaling	(461)	\$(44,613,474)	\$(149,812,694)
Retailing	(1,407)	\$(49,587,023)	\$(129,818,870)
Transportation and Communication	(1,893)	\$(148,883,942)	\$(679,865,143)
Finance, Insurance and Real Estate	(4,403)	\$(213,832,965)	\$(1,163,712,954)
Business and Personal Services	(12,539)	\$(835,932,576)	\$(1,628,859,324)
Travel and Entertainment	(7,327)	\$(189,299,842)	\$(570,215,434)
Other	(669)	\$(23,280,000)	\$(68,977,679)
Total	(33,758)	\$(1,874,801,166)	\$(5,701,923,480)

Tort Reform in Minnesota

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Minnesota** can reap the benefits of a more efficient judicial system while growing the economy.

Were Minnesota to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$3,211,825,000.

This means that the residents are in effect paying a “Tort Tax” of \$570 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 33,573 additional jobs and \$6.33 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Minnesota

	Direct	Supplier & Induced	Total
Jobs	16,466	17,107	33,573
Wages	\$966,533,089	\$1,061,291,130	\$2,027,824,219
Economic Output	\$3,338,206,177	\$2,991,145,261	\$6,329,351,439
Tax Revenues			\$365,058,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Minnesota** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Minnesota

Industry	Jobs	Wages	Output
Construction	(3,239)	\$(234,057,594)	\$(532,627,046)
Manufacturing	(3,736)	\$(345,025,906)	\$(1,633,902,088)
Wholesaling	(651)	\$(74,393,615)	\$(214,693,764)
Retailing	(865)	\$(32,870,389)	\$(75,506,734)
Transportation and Communication	(2,927)	\$(245,209,065)	\$(1,051,422,197)
Finance, Insurance and Real Estate	(2,392)	\$(153,128,222)	\$(772,431,991)
Business and Personal Services	(9,157)	\$(659,568,747)	\$(1,195,335,678)
Travel and Entertainment	(9,880)	\$(264,976,188)	\$(777,420,191)
Other	(727)	\$(18,594,492)	\$(76,011,750)
Total	(33,574)	\$(2,027,824,219)	\$(6,329,351,439)

Tort Reform in Mississippi

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Mississippi** can reap the benefits of a more efficient judicial system while growing the economy.

Were Mississippi to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$701,896,000.

This means that the residents are in effect paying a “Tort Tax” of \$236 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 8,043 additional jobs and \$1.19 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Mississippi

	Direct	Supplier & Induced	Total
Jobs	4,924	3,119	8,043
Wages	\$184,520,139	\$122,137,256	\$306,657,394
Economic Output	\$734,601,184	\$456,252,523	\$1,190,853,706
Tax Revenues			\$74,073,000

Industries Are Harmed by the Lack of Tort Reform

Industries across **Mississippi** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Mississippi

Industry	Jobs	Wages	Output
Construction	(1,038)	\$(48,531,259)	\$(139,815,922)
Manufacturing	(456)	\$(26,440,854)	\$(191,556,619)
Wholesaling	(88)	\$(6,097,909)	\$(25,014,558)
Retailing	(200)	\$(6,485,168)	\$(18,549,673)
Transportation and Communication	(454)	\$(25,953,792)	\$(161,269,424)
Finance, Insurance and Real Estate	(712)	\$(21,737,307)	\$(168,256,587)
Business and Personal Services	(2,269)	\$(105,719,632)	\$(240,542,676)
Travel and Entertainment	(2,662)	\$(59,840,649)	\$(228,713,797)
Other	(164)	\$(5,850,824)	\$(17,134,450)
Total	(8,043)	\$(306,657,394)	\$(1,190,853,706)

Tort Reform in Missouri

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Missouri** can reap the benefits of a more efficient judicial system while growing the economy.

Were Missouri to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,714,283,000.

This means that the residents are in effect paying a “Tort Tax” of \$279 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 20,880 additional jobs and \$3.38 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Missouri

	Direct	Supplier & Induced	Total
Jobs	11,052	9,828	20,880
Wages	\$557,658,271	\$515,744,735	\$1,073,403,005
Economic Output	\$1,787,865,847	\$1,596,739,518	\$3,384,605,366
Tax Revenues			\$169,818,900

Industries Are Harmed by the Lack of Tort Reform

Industries across **Missouri** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Missouri

Industry	Jobs	Wages	Output
Construction	(2,452)	\$(146,843,427)	\$(348,287,045)
Manufacturing	(997)	\$(70,605,393)	\$(387,424,186)
Wholesaling	(289)	\$(25,641,820)	\$(89,025,861)
Retailing	(707)	\$(23,371,957)	\$(60,657,567)
Transportation and Communication	(1,290)	\$(96,906,814)	\$(499,267,379)
Finance, Insurance and Real Estate	(2,292)	\$(118,323,256)	\$(620,965,830)
Business and Personal Services	(6,350)	\$(401,422,291)	\$(805,576,402)
Travel and Entertainment	(6,035)	\$(170,002,301)	\$(524,987,251)
Other	(469)	\$(20,285,746)	\$(48,413,842)
Total	(20,880)	\$(1,073,403,005)	\$(3,384,605,366)

Tort Reform in Montana

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Montana** can reap the benefits of a more efficient judicial system while growing the economy.

Were Montana to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$355,160,000.

This means that the residents are in effect paying a “Tort Tax” of \$332 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 4,865 additional jobs and \$628.29 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Montana

	Direct	Supplier & Induced	Total
Jobs	2,980	1,885	4,865
Wages	\$102,994,459	\$79,097,532	\$182,091,990
Economic Output	\$369,016,195	\$259,277,216	\$628,293,411
Tax Revenues			\$32,298,000

Industries Are Harmed by the Lack of Tort Reform

Industries across **Montana** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Montana

Industry	Jobs	Wages	Output
Construction	(776)	\$(43,586,811)	\$(112,735,996)
Manufacturing	(143)	\$(7,963,488)	\$(65,471,036)
Wholesaling	(45)	\$(3,141,680)	\$(11,818,397)
Retailing	(116)	\$(4,861,141)	\$(9,633,148)
Transportation and Communication	(295)	\$(20,544,311)	\$(108,505,035)
Finance, Insurance and Real Estate	(312)	\$(11,787,139)	\$(79,125,401)
Business and Personal Services	(919)	\$(50,941,888)	\$(102,410,003)
Travel and Entertainment	(2,372)	\$(53,523,369)	\$(200,852,362)
Other	113	\$14,257,837	\$62,257,968
Total	(4,865)	\$(182,091,990)	\$(628,293,411)

Tort Reform in Nebraska

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Nebraska** can reap the benefits of a more efficient judicial system while growing the economy.

Were Nebraska to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$569,496,000.

This means that the residents are in effect paying a “Tort Tax” of \$294 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 6,091 additional jobs and \$1.05 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Nebraska

	Direct	Supplier & Induced	Total
Jobs	3,329	2,762	6,091
Wages	\$172,618,139	\$140,604,866	\$313,223,005
Economic Output	\$594,182,503	\$458,334,817	\$1,052,517,320
Tax Revenues			\$47,324,200

Industries Are Harmed by the Lack of Tort Reform

Industries across **Nebraska** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Nebraska

Industry	Jobs	Wages	Output
Construction	(877)	\$(44,952,136)	\$(109,064,297)
Manufacturing	(283)	\$(18,547,771)	\$(114,331,725)
Wholesaling	(79)	\$(6,920,370)	\$(26,647,301)
Retailing	(285)	\$(8,975,163)	\$(25,202,843)
Transportation and Communication	(474)	\$(44,229,982)	\$(186,006,183)
Finance, Insurance and Real Estate	(781)	\$(39,222,482)	\$(218,083,308)
Business and Personal Services	(1,828)	\$(111,372,529)	\$(234,802,109)
Travel and Entertainment	(1,360)	\$(29,448,212)	\$(105,249,216)
Other	(123)	\$(9,554,360)	\$(33,130,338)
Total	(6,091)	\$(313,223,005)	\$(1,052,517,320)

Tort Reform in Nevada

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Nevada** can reap the benefits of a more efficient judicial system while growing the economy.

Were Nevada to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,377,261,000.

This means that the residents are in effect paying a “Tort Tax” of \$447 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 15,582 additional jobs and \$2.53 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Nevada

	Direct	Supplier & Induced	Total
Jobs	8,826	6,756	15,582
Wages	\$455,163,783	\$342,590,211	\$797,753,993
Economic Output	\$1,435,667,349	\$1,099,307,999	\$2,534,975,348
Tax Revenues			\$175,881,400

Industries Are Harmed by the Lack of Tort Reform

Industries across **Nevada** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Nevada

Industry	Jobs	Wages	Output
Construction	(992)	\$(64,940,104)	\$(163,364,036)
Manufacturing	(250)	\$(17,390,010)	\$(85,897,603)
Wholesaling	(133)	\$(11,766,521)	\$(40,728,624)
Retailing	(405)	\$(16,009,588)	\$(40,447,888)
Transportation and Communication	(920)	\$(64,178,580)	\$(307,210,003)
Finance, Insurance and Real Estate	(2,404)	\$(61,839,136)	\$(537,094,510)
Business and Personal Services	(5,037)	\$(321,345,690)	\$(635,077,555)
Travel and Entertainment	(5,328)	\$(234,327,458)	\$(707,555,881)
Other	(114)	\$(5,956,906)	\$(17,599,248)
Total	(15,583)	\$(797,753,993)	\$(2,534,975,348)

Tort Reform in New Hampshire

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **New Hampshire** can reap the benefits of a more efficient judicial system while growing the economy.

Were New Hampshire to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$742,920,000.

This means that the residents are in effect paying a “Tort Tax” of \$546 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 8,550 additional jobs and \$1.44 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in New Hampshire

	Direct	Supplier & Induced	Total
Jobs	4,606	3,944	8,550
Wages	\$286,467,562	\$233,689,776	\$520,157,339
Economic Output	\$771,961,486	\$665,423,323	\$1,437,384,809
Tax Revenues			\$75,982,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **New Hampshire** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in New Hampshire

Industry	Jobs	Wages	Output
Construction	(982)	\$(73,315,775)	\$(128,503,401)
Manufacturing	(296)	\$(28,618,387)	\$(109,788,934)
Wholesaling	(105)	\$(10,572,676)	\$(37,328,643)
Retailing	(419)	\$(16,854,564)	\$(36,088,562)
Transportation and Communication	(362)	\$(30,839,193)	\$(126,190,490)
Finance, Insurance and Real Estate	(1,192)	\$(69,679,712)	\$(364,875,672)
Business and Personal Services	(2,960)	\$(212,375,596)	\$(410,194,419)
Travel and Entertainment	(2,132)	\$(73,322,824)	\$(211,043,916)
Other	(102)	\$(4,578,612)	\$(13,370,771)
Total	(8,550)	\$(520,157,339)	\$(1,437,384,809)

Tort Reform in New Jersey

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **New Jersey** can reap the benefits of a more efficient judicial system while growing the economy.

Were New Jersey to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$5,208,230,000.

This means that the residents are in effect paying a “Tort Tax” of \$586 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 54,208 additional jobs and \$10.58 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in New Jersey

	Direct	Supplier & Induced	Total
Jobs	26,458	27,750	54,208
Wages	\$2,064,058,792	\$1,923,657,766	\$3,987,716,559
Economic Output	\$5,403,043,345	\$5,178,466,909	\$10,581,510,253
Tax Revenues			\$641,200,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **New Jersey** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in New Jersey

Industry	Jobs	Wages	Output
Construction	(3,465)	\$(278,228,439)	\$(625,737,604)
Manufacturing	(1,744)	\$(195,256,855)	\$(846,718,262)
Wholesaling	(382)	\$(42,856,481)	\$(132,417,486)
Retailing	(2,627)	\$(120,206,399)	\$(274,997,435)
Transportation and Communication	(3,984)	\$(380,916,154)	\$(1,503,326,511)
Finance, Insurance and Real Estate	(10,178)	\$(648,592,388)	\$(2,802,827,047)
Business and Personal Services	(21,940)	\$(1,917,252,174)	\$(3,469,049,695)
Travel and Entertainment	(8,673)	\$(313,034,310)	\$(779,134,671)
Other	(1,214)	\$(91,373,359)	\$(147,301,543)
Total	(54,208)	\$(3,987,716,559)	\$(10,581,510,253)

Tort Reform in New Mexico

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **New Mexico** can reap the benefits of a more efficient judicial system while growing the economy.

Were New Mexico to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$666,852,000.

This means that the residents are in effect paying a “Tort Tax” of \$318 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 8,820 additional jobs and \$1.14 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in New Mexico

	Direct	Supplier & Induced	Total
Jobs	5,682	3,138	8,820
Wages	\$197,198,943	\$127,402,003	\$324,600,946
Economic Output	\$676,854,658	\$463,589,928	\$1,140,444,587
Tax Revenues			\$65,395,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **New Mexico** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in New Mexico

Industry	Jobs	Wages	Output
Construction	(1,897)	\$(99,445,298)	\$(268,761,905)
Manufacturing	(279)	\$(12,782,478)	\$(112,428,495)
Wholesaling	(20)	\$(805,199)	\$(4,960,538)
Retailing	80	\$1,051,033	\$5,893,493
Transportation and Communication	(751)	\$(52,519,389)	\$(370,168,842)
Finance, Insurance and Real Estate	(754)	\$(28,460,389)	\$(208,202,267)
Business and Personal Services	(2,288)	\$(121,296,071)	\$(246,470,469)
Travel and Entertainment	(3,850)	\$(91,952,342)	\$(312,341,962)
Other	940	\$81,609,187	\$376,996,398
Total	(8,820)	\$(324,600,946)	\$(1,140,444,587)

Tort Reform in New York

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **New York** can reap the benefits of a more efficient judicial system while growing the economy.

Were New York to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$28,211,895,000.

This means that the residents are in effect paying a “Tort Tax” of \$1,450 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 244,556 additional jobs and \$53.03 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in New York

	Direct	Supplier & Induced	Total
Jobs	128,647	115,909	244,556
Wages	\$9,985,278,555	\$9,133,461,934	\$19,118,740,489
Economic Output	\$29,349,678,758	\$23,677,195,826	\$53,026,874,585
Tax Revenues			\$4,048,500,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **New York** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in New York

Industry	Jobs	Wages	Output
Construction	(25,915)	\$(2,001,805,636)	\$(4,575,311,871)
Manufacturing	(12,870)	\$(1,182,838,022)	\$(5,359,320,825)
Wholesaling	(3,150)	\$(343,966,630)	\$(1,088,479,632)
Retailing	(11,755)	\$(528,136,539)	\$(1,303,383,830)
Transportation and Communication	(24,236)	\$(2,972,497,927)	\$(13,173,054,972)
Finance, Insurance and Real Estate	(22,706)	\$(2,380,802,264)	\$(8,945,090,045)
Business and Personal Services	(81,886)	\$(6,695,092,156)	\$(11,680,746,804)
Travel and Entertainment	(53,789)	\$(2,461,293,187)	\$(6,105,954,856)
Other	(8,249)	\$(552,308,128)	\$(795,531,750)
Total	(244,556)	\$(19,118,740,489)	\$(53,026,874,585)

Tort Reform in North Carolina

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **North Carolina** can reap the benefits of a more efficient judicial system while growing the economy.

Were North Carolina to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,997,212,000.

This means that the residents are in effect paying a “Tort Tax” of \$190 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 22,340 additional jobs and \$3.85 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in North Carolina

	Direct	Supplier & Induced	Total
Jobs	11,533	10,807	22,340
Wages	\$612,718,156	\$565,733,981	\$1,178,452,137
Economic Output	\$2,074,800,527	\$1,775,719,606	\$3,850,520,132
Tax Revenues			\$185,021,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **North Carolina** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in North Carolina

Industry	Jobs	Wages	Output
Construction	(2,938)	\$(166,647,984)	\$(424,954,164)
Manufacturing	(1,497)	\$(114,147,469)	\$(657,998,216)
Wholesaling	(443)	\$(39,646,712)	\$(136,849,866)
Retailing	(876)	\$(29,740,707)	\$(75,409,826)
Transportation and Communication	(1,710)	\$(129,117,068)	\$(623,210,729)
Finance, Insurance and Real Estate	(2,149)	\$(115,727,830)	\$(634,698,995)
Business and Personal Services	(6,521)	\$(404,495,133)	\$(816,304,976)
Travel and Entertainment	(6,259)	\$(178,807,793)	\$(493,394,504)
Other	52	\$(121,441)	\$12,301,143
Total	(22,341)	\$(1,178,452,137)	\$(3,850,520,132)

Tort Reform in North Dakota

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **North Dakota** can reap the benefits of a more efficient judicial system while growing the economy.

Were North Dakota to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$145,016,000.

This means that the residents are in effect paying a “Tort Tax” of \$190 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 1,636 additional jobs and \$250.60 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in North Dakota

	Direct	Supplier & Induced	Total
Jobs	1,033	603	1,636
Wages	\$43,679,331	\$30,635,648	\$74,314,978
Economic Output	\$150,994,411	\$99,601,118	\$250,595,529
Tax Revenues			\$10,225,900

Industries Are Harmed by the Lack of Tort Reform

Industries across **North Dakota** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in North Dakota

Industry	Jobs	Wages	Output
Construction	(241)	\$(17,375,103)	\$(41,699,249)
Manufacturing	(77)	\$(5,327,894)	\$(36,112,867)
Wholesaling	(23)	\$(1,952,371)	\$(7,175,691)
Retailing	(34)	\$(1,431,551)	\$(3,124,246)
Transportation and Communication	(133)	\$(13,132,841)	\$(55,637,432)
Finance, Insurance and Real Estate	(179)	\$(8,477,070)	\$(44,435,955)
Business and Personal Services	(404)	\$(25,666,564)	\$(51,478,450)
Travel and Entertainment	(596)	\$(11,483,776)	\$(45,907,744)
Other	50	\$10,532,191	\$34,976,105
Total	(1,637)	\$(74,314,978)	\$(250,595,529)

Tort Reform in Ohio

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Ohio** can reap the benefits of a more efficient judicial system while growing the economy.

Were Ohio to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$824,938,000.

This means that the residents are in effect paying a “Tort Tax” of \$71 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 9,241 additional jobs and \$1.65 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Ohio

	Direct	Supplier & Induced	Total
Jobs	4,617	4,624	9,241
Wages	\$264,916,247	\$250,396,900	\$515,313,146
Economic Output	\$859,086,434	\$789,304,078	\$1,648,390,512
Tax Revenues			\$85,593,100

Industries Are Harmed by the Lack of Tort Reform

Industries across **Ohio** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Ohio

Industry	Jobs	Wages	Output
Construction	(913)	\$(59,831,394)	\$(143,157,114)
Manufacturing	(681)	\$(51,391,846)	\$(267,890,846)
Wholesaling	(130)	\$(11,722,261)	\$(39,922,436)
Retailing	(346)	\$(11,996,090)	\$(32,852,337)
Transportation and Communication	(711)	\$(55,295,055)	\$(255,947,261)
Finance, Insurance and Real Estate	(984)	\$(48,955,738)	\$(302,086,216)
Business and Personal Services	(3,261)	\$(209,536,612)	\$(420,879,789)
Travel and Entertainment	(2,131)	\$(63,694,440)	\$(191,611,029)
Other	(84)	\$(2,889,711)	\$5,956,516
Total	(9,241)	\$(515,313,146)	\$(1,648,390,512)

Tort Reform in Oklahoma

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Oklahoma** can reap the benefits of a more efficient judicial system while growing the economy.

Were Oklahoma to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$818,196,000.

This means that the residents are in effect paying a “Tort Tax” of \$207 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 8,243 additional jobs and \$1.51 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Oklahoma

	Direct	Supplier & Induced	Total
Jobs	4,344	3,899	8,243
Wages	\$225,440,151	\$195,651,674	\$421,091,825
Economic Output	\$870,231,152	\$642,293,087	\$1,512,524,238
Tax Revenues			\$77,918,300

Industries Are Harmed by the Lack of Tort Reform

Industries across **Oklahoma** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Oklahoma

Industry	Jobs	Wages	Output
Construction	(823)	\$(45,036,251)	\$(114,998,811)
Manufacturing	(250)	\$(18,356,101)	\$(119,374,105)
Wholesaling	(106)	\$(8,123,311)	\$(29,613,220)
Retailing	(356)	\$(11,408,629)	\$(30,852,859)
Transportation and Communication	(405)	\$(40,200,164)	\$(163,241,767)
Finance, Insurance and Real Estate	(1,058)	\$(37,585,201)	\$(247,376,093)
Business and Personal Services	(2,628)	\$(149,552,321)	\$(315,230,507)
Travel and Entertainment	(1,641)	\$(40,137,654)	\$(130,286,816)
Other	(975)	\$(70,692,194)	\$(361,550,061)
Total	(8,242)	\$(421,091,825)	\$(1,512,524,238)

Tort Reform in Oregon

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Oregon** can reap the benefits of a more efficient judicial system while growing the economy.

Were Oregon to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,498,896,000.

This means that the residents are in effect paying a “Tort Tax” of \$355 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 15,364 additional jobs and \$2.86 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Oregon

	Direct	Supplier & Induced	Total
Jobs	7,425	7,939	15,364
Wages	\$499,013,572	\$458,935,530	\$957,949,102
Economic Output	\$1,542,417,648	\$1,318,474,522	\$2,860,892,171
Tax Revenues			\$134,731,300

Industries Are Harmed by the Lack of Tort Reform

Industries across **Oregon** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Oregon

Industry	Jobs	Wages	Output
Construction	(1,263)	\$(89,611,772)	\$(208,355,375)
Manufacturing	(1,263)	\$(134,222,579)	\$(593,156,234)
Wholesaling	(193)	\$(17,545,869)	\$(55,506,119)
Retailing	(804)	\$(30,525,758)	\$(68,040,645)
Transportation and Communication	(1,021)	\$(85,339,232)	\$(344,945,595)
Finance, Insurance and Real Estate	(1,680)	\$(84,725,512)	\$(495,360,932)
Business and Personal Services	(5,514)	\$(397,863,533)	\$(782,429,761)
Travel and Entertainment	(3,195)	\$(96,720,444)	\$(258,587,276)
Other	(430)	\$(21,394,402)	\$(54,510,232)
Total	(15,363)	\$(957,949,102)	\$(2,860,892,171)

Tort Reform in Pennsylvania

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Pennsylvania** can reap the benefits of a more efficient judicial system while growing the economy.

Were Pennsylvania to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$14,276,971,000.

This means that the residents are in effect paying a “Tort Tax” of \$1,115 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 150,594 additional jobs and \$31.50 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Pennsylvania

	Direct	Supplier & Induced	Total
Jobs	54,954	95,640	150,594
Wages	\$5,818,651,104	\$5,974,777,220	\$11,793,428,325
Economic Output	\$14,808,566,988	\$16,693,389,560	\$31,501,956,548
Tax Revenues			\$1,342,035,100

Industries Are Harmed by the Lack of Tort Reform

Industries across **Pennsylvania** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Pennsylvania

Industry	Jobs	Wages	Output
Construction	12,238	\$874,873,467	\$1,966,337,762
Manufacturing	9,979	\$817,675,718	\$3,976,212,937
Wholesaling	1,837	\$164,849,724	\$594,617,286
Retailing	(4,476)	\$(150,020,756)	\$(351,704,986)
Transportation and Communication	(905)	\$(217,243,483)	\$(410,002,599)
Finance, Insurance and Real Estate	(53,283)	\$(3,090,064,216)	\$(14,684,466,003)
Business and Personal Services	(120,569)	\$(9,945,337,482)	\$(19,608,711,998)
Travel and Entertainment	14,873	\$594,931,518	\$1,824,986,671
Other	(10,287)	\$(843,092,815)	\$(4,809,225,618)
Total	(150,594)	\$(11,793,428,325)	\$(31,501,956,548)

Tort Reform in Rhode Island

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Rhode Island** can reap the benefits of a more efficient judicial system while growing the economy.

Were Rhode Island to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$774,239,000.

This means that the residents are in effect paying a “Tort Tax” of \$731 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 9,608 additional jobs and \$1.44 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Rhode Island

	Direct	Supplier & Induced	Total
Jobs	5,619	3,989	9,608
Wages	\$261,379,302	\$210,825,086	\$472,204,388
Economic Output	\$808,574,002	\$634,625,272	\$1,443,199,274
Tax Revenues			\$113,689,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **Rhode Island** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Rhode Island

Industry	Jobs	Wages	Output
Construction	(1,014)	\$(67,611,344)	\$(162,966,777)
Manufacturing	(96)	\$(7,009,758)	\$(32,377,648)
Wholesaling	(27)	\$(2,693,739)	\$(11,207,908)
Retailing	(84)	\$(3,633,747)	\$(7,425,335)
Transportation and Communication	(513)	\$(35,007,558)	\$(181,665,185)
Finance, Insurance and Real Estate	(1,017)	\$(57,216,642)	\$(320,214,242)
Business and Personal Services	(2,820)	\$(167,161,010)	\$(330,080,045)
Travel and Entertainment	(4,105)	\$(136,282,524)	\$(403,598,625)
Other	70	\$4,411,934	\$6,336,490
Total	(9,607)	\$(472,204,388)	\$(1,443,199,274)

Tort Reform in South Carolina

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **South Carolina** can reap the benefits of a more efficient judicial system while growing the economy.

Were South Carolina to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$2,319,440,000.

This means that the residents are in effect paying a “Tort Tax” of \$450 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 26,887 additional jobs and \$4.18 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in South Carolina

	Direct	Supplier & Induced	Total
Jobs	15,217	11,670	26,887
Wages	\$674,676,904	\$537,995,265	\$1,212,672,169
Economic Output	\$2,423,181,722	\$1,752,089,172	\$4,175,270,894
Tax Revenues			\$212,480,900

Industries Are Harmed by the Lack of Tort Reform

Industries across **South Carolina** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in South Carolina

Industry	Jobs	Wages	Output
Construction	(3,917)	\$(216,313,602)	\$(612,700,229)
Manufacturing	(1,882)	\$(135,651,463)	\$(789,333,652)
Wholesaling	(365)	\$(28,831,112)	\$(111,080,791)
Retailing	(1,200)	\$(39,791,874)	\$(107,643,487)
Transportation and Communication	(1,359)	\$(90,958,035)	\$(438,007,969)
Finance, Insurance and Real Estate	(2,448)	\$(107,082,142)	\$(634,153,128)
Business and Personal Services	(6,654)	\$(356,205,083)	\$(745,587,228)
Travel and Entertainment	(8,315)	\$(203,067,155)	\$(672,338,137)
Other	(747)	\$(34,771,702)	\$(64,426,272)
Total	(26,887)	\$(1,212,672,169)	\$(4,175,270,894)

Tort Reform in South Dakota

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **South Dakota** can reap the benefits of a more efficient judicial system while growing the economy.

Were South Dakota to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$277,556,000.

This means that the residents are in effect paying a “Tort Tax” of \$314 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 3,181 additional jobs and \$483.74 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in South Dakota

	Direct	Supplier & Induced	Total
Jobs	1,936	1,245	3,181
Wages	\$86,693,757	\$58,359,646	\$145,053,403
Economic Output	\$289,713,656	\$194,023,716	\$483,737,373
Tax Revenues			\$22,338,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **South Dakota** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in South Dakota

Industry	Jobs	Wages	Output
Construction	(537)	\$(30,315,300)	\$(74,211,917)
Manufacturing	(112)	\$(7,092,373)	\$(39,020,794)
Wholesaling	(22)	\$(1,756,796)	\$(7,036,503)
Retailing	(13)	\$(1,040,005)	\$(1,049,139)
Transportation and Communication	(180)	\$(12,672,528)	\$(67,256,555)
Finance, Insurance and Real Estate	(331)	\$(14,727,837)	\$(86,644,140)
Business and Personal Services	(818)	\$(51,276,075)	\$(103,936,671)
Travel and Entertainment	(1,185)	\$(27,123,110)	\$(101,433,523)
Other	16	\$950,622	\$(3,148,131)
Total	(3,181)	\$(145,053,403)	\$(483,737,373)

Tort Reform in Tennessee

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Tennessee** can reap the benefits of a more efficient judicial system while growing the economy.

Were Tennessee to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$1,065,433,000.

This means that the residents are in effect paying a “Tort Tax” of \$156 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 12,357 additional jobs and \$2.10 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Tennessee

	Direct	Supplier & Induced	Total
Jobs	6,474	5,883	12,357
Wages	\$397,085,723	\$345,039,684	\$742,125,407
Economic Output	\$1,109,104,176	\$993,059,598	\$2,102,163,774
Tax Revenues			\$104,365,700

Industries Are Harmed by the Lack of Tort Reform

Industries across **Tennessee** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Tennessee

Industry	Jobs	Wages	Output
Construction	(1,481)	\$(101,879,246)	\$(220,394,091)
Manufacturing	(706)	\$(53,904,092)	\$(286,091,444)
Wholesaling	(132)	\$(11,864,619)	\$(42,942,773)
Retailing	(609)	\$(23,812,922)	\$(59,279,425)
Transportation and Communication	(813)	\$(57,689,220)	\$(246,627,104)
Finance, Insurance and Real Estate	(1,379)	\$(78,862,332)	\$(388,699,308)
Business and Personal Services	(4,190)	\$(298,252,900)	\$(560,591,167)
Travel and Entertainment	(2,796)	\$(103,542,536)	\$(263,964,509)
Other	(250)	\$(12,317,541)	\$(33,573,953)
Total	(12,357)	\$(742,125,407)	\$(2,102,163,774)

Tort Reform in Texas

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Texas** can reap the benefits of a more efficient judicial system while growing the economy.

Were Texas to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$2,453,987,000.

This means that the residents are in effect paying a “Tort Tax” of \$85 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 29,017 additional jobs and \$5.23 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Texas

	Direct	Supplier & Induced	Total
Jobs	13,956	15,061	29,017
Wages	\$861,317,735	\$876,092,798	\$1,737,410,533
Economic Output	\$2,552,559,988	\$2,673,224,094	\$5,225,784,082
Tax Revenues			\$258,642,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **Texas** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Texas

Industry	Jobs	Wages	Output
Construction	(3,050)	\$(217,402,427)	\$(508,486,544)
Manufacturing	(1,366)	\$(123,541,217)	\$(725,413,197)
Wholesaling	(401)	\$(39,004,226)	\$(139,256,656)
Retailing	(1,281)	\$(48,166,887)	\$(122,933,079)
Transportation and Communication	(2,029)	\$(190,303,994)	\$(756,075,487)
Finance, Insurance and Real Estate	(4,298)	\$(231,034,692)	\$(1,085,279,839)
Business and Personal Services	(9,989)	\$(686,982,147)	\$(1,322,174,441)
Travel and Entertainment	(6,060)	\$(181,784,028)	\$(518,140,668)
Other	(542)	\$(19,190,915)	\$(48,024,171)
Total	(29,016)	\$(1,737,410,533)	\$(5,225,784,082)

Tort Reform in Utah

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Utah** can reap the benefits of a more efficient judicial system while growing the economy.

Were Utah to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$989,790,000.

This means that the residents are in effect paying a “Tort Tax” of \$309 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 11,719 additional jobs and \$2.05 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Utah

	Direct	Supplier & Induced	Total
Jobs	5,590	6,129	11,719
Wages	\$297,622,098	\$305,438,819	\$603,060,917
Economic Output	\$1,026,071,911	\$1,024,548,175	\$2,050,620,086
Tax Revenues			\$89,188,500

Industries Are Harmed by the Lack of Tort Reform

Industries across **Utah** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Utah

Industry	Jobs	Wages	Output
Construction	(963)	\$(59,871,507)	\$(163,820,866)
Manufacturing	(614)	\$(52,876,305)	\$(270,867,316)
Wholesaling	(136)	\$(12,280,507)	\$(42,964,048)
Retailing	(313)	\$(12,281,076)	\$(25,005,124)
Transportation and Communication	(968)	\$(76,993,351)	\$(344,971,690)
Finance, Insurance and Real Estate	(2,050)	\$(80,048,314)	\$(483,003,090)
Business and Personal Services	(4,301)	\$(249,222,326)	\$(541,776,875)
Travel and Entertainment	(2,303)	\$(58,184,052)	\$(173,096,016)
Other	(69)	\$(1,303,478)	\$(5,115,061)
Total	(11,719)	\$(603,060,917)	\$(2,050,620,086)

Tort Reform in Vermont

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Vermont** can reap the benefits of a more efficient judicial system while growing the economy.

Were Vermont to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$396,385,000.

This means that the residents are in effect paying a “Tort Tax” of \$635 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 5,441 additional jobs and \$732.48 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Vermont

	Direct	Supplier & Induced	Total
Jobs	3,297	2,144	5,441
Wages	\$143,786,007	\$103,119,740	\$246,905,747
Economic Output	\$414,183,551	\$318,294,172	\$732,477,722
Tax Revenues			\$61,491,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **Vermont** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Vermont

Industry	Jobs	Wages	Output
Construction	(877)	\$(48,398,329)	\$(106,036,470)
Manufacturing	(84)	\$(6,289,347)	\$(30,691,426)
Wholesaling	(20)	\$(1,543,511)	\$(7,113,599)
Retailing	(77)	\$(3,443,788)	\$(6,651,041)
Transportation and Communication	(270)	\$(18,853,618)	\$(95,481,927)
Finance, Insurance and Real Estate	(409)	\$(18,397,794)	\$(121,373,538)
Business and Personal Services	(1,436)	\$(85,599,718)	\$(163,174,573)
Travel and Entertainment	(2,285)	\$(65,679,392)	\$(205,721,375)
Other	17	\$1,299,749	\$3,766,228
Total	(5,441)	\$(246,905,747)	\$(732,477,722)

Tort Reform in Virginia

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Virginia** can reap the benefits of a more efficient judicial system while growing the economy.

Were Virginia to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$3,017,265,000.

This means that the residents are in effect paying a “Tort Tax” of \$353 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 33,138 additional jobs and \$5.81 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Virginia

	Direct	Supplier & Induced	Total
Jobs	17,597	15,541	33,138
Wages	\$1,121,330,077	\$895,298,279	\$2,016,628,356
Economic Output	\$3,134,251,108	\$2,679,419,917	\$5,813,671,024
Tax Revenues			\$286,860,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **Virginia** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Virginia

Industry	Jobs	Wages	Output
Construction	(3,192)	\$(195,348,991)	\$(509,497,520)
Manufacturing	(1,217)	\$(91,551,676)	\$(461,327,668)
Wholesaling	(292)	\$(26,574,469)	\$(96,093,615)
Retailing	(1,091)	\$(37,228,816)	\$(98,867,088)
Transportation and Communication	(1,928)	\$(141,982,944)	\$(707,944,092)
Finance, Insurance and Real Estate	(4,658)	\$(245,346,866)	\$(1,327,224,790)
Business and Personal Services	(12,554)	\$(1,033,363,707)	\$(1,930,955,547)
Travel and Entertainment	(7,344)	\$(201,617,182)	\$(575,898,765)
Other	(861)	\$(43,613,705)	\$(105,861,938)
Total	(33,138)	\$(2,016,628,356)	\$(5,813,671,024)

Tort Reform in Washington

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Washington** can reap the benefits of a more efficient judicial system while growing the economy.

Were Washington to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$5,116,061,000.

This means that the residents are in effect paying a “Tort Tax” of \$672 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 48,400 additional jobs and \$9.77 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Washington

	Direct	Supplier & Induced	Total
Jobs	25,866	22,534	48,400
Wages	\$1,773,895,867	\$1,492,199,284	\$3,266,095,151
Economic Output	\$5,316,660,178	\$4,453,176,677	\$9,769,836,855
Tax Revenues			\$629,462,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **Washington** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Washington

Industry	Jobs	Wages	Output
Construction	(3,940)	\$(307,337,666)	\$(719,977,894)
Manufacturing	(2,898)	\$(252,954,761)	\$(1,291,846,131)
Wholesaling	(846)	\$(84,439,670)	\$(304,561,515)
Retailing	(1,927)	\$(98,824,348)	\$(229,469,476)
Transportation and Communication	(2,705)	\$(353,791,318)	\$(1,369,328,191)
Finance, Insurance and Real Estate	(5,993)	\$(332,320,558)	\$(1,772,174,010)
Business and Personal Services	(15,799)	\$(1,297,878,622)	\$(2,555,846,399)
Travel and Entertainment	(12,343)	\$(433,386,907)	\$(1,251,797,341)
Other	(1,947)	\$(105,161,301)	\$(274,835,897)
Total	(48,400)	\$(3,266,095,151)	\$(9,769,836,855)

Tort Reform in West Virginia

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **West Virginia** can reap the benefits of a more efficient judicial system while growing the economy.

Were West Virginia to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$579,658,000.

This means that the residents are in effect paying a “Tort Tax” of \$323 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 6,353 additional jobs and \$978.85 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in West Virginia

	Direct	Supplier & Induced	Total
Jobs	3,883	2,470	6,353
Wages	\$176,008,661	\$120,118,472	\$296,127,133
Economic Output	\$606,505,794	\$372,342,422	\$978,848,216
Tax Revenues			\$66,813,600

Industries Are Harmed by the Lack of Tort Reform

Industries across **West Virginia** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in West Virginia

Industry	Jobs	Wages	Output
Construction	(605)	\$(42,063,628)	\$(109,643,114)
Manufacturing	(192)	\$(13,199,774)	\$(90,182,807)
Wholesaling	(42)	\$(3,228,183)	\$(11,984,396)
Retailing	(121)	\$(4,076,912)	\$(10,244,915)
Transportation and Communication	(315)	\$(23,686,875)	\$(114,780,067)
Finance, Insurance and Real Estate	(513)	\$(21,677,301)	\$(147,898,235)
Business and Personal Services	(2,168)	\$(135,318,874)	\$(281,668,261)
Travel and Entertainment	(2,267)	\$(50,233,002)	\$(195,826,585)
Other	(131)	\$(2,642,584)	\$(16,619,835)
Total	(6,353)	\$(296,127,133)	\$(978,848,216)

Tort Reform in Wisconsin

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Wisconsin** can reap the benefits of a more efficient judicial system while growing the economy.

Were Wisconsin to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$705,765,000.

This means that the residents are in effect paying a “Tort Tax” of \$121 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 7,885 additional jobs and \$1.34 billion in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Wisconsin

	Direct	Supplier & Induced	Total
Jobs	4,136	3,749	7,885
Wages	\$223,363,310	\$196,151,451	\$419,514,761
Economic Output	\$734,228,779	\$609,372,623	\$1,343,601,402
Tax Revenues			\$65,407,800

Industries Are Harmed by the Lack of Tort Reform

Industries across **Wisconsin** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Wisconsin

Industry	Jobs	Wages	Output
Construction	(662)	\$(44,089,514)	\$(106,704,889)
Manufacturing	(697)	\$(51,745,435)	\$(251,201,314)
Wholesaling	(149)	\$(12,892,683)	\$(45,043,800)
Retailing	(344)	\$(11,407,240)	\$(29,699,649)
Transportation and Communication	(477)	\$(37,028,410)	\$(159,626,685)
Finance, Insurance and Real Estate	(882)	\$(46,696,472)	\$(264,071,662)
Business and Personal Services	(2,556)	\$(163,681,502)	\$(333,748,623)
Travel and Entertainment	(1,970)	\$(44,821,687)	\$(137,495,685)
Other	(149)	\$(7,151,819)	\$(16,009,095)
Total	(7,885)	\$(419,514,761)	\$(1,343,601,402)

Tort Reform in Wyoming

Tort law is an orderly process of resolving disputes and discouraging objectionable behavior. It is a vehicle to provide relief to injured parties and a crucial part of our civil justice system. However, when misused, it has serious consequences not only to individuals, but society as a whole.

Unfortunately, an overly aggressive tort system can have an undesirable effect. Frivolous tort cases or those that result in excessive damages and rewards can have negative consequences on the economy. These excessive tort costs are destructive to American businesses and harmful to consumers, wiping out billions of dollars of economic activity on an annual basis. Tort reform is essential for creating a safer and more productive environment where economic activity can flourish.

Through tort reform, states like **Wyoming** can reap the benefits of a more efficient judicial system while growing the economy.

Were Wyoming to enact reforms examined in this report, the resulting savings to the residents and businesses of the state would be \$239,472,000.

This means that the residents are in effect paying a “Tort Tax” of \$414 per person.

If savings from reforming the tort system could be realized, they would flow through the state’s economy, supporting 3,039 additional jobs and \$374.58 million in increased economic activity. The state government, already cash strapped, would benefit from increased tax revenues to fill its coffers.

Impact of Reducing Tort Costs in Wyoming

	Direct	Supplier & Induced	Total
Jobs	2,173	866	3,039
Wages	\$71,614,547	\$35,398,260	\$107,012,807
Economic Output	\$248,245,371	\$126,334,060	\$374,579,431
Tax Revenues			\$26,292,100

Industries Are Harmed by the Lack of Tort Reform

Industries across **Wyoming** are impacted by excessive tort costs. The burdens associated with these costs lead to the decline of investments in businesses. And instead, a majority of these resources are spent towards time and money for litigation. Thus, enacting tort reform would lead to a variety of benefits including higher productivity rates and innovation for all jobs.

How Industries Are Impacted by Excessive Tort Costs in Wyoming

Industry	Jobs	Wages	Output
Construction	(554)	\$(31,837,623)	\$(90,972,437)
Manufacturing	(20)	\$(1,231,415)	\$(14,543,289)
Wholesaling	10	\$921,053	\$3,015,450
Retailing	27	\$155,193	\$2,371,121
Transportation and Communication	(217)	\$(21,063,022)	\$(102,580,475)
Finance, Insurance and Real Estate	(344)	\$(8,921,150)	\$(69,800,675)
Business and Personal Services	(453)	\$(23,957,288)	\$(43,664,503)
Travel and Entertainment	(1,718)	\$(43,949,455)	\$(158,645,323)
Other	230	\$22,870,900	\$100,240,701
Total	(3,038)	\$(107,012,807)	\$(374,579,431)