

I wanted to make a comment and lend my support to the proposal requiring "loser pay" for lawsuits. I became aware of it through the article in today's Billings Gazette- see below. In my opinion this particular part of legal tort reform would go a long way to help attract and retain potential economic development. Frivolous lawsuits (and threats thereof) do dampen economic activity and have a greater proportional effect on small businesses.

I appreciate your consideration. Thank you.

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Article:

Departing state Sen. Mike Taylor, R-Rollins, has proposed an economic development plan for Montana that includes requiring those filing lawsuits to pay all the costs of both sides if they lose.

Taylor, a successful businessman who lost a 2002 bid to unseat Democratic U.S. Sen. Max Baucus, presented his economic development plan to the Legislature's interim Economic Affairs Committee on which he serves. He is prevented by term limits from running again for the Senate.

If only one bill is passed in the 2005 session, Taylor said it should be a so-called "loser pays" law. If someone files a lawsuit and loses, that person, business or group would be required to pay all of the lawyer fees and court costs of both sides.

"This bill would do more to create jobs, attract major companies, lower costs, including medical costs, to all Montanans and increase tax revenues," Taylor said.

To give low-income people access to the courts, Taylor said the loser-pays requirement would affect only lawsuits involving more than \$60,000. That figure, which would be indexed to inflation rates, would rise in future years. Taylor also would raise to \$15,000, from the current \$5,000, the dollar limit for cases filed in small-claims courts.

"This would help small businesses and businesses get quicker solutions to problems," Taylor said.

He also called for political stability from governor to governor and legislative session to legislative session and an expansion of workforce training. Taylor was critical of special tax credits provided by lawmakers and said it would be a mistake to roll back the overall tax cuts enacted in recent years to help Montana businesses and individuals.

Montana must develop low-cost, stable energy to attract manufacturing jobs, retain existing businesses and help them expand, he said.

Citing high unemployment on American Indian reservations in Montana, Taylor said state and tribal governments and private business need to develop a plan that protects and encourages private business investments on the reservations. Billings Gazette © 09/09/04