

SENATE JUDICIARY

SENATE NO. 9

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PAGE NO. TWO 225

The 2012 State Liability Systems Ranking Study was conducted for the U.S. Chamber Institute for Legal Reform to explore how fair and reasonable the states' tort liability systems are perceived to be by U.S. businesses. Participants in the survey were comprised of a national sample of 1,125 in-house general counsel, senior litigators or attorneys, and other senior executives who indicated that they are knowledgeable about litigation matters at companies with at least \$100 million in annual revenues. The 2012 ranking builds on previous years' work,¹ where in each survey year all 50 states are ranked by those familiar with the litigation environment in that state. Prior to these rankings, information regarding the attitudes of the business world toward the legal systems in each of the states had been largely anecdotal. The State Liability Systems Ranking Study aims to quantify how corporate attorneys view the state systems.

Approximately half of all senior attorneys (49%)² view the fairness and reasonableness of state court liability systems in America as excellent or pretty good, up from 44% in the 2010 survey. The remaining 51% view the systems as only fair or poor, or declined to answer (1%). **The impact of a state's litigation environment has always been and continues to be important, with more than two-thirds (70%) reporting that it is likely to impact important business decisions** at their companies, such as where to locate or do business. This is an increase from 67% in 2010 and 63% in 2008.

Respondents were first screened for their familiarity with states, and those who were very or somewhat familiar with the litigation environment in a given state were then asked to evaluate that state. It is important to remember that **courts and localities within a state may vary a great deal** in fairness and reasonableness. However, respondents had to evaluate the state as a whole. To explore the detailed nuances within each state would have required extensive questioning about each state and was beyond the scope and purpose of this study. Other studies have also demonstrated this variability within a

¹ 2010, 2008, 2007, 2006, 2005, 2004, 2003, and 2002.

² Differences between this value and those on the line graph on p. 5 are due to rounding.

Table 45

Montana

2012 Overall Ranking: 45

Ratings on Key Elements of State Liability Systems (n=51)

		"A"	"B"	"C"	"D"	"F"	Mean Grade	Ranking Within Element
Having and Enforcing Meaningful Venue Requirements	%	9	39	17	11	7	3.4	42
Overall Treatment of Tort and Contract Litigation	%	7	31	26	11	20	2.9	46
Treatment of Class Action Suits and Mass Consolidation Suits	%	13	22	20	6	9	3.3	32
Damages	%	13	20	28	15	17	3.0	42
Timeliness of Summary Judgment or Dismissal	%	9	37	20	15	13	3.2	40
Discovery	%	11	20	35	13	15	3.0	50
Scientific and Technical Evidence	%	9	19	33	20	4	3.1	46
Judges' Impartiality	%	19	17	31	13	15	3.1	46
Judges' Competence	%	15	26	28	17	9	3.2	46
Juries' Fairness	%	13	26	24	9	17	3.1	44
Overall State Grade	%	6	33	24	22	13	3.0	46