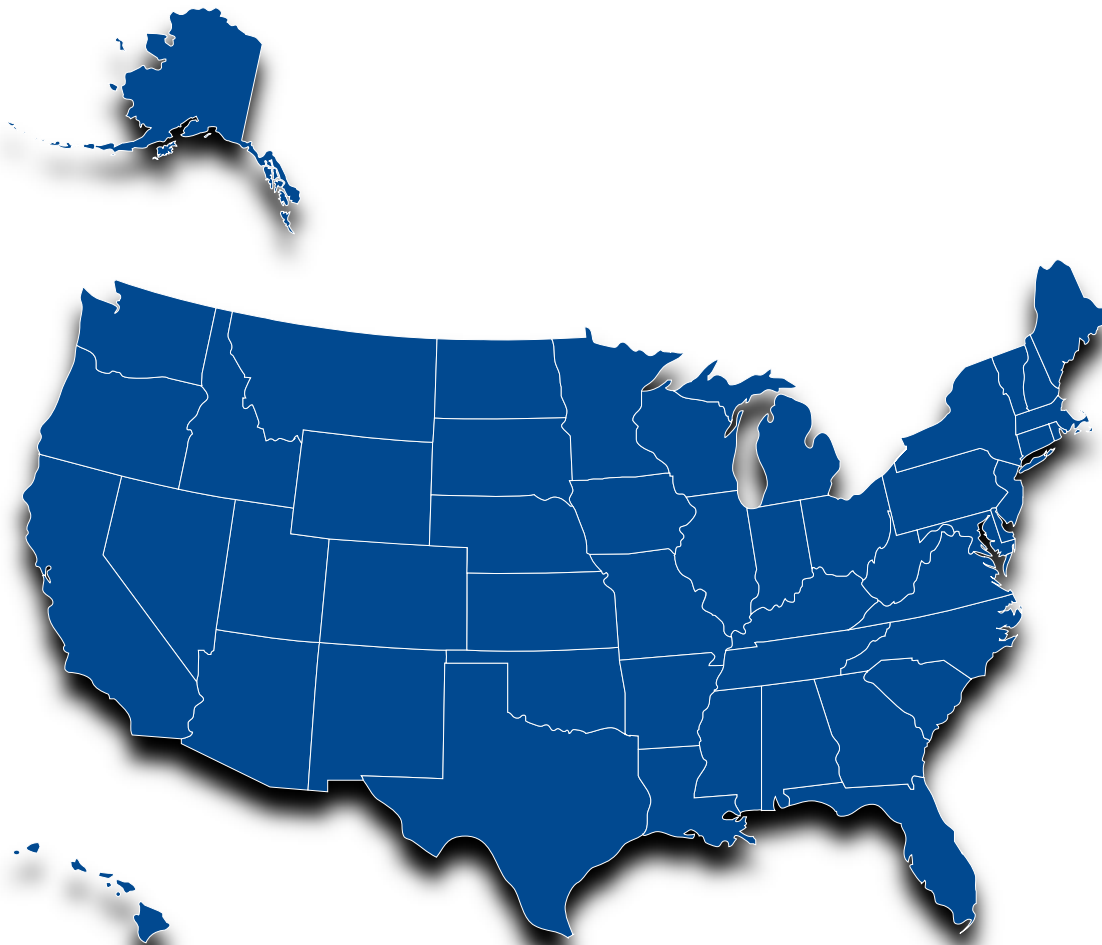




2006 STATE LIABILITY SYSTEMS RANKING STUDY



*Conducted for the U.S. Chamber Institute for Legal Reform by
Harris Interactive Inc.*



2006 STATE LIABILITY SYSTEMS RANKING STUDY

HARRIS INTERACTIVE INC.

EXECUTIVE SUMMARY

The *2006 State Liability Systems Ranking Study* was conducted for the U.S. Chamber Institute for Legal Reform among a national sample of in-house general counsel or other senior corporate litigators to explore how reasonable and fair the tort liability system is perceived to be by U.S. business. The 2006 ranking builds on previous years' work in 2005, 2004, 2003 and 2002 where each year all 50 states are ranked by those familiar with the litigation environment in each state. Prior to these rankings, information regarding the attitudes of the business world towards 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. The 2006 ranking has expanded from previous years to include areas that were not originally measured: venue requirements, mass consolidation suits and non-economic damages. While we can look to the past years' rankings to see general movement, a direct trend from previous years cannot be made.

There has been an improvement in the number of senior attorneys surveyed who view the state court liability system favorably, with a net increase of 10 percentage points between 2003 and 2006 in those indicating the system is excellent or pretty good, although a majority of those surveyed continue to view the system as only fair or poor. Further, and perhaps more importantly, a large majority (70%) report that the litigation environment in a state is likely to impact important business decisions at their company, such as where to locate or do business. [See Tables 1 and 2]

2006 OVERALL RANKING

Delaware	1
Nebraska	2
Virginia	3
Iowa	4
Connecticut	5
New Hampshire	6
South Dakota	7
Colorado	8
Maine	9
North Carolina	10
Indiana	11
North Dakota	12
Arizona	13
Minnesota	14
Kansas	15
Wyoming	16
Utah	17
Idaho	18
Ohio	19
Maryland	20
New York	21
Michigan	22
Wisconsin	23
Vermont	24
New Jersey	25
Rhode Island	26
Georgia	27
Washington	28
Tennessee	29
Oregon	30
Pennsylvania	31
Massachusetts	32
Oklahoma	33
Kentucky	34
Missouri	35
Alaska	36
Nevada	37
Florida	38
Montana	39
New Mexico	40
Arkansas	41
South Carolina	42
Texas	43
California	44
Illinois	45
Hawaii	46
Alabama	47
Mississippi	48
Louisiana	49
West Virginia	50



2006 STATE LIABILITY SYSTEMS RANKING STUDY

HARRIS INTERACTIVE INC.

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 efficiency. However, respondents had to evaluate the state as a whole. To explore the detailed nuances within each state would have required extensive questioning for each state and was beyond the scope and purpose of this study. However, other studies have demonstrated this variability within a state. For example, several studies have documented very high class-action activity in certain county courts such as Madison County, Illinois and Jefferson County, Texas, revealing that these counties have “magnet courts” that are extremely hospitable to plaintiffs. Thus, it is possible that some states received low grades due to the negative reputation of one or two of their counties or jurisdictions.

Respondents were asked to give states a grade (“A”, “B”, “C”, “D” or “F”) in each of the following areas: having and enforcing meaningful venue requirements; overall treatment of tort and contract litigation; treatment of class action suits and mass consolidation suits; punitive damages; timeliness of summary judgment or dismissal; discovery; scientific and technical evidence; non-economic damages; judges’ impartiality and competence; and juries’ predictability and fairness. These grades were combined to create an overall ranking of state liability systems.¹ According to the U.S. businesses surveyed, the states doing the best job of creating a fair and reasonable litigation environment are Delaware, Nebraska, Virginia, Iowa and Connecticut. The bottom five states today are West Virginia, Louisiana, Mississippi, Alabama and Hawaii. [See Table 3A]

States were also ranked by each of the key elements making up the overall grade.² While some states remained leaders across the elements, some states stood out with particularly high or low ratings on certain elements.

¹ The “Overall Ranking of State Liability Systems” table was calculated by creating an index using the scores given on each of the key elements. All of the key element items were highly correlated with one another and with overall performance. The differences in the relationship between each item and overall performance were trivial, so it was determined that each item should contribute equally to the index score. The index was created from the mean across the 10 items, which was rescaled from 0 to 100 prior to averaging them together.

² For the “Ranking on Key Elements” tables, states were ranked by their mean grades on that element. Ties between states with matching mean grades were resolved by looking at the percentage of “A” grades, the base sizes and any rounding that may have taken place.

-
- For having and enforcing meaningful venue requirements, an item added to the rankings this year, the top five states are: Virginia, Delaware, Nebraska, North Carolina and Indiana. The bottom five states are: West Virginia, Louisiana, Mississippi, Alabama and Illinois. *[See Table 8]*
 - For overall treatment of tort and contract litigation, today the top five states are: Delaware, Virginia, Nebraska, Iowa and Indiana. In 2005, the top five consisted of Delaware, Nebraska, North Dakota, Virginia and Iowa. Today the bottom five states are: West Virginia, Mississippi, Louisiana, Alabama and Hawaii. In 2005, the bottom five states were: Mississippi, West Virginia, Alabama, Louisiana and California. *[See Table 8]*
 - For treatment of class action suits and mass consolidation suits, the top five states are: Delaware, Nebraska, Iowa, Connecticut and Arizona. In previous years, we only asked about treatment of class action suits and in 2005 the top five consisted of Delaware, Nebraska, North Dakota, Iowa and South Dakota. The bottom five states on the revised element are: West Virginia, Louisiana, Alabama, Mississippi and California. In 2005, the bottom five states were: West Virginia, Alabama, Louisiana, Illinois and California. *[See Table 8]*³
 - For punitive damages, today the top five states are: Delaware, Virginia, Iowa, Indiana and North Dakota. In 2005, the top five states consisted of: Delaware, North Dakota, Idaho, Indiana and Virginia. The bottom five states today are: West Virginia, Mississippi, Alabama, California and Illinois. The bottom five states in 2005 were: Mississippi, Alabama, West Virginia, Illinois and California. *[See Table 8]*
 - For timeliness of summary judgment or dismissal, today the top five states are: Delaware, Virginia, South Dakota, Nebraska and Maine. In 2005, the top five states consisted of: Delaware, Nebraska, Virginia, North Dakota and Idaho. The bottom five states are: West Virginia, Louisiana, Mississippi, Hawaii, and Alabama. In 2005, the bottom five states were: Mississippi, West Virginia, Alabama, Louisiana and California. *[See Table 8]*

³ While we are providing comparisons to the previous year's rankings on these elements, please note this is for anecdotal reasons only. Due to the change in the overall structure of this year's survey, we can not directly trend this data.



2006 STATE LIABILITY SYSTEMS RANKING STUDY

HARRIS INTERACTIVE INC.

- For discovery, today the top five states are: Delaware, Virginia, Nebraska, Iowa and New Hampshire. In 2005, the top five consisted of: Delaware, North Dakota, Nebraska, Virginia and New Hampshire. The bottom five states today are: West Virginia, Louisiana, Mississippi, Alabama and Hawaii. The bottom five states in 2005 were: Mississippi, West Virginia, Alabama, Louisiana and California. *[See Table 8]*
- For handling of scientific and technical evidence, today the top five states are: Delaware, Virginia, Colorado, New York and Nebraska. In 2005, the top five states consisted of: Delaware, Washington, Virginia, Nebraska and Minnesota. The bottom five states today are: West Virginia, Mississippi, Louisiana, Alabama and Hawaii. In 2005, the bottom five states were: Mississippi, West Virginia, Alabama, Louisiana and Arkansas. *[See Table 8]*
- For non-economic damages, an item added to the rankings this year, the top five states are: Delaware, Nebraska, Virginia, North Dakota and Iowa. The bottom five states are: West Virginia, Louisiana, Mississippi, Alabama and California. *[See Table 8]*
- For judges' impartiality, this year the top five states are: Delaware, Virginia, Nebraska, Iowa and Connecticut. In 2005, the top five states consisted of: Delaware, Nebraska, Iowa, North Dakota and Maine. The bottom five states today are: Louisiana, West Virginia, Mississippi, Alabama and Hawaii. In 2005, the bottom five states were: Mississippi, West Virginia, Louisiana, Alabama and Illinois. *[See Table 8]*
- For judges' competence, today the top five states are: Delaware, Virginia, Nebraska, Connecticut and Iowa. In 2005, the top five states were: Delaware, Virginia, Minnesota, Colorado and Iowa. The bottom five states today are: West Virginia, Louisiana, Mississippi, Alabama and Hawaii. In 2005, the bottom five states were: Mississippi, West Virginia, Alabama, Louisiana and Illinois. *[See Table 8]*
- For juries' predictability, today the top five states are: Nebraska, Connecticut, Iowa, Delaware and Wisconsin. In 2005, the top five states were: Delaware, Nebraska, North Dakota, Wyoming and Iowa. The bottom five states today are: Mississippi, Louisiana, California, Hawaii and Alabama. In 2005, the bottom five states were: Mississippi, Alabama, Louisiana, West Virginia and California. *[See Table 8]*

-
- For juries' fairness, today the top five states are: Nebraska, Iowa, Connecticut, Delaware and Indiana. In 2005, the top five states were: Nebraska, Delaware, North Dakota, South Dakota and Iowa. The bottom five states today are: Mississippi, Louisiana, West Virginia, Alabama and Hawaii. In 2005, the bottom five states were: Mississippi, Alabama, West Virginia, Louisiana and Illinois. *[See Table 8]*

The study also asked respondents to name the most important issue that state policymakers who care about economic development should focus on to improve the litigation environment in their state. This year our top two responses were reversed from last year. Reform of punitive damages was cited by 25% of our respondents (as compared to 16% of the respondents in 2005) and 17% of our respondents named tort reform in general as the most important issue (as compared to 22% of respondents last year). Other top issues named were limitation of class action lawsuits (named by 9% of respondents this year and 6% in 2005), fairness and impartiality (8% this year as compared to 5% in 2005), limits on non-economic damages (7% in 2006 while not being mentioned by even 1% in 2005), and elimination of unnecessary lawsuits (7% in 2006 as compared to 4% in 2005). *[See Table 9]*

In order to understand if there are any cities or counties which might impact a state's ranking, respondents were asked which five cities or counties have the least fair and reasonable litigation environments, a question first asked in 2004. The worst jurisdiction was Los Angeles, California (mentioned by 20% of the respondents), followed by Texas (various other jurisdictions) which was mentioned by 15% of the respondents. At third worst is Cook County (Chicago), Illinois, mentioned by 14%, closely followed by Madison County, Illinois (cited by 13% of the respondents). *[See Table 5]*

Rounding out the top ten cities or counties named for having the least fair and reasonable litigation environments are: the New York Greater Metropolitan Area (mentioned by 11% of the respondents), California (various other jurisdictions) (mentioned by 8% of the respondents),



2006 STATE LIABILITY SYSTEMS RANKING STUDY

HARRIS INTERACTIVE INC.

Alabama (various other jurisdictions) and New Orleans Parish, Louisiana (each mentioned by 7% of respondents), Dade County (Miami), Florida (cited by 6% of respondents) and Mississippi (various other jurisdictions) (mentioned by 5% of respondents). In total, the state of California received the most mentions as having a jurisdiction with the least fair and reasonable litigation environment (mentioned by 40% of respondents), followed by Illinois (with 31% of respondents who mentioned a jurisdiction in that state) and Texas (cited by 29% of respondents). *[See Tables 5 and 6]*

This year, in order to understand why respondents feel negatively about particular jurisdictions, a follow-up question was added to those who cited a jurisdiction. The top reason given as to why a city or county has the least fair and reasonable litigation environment is biased judgment, given by 18% of respondents, and is the number one reason by a large margin. The next tier is led by a personal experience, mentioned by only 5% of respondents, followed by incompetent jury/judges, corrupt/unfair system and having seen/read a case, each mentioned by 4% of respondents. *[See Table 7]*

In conclusion, one important point to note is that these rankings and results are based on the perceptions of these senior corporate attorneys. It is also important to realize that the perceptions may be based on certain cities or counties within the state. But, as we have noted in the past, perception does become linked with reality. If the states can change the way litigators and others perceive their liability systems, we may find considerable movement in their rankings in the future. Once these perceptions change, the overall business environment may be deemed more hospitable as well.

For complete results for each state, see the full report available at www.instituteforlegalreform.org.

Table 1

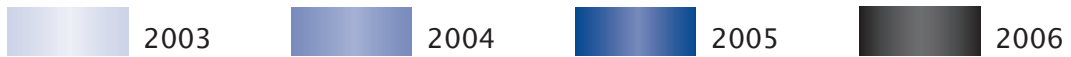
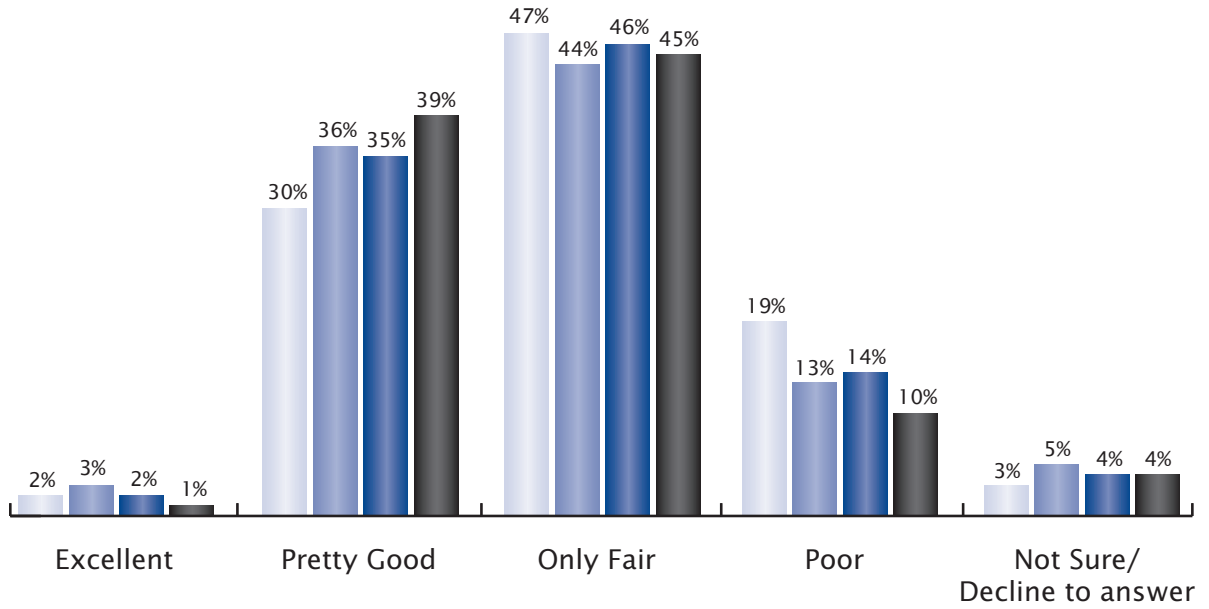
Overall Rating of State Court Liability Systems in America

Excellent/Pretty Good (NET)

2003	31%
2004	39%
2005	37%
2006	41%

Only Fair/Poor (Net)

2003	65%
2004	56%
2005	60%
2006	55%





2006 STATE LIABILITY SYSTEMS RANKING STUDY

Table 2

Impact of Litigation Environment on Important Business Decisions Such as Where to Locate or Do Business

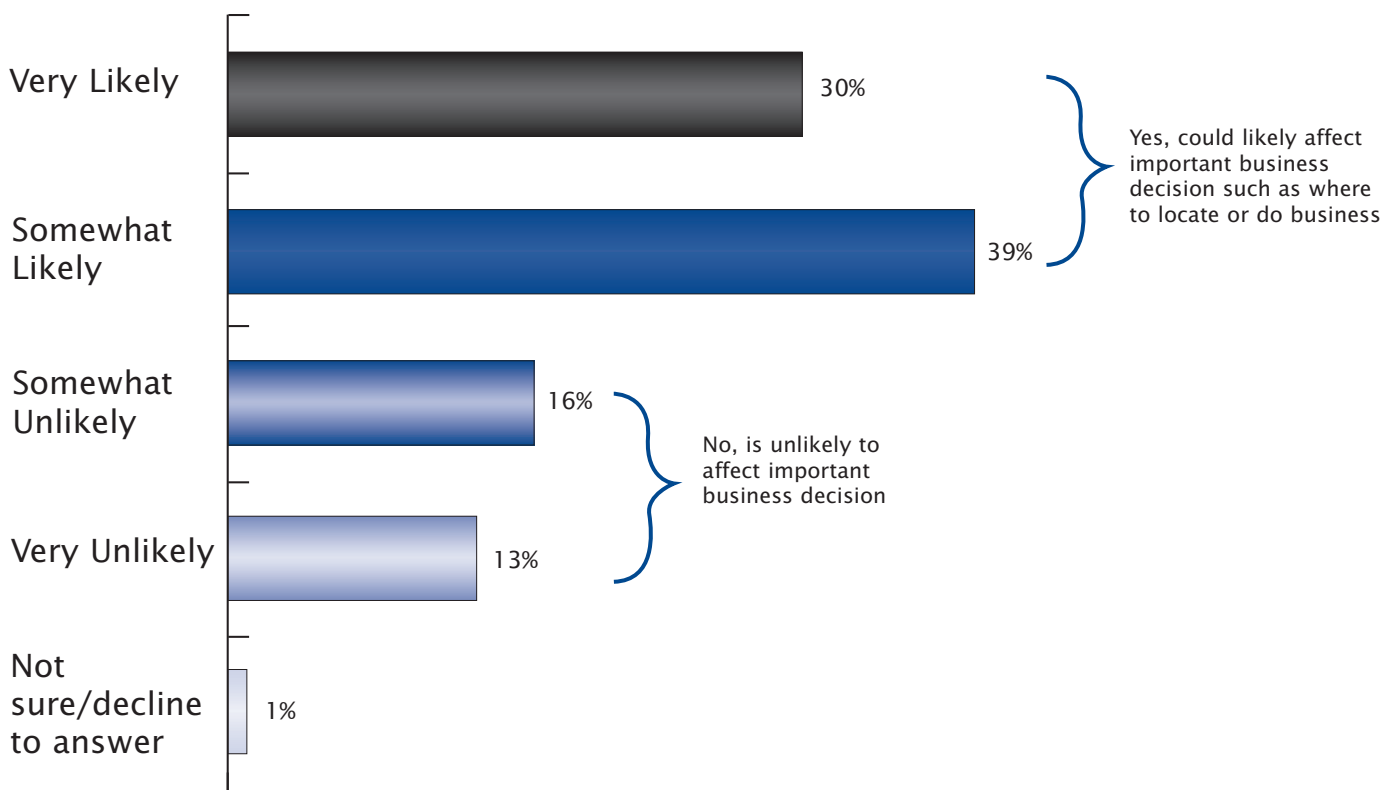


Table 3A

Overall Ranking of State Liability Systems

STATE	2006 ¹			STATE	2006 ¹		
	RANK	SCORE ²	N		RANK	SCORE ²	N
Delaware	1	74.9	108	Rhode Island	26	61.1	91
Nebraska	2	71.5	78	Georgia	27	61.0	118
Virginia	3	71.1	121	Washington	28	60.7	139
Iowa	4	68.8	109	Tennessee	29	59.9	109
Connecticut	5	66.9	90	Oregon	30	59.8	89
New Hampshire	6	66.0	81	Pennsylvania	31	59.3	157
South Dakota	7	65.7	56	Massachusetts	32	59.0	125
Colorado	8	65.6	100	Oklahoma	33	58.8	100
Maine	9	65.5	66	Kentucky	34	58.0	101
North Carolina	10	65.2	98	Missouri	35	57.8	109
Indiana	11	65.2	99	Alaska	36	56.2	58
North Dakota	12	65.2	51	Nevada	37	56.0	85
Arizona	13	65.1	98	Florida	38	55.2	209
Minnesota	14	65.0	83	Montana	39	54.8	70
Kansas	15	64.5	110	New Mexico	40	54.2	96
Wyoming	16	64.2	66	Arkansas	41	54.1	99
Utah	17	64.2	103	South Carolina	42	53.9	95
Idaho	18	64.0	70	Texas	43	52.0	243
Ohio	19	63.5	139	California	44	49.8	317
Maryland	20	63.4	91	Illinois	45	49.2	229
New York	21	63.2	217	Hawaii	46	48.0	74
Michigan	22	63.1	125	Alabama	47	44.4	125
Wisconsin	23	62.6	110	Mississippi	48	39.7	143
Vermont	24	62.3	61	Louisiana	49	39.0	137
New Jersey	25	61.4	141	West Virginia	50	37.3	137

¹ 2006 rankings are based on a new ranking system, therefore they are distinct from prior year's rankings which can be found in Tables B-1 and B-2.

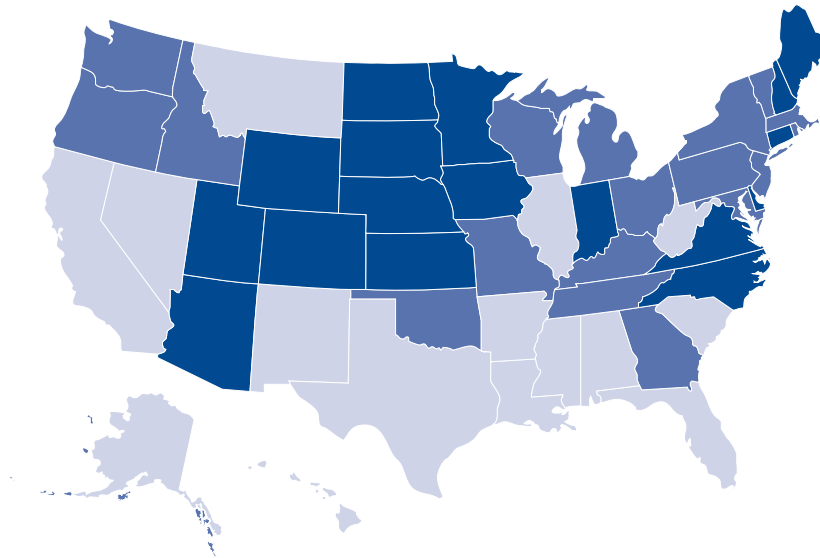
² Scores displayed in this table have been rounded to one decimal point. However, when developing the ranking, scores were evaluated based on two decimal points. The column labeled "N" represents the number of evaluations for a given state.



2006 STATE LIABILITY SYSTEMS RANKING STUDY

Table 3B

Map of Overall Ranking of State Liability Systems**



 Best	 Moderate*	 Worst
1. Delaware	19. Ohio	27. Georgia
2. Nebraska	20. Maryland	28. Washington
3. Virginia	21. New York	29. Tennessee
4. Iowa	22. Michigan	30. Oregon
5. Connecticut	23. Wisconsin	31. Pennsylvania
6. New Hampshire	24. Vermont	32. Massachusetts
7. South Dakota	25. New Jersey	33. Oklahoma
8. Colorado	26. Rhode Island	34. Kentucky
9. Maine		35. Missouri
10. North Carolina		
11. Indiana		
12. North Dakota		
13. Arizona		
14. Minnesota		
15. Kansas		
16. Wyoming		
17. Utah		
18. Idaho		
		36. Alaska
		37. Nevada
		38. Florida
		39. Montana
		40. New Mexico
		41. Arkansas
		42. South Carolina
		43. Texas
		44. California
		45. Illinois
		46. Hawaii
		47. Alabama
		48. Mississippi
		49. Louisiana
		50. West Virginia

* Neither Best, nor Worst

** In order for a state to qualify as "best" it had to have a ranking of 64.0 or higher, for "Moderate" a ranking of 63.9 to 57.0, and for "worst" a score of 56.9 or below.

Table 4

Most Important Issues for State Policymakers Who Care About Economic Development to Focus on to Improve Litigation Environment

	Total
	%
Reform punitive damages	25
Tort reform issues in general	17
Limitation of class action suits	9
Fairness and impartiality	8
Caps/limits on non-economic damages	7
Eliminate unnecessary lawsuits	7
Judicial competence	6
Speeding up the trial process	5
Forum shopping/venue selection	3
Appointment vs. election of judges	3
Timeliness of decisions	3
Limiting attorney fees	3
Selection of judges	3
Caps/limits on jury awards	3
Caps/limits on liability lawsuit awards	2
Attorney/court fees paid by the loser	2
Predictability	2
Quality of judges	2
Workers' compensation	2
Limits on discovery	2
Joint and several liability	2
Medical malpractice	2
Adequately funding the court system (i.e. salaries)	2
Level playing field/do not favor plaintiffs	2

Note: The responses displayed in this table were volunteered by the respondents. Mentions by 2% or more are given above.



2006 STATE LIABILITY SYSTEMS RANKING STUDY

Table 5

Cities or Counties with the Least Fair and Reasonable Litigation Environment*

STATE	TOTAL %	STATE	TOTAL %
Los Angeles, California	20	St. Louis, Missouri	3
Texas		Georgia	
(various other jurisdictions)**	15	(various other jurisdictions)**	3
Chicago/Cook County, Illinois	14	Jackson, Mississippi	3
Madison County, Illinois	13	Detroit, Michigan	3
New York Greater Metropolitan Area		West Virginia	
(including Newark, New Jersey)	11	(various other jurisdictions)**	3
California		Hidalgo County, Texas	2
(various other jurisdictions)**	8	Washington, DC	2
Alabama		St. Clair, Illinois	2
(various other jurisdictions)**	7	Jefferson County, Texas	2
New Orleans Parish, Louisiana	7	Boston, Massachusetts	2
Dade County (Miami), Florida	6	Dallas-Ft. Worth, Texas	2
Mississippi		Harris County, Texas	2
(various other jurisdictions)**	5	Wayne County, Michigan	2
Philadelphia, Pennsylvania	4	Louisiana	
Houston, Texas	4	(various other jurisdictions)**	2
Florida (various other jurisdictions)**	4	Washington	
Illinois (various other jurisdictions)**	4	(various other jurisdictions)**	2

* Note: The responses displayed in this table were volunteered by the respondents. Mentions by at least 2% given above.

** Note: Respondents mentioned a wide variety of other jurisdictions in the following states: Alabama, California, Florida, Georgia, Illinois, Louisiana, Mississippi, Texas, Washington and West Virginia. Because no single jurisdiction predominated within these states, these responses are listed as "[state name] (various other jurisdictions)".

Table 6

Top Specific City or County Courts by State*

RANKED BY STATE	
Base size:	1,456
	%
California (all mentions)	40
Los Angeles	20
San Francisco	10
Other jurisdictions mentioned	8
Illinois (all mentions)	31
Chicago/Cook County	14
Madison County	13
St. Clair	2
Other jurisdictions mentioned	4
Texas (all mentions)	29
Houston	4
Beaumont	3
Hidalgo County	2
Jefferson County	2
Dallas-Ft. Worth	2
Harris County	2
Other jurisdictions mentioned	15
New York (all mentions, including Newark, NJ)	12
Greater Metropolitan area (including Newark, NJ)	11
Other jurisdictions mentioned	*
Florida (all mentions)	10
Miami-Dade County	6
Other jurisdictions mentioned	4
Louisiana (all mentions)	9
New Orleans Parish	7
Other jurisdictions mentioned	2
Mississippi (all mentions)	8
Jackson	3
Other jurisdictions mentioned	5
Alabama (all mentions)	7
Various jurisdictions mentioned	7

* Note: The responses displayed in this table were volunteered by the respondents. Those with 100 mentions or more when asked about which jurisdiction has the least fair/reasonable litigation environment above. Due to rounding and multiple responses, these percentages may not add up to 100%.



2006 STATE LIABILITY SYSTEMS RANKING STUDY

Table 7

Top Issues Mentioned as Creating the LEAST Fair and Reasonable Litigation Environment*

	Total
Base size:	1,456
	%
Biased judgment	18
Personal experience	5
Incompetent jury/judges	4
Corrupt/unfair system	4
Have seen/read about a case	4
Unfair jury/judges	3
Unpredictable jury/judges	3
Judgments	3
General corruption	3
Slow process	2
High jury awards	2
Dislike the jury/judges	2
General inconvenience	1
Too liberal	1
Allow forum shopping	1
High jury verdicts	1

* Note: The responses displayed in this table were volunteered by the respondents. Mentions by at least 1% are given above.

Table 8

Summary of Top/Bottom 5 States By Key Elements

Having and Enforcing Meaningful Venue Requirements

BEST	WORST
Virginia	West Virginia
Delaware	Louisiana
Nebraska	Mississippi
North Carolina	Alabama
Indiana	Illinois

Treatment of Tort and Contract Litigation

BEST	WORST
Delaware	West Virginia
Virginia	Mississippi
Nebraska	Louisiana
Iowa	Alabama
Indiana	Hawaii

Treatment of Class Action Suits and Mass Consolidation Suits

BEST	WORST
Delaware	West Virginia
Virginia	Louisiana
Nebraska	Alabama
Iowa	Mississippi
Connecticut	California

Punitive Damages

BEST	WORST
Delaware	West Virginia
Virginia	Mississippi
Iowa	Alabama
Indiana	California
North Dakota	Illinois



2006 STATE LIABILITY SYSTEMS RANKING STUDY

Table 8 (cont'd)

Summary of Top/Bottom 5 States By Key Elements

Timeliness of Summary Judgment or Dismissal

BEST	WORST
Delaware	West Virginia
Virginia	Louisiana
South Dakota	Mississippi
Nebraska	Hawaii
Maine	Alabama

Discovery

BEST	WORST
Delaware	West Virginia
Virginia	Louisiana
Nebraska	Mississippi
Iowa	Alabama
New Hampshire	Hawaii

Scientific and Technical Evidence

BEST	WORST
Delaware	West Virginia
Virginia	Mississippi
Colorado	Louisiana
New York	Alabama
Nebraska	Hawaii

Non-Economic Damages

BEST	WORST
Delaware	West Virginia
Nebraska	Louisiana
Virginia	Mississippi
North Dakota	Alabama
Iowa	California

Table 8 (cont'd)

Summary of Top/Bottom 5 States By Key Elements

Judges' Impartiality

BEST	WORST
Delaware	Louisiana
Virginia	West Virginia
Nebraska	Mississippi
Iowa	Alabama
Connecticut	Hawaii

Judges' Competence

BEST	WORST
Delaware	West Virginia
Virginia	Louisiana
Nebraska	Mississippi
Connecticut	Alabama
Iowa	Hawaii

Juries' Predictability

BEST	WORST
Nebraska	Mississippi
Connecticut	Louisiana
Iowa	California
Delaware	Hawaii
Wisconsin	Alabama

Juries' Fairness

BEST	WORST
Nebraska	Mississippi
Iowa	Louisiana
Connecticut	West Virginia
Delaware	Alabama
Indiana	Hawaii



2006 STATE LIABILITY SYSTEMS RANKING STUDY

STATE RANKINGS BY KEY ELEMENT

Table 9

State Rankings for Having and Enforcing Meaningful Venue Requirements

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Virginia	1	Rhode Island	26
Delaware	2	Utah	27
Nebraska	3	Kansas	28
North Carolina	4	Kentucky	29
Indiana	5	Tennessee	30
Iowa	6	Oklahoma	31
New York	7	Wyoming	32
Wisconsin	8	Nevada	33
Connecticut	9	Massachusetts	34
Minnesota	10	Washington	35
Idaho	11	Florida	36
South Dakota	12	Alaska	37
Colorado	13	Missouri	38
Maine	14	South Carolina	39
Arizona	15	Arkansas	40
Pennsylvania	16	Texas	41
New Jersey	17	California	42
Oregon	18	Montana	43
Michigan	19	Hawaii	44
Ohio	20	New Mexico	45
North Dakota	21	Illinois	46
Maryland	22	Alabama	47
New Hampshire	23	Mississippi	48
Georgia	24	Louisiana	49
Vermont	25	West Virginia	50

STATE RANKINGS BY KEY ELEMENT

Table 10

State Rankings for Overall Treatment of Tort and Contract Litigation

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Wisconsin	26
Virginia	2	Rhode Island	27
Nebraska	3	New Jersey	28
Iowa	4	Massachusetts	29
Indiana	5	Washington	30
South Dakota	6	Pennsylvania	31
Connecticut	7	Oregon	32
North Carolina	8	Kentucky	33
New Hampshire	9	Missouri	34
Arizona	10	Oklahoma	35
Colorado	11	Alaska	36
Kansas	12	Nevada	37
New York	13	Florida	38
Maryland	14	South Carolina	39
Minnesota	15	New Mexico	40
Utah	16	Arkansas	41
North Dakota	17	Montana	42
Wyoming	18	Texas	43
Georgia	19	Illinois	44
Michigan	20	California	45
Maine	21	Hawaii	46
Idaho	22	Alabama	47
Vermont	23	Louisiana	48
Tennessee	24	Mississippi	49
Ohio	25	West Virginia	50



2006 STATE LIABILITY SYSTEMS RANKING STUDY

STATE RANKINGS BY KEY ELEMENT

Table 11

Treatment of Class Action Suits and Mass Consolidation Suits

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Oklahoma	26
Virginia	2	Oregon	27
Nebraska	3	Rhode Island	28
Iowa	4	Vermont	29
Connecticut	5	Missouri	30
Arizona	6	New Jersey	31
Kansas	7	Pennsylvania	32
South Dakota	8	Nevada	33
North Dakota	9	Massachusetts	34
Wyoming	10	Minnesota	35
Idaho	11	Washington	36
New York	12	Alaska	37
Georgia	13	Montana	38
Utah	14	Florida	39
Ohio	15	South Carolina	40
Indiana	16	New Mexico	41
Colorado	17	Texas	42
New Hampshire	18	Arkansas	43
North Carolina	19	Hawaii	44
Michigan	20	Illinois	45
Maine	21	California	46
Maryland	22	Mississippi	47
Tennessee	23	Alabama	48
Wisconsin	24	Louisiana	49
Kentucky	25	West Virginia	50

Note: Virginia and Mississippi do not have class actions but both permit mass litigation through the consolidation of individual actions. (source: U.S. Chamber Institute for Legal Reform).

STATE RANKINGS BY KEY ELEMENT

Table 12

Punitive Damages

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Tennessee	23
Virginia	2	Rhode Island	24
Iowa	3	Kentucky	25
Indiana	4	Wisconsin	26
North Dakota	5	Pennsylvania	27
Kansas	6	Oklahoma	28
North Carolina	7	Arkansas	29
Utah	8	Missouri	30
Wyoming	9	New Mexico	31
Michigan	10	Oregon	32
Colorado	11	Nevada	33
South Dakota	12	South Carolina	34
Ohio	13	Alaska	35
Connecticut	14	Texas	36
Maine	15	Florida	37
Minnesota	16	Montana	38
Georgia	17	Hawaii	39
Arizona	18	Illinois	40
Idaho	19	California	41
Vermont	20	Alabama	42
Maryland	21	Mississippi	43
New York	22	West Virginia	44

Note: Louisiana, Massachusetts, Nebraska, New Hampshire, New Jersey, and Washington are not included because they do not allow punitive damages in general (source: U.S. Chamber Institute for Legal Reform).



2006 STATE LIABILITY SYSTEMS RANKING STUDY

STATE RANKINGS BY KEY ELEMENT

Table 13

Timeliness of Summary Judgment/Dismissal

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Georgia	26
Virginia	2	Tennessee	27
South Dakota	3	Rhode Island	28
Nebraska	4	Pennsylvania	29
Maine	5	New Jersey	30
New Hampshire	6	Missouri	31
Minnesota	7	Kentucky	32
Wyoming	8	Massachusetts	33
Iowa	9	Alaska	34
Indiana	10	New York	35
Arizona	11	Oklahoma	36
Idaho	12	Nevada	37
Utah	13	Montana	38
North Dakota	14	Florida	39
Colorado	15	Texas	40
Ohio	16	Arkansas	41
North Carolina	17	New Mexico	42
Wisconsin	18	South Carolina	43
Vermont	19	Illinois	44
Michigan	20	California	45
Connecticut	21	Alabama	46
Maryland	22	Hawaii	47
Washington	23	Mississippi	48
Kansas	24	Louisiana	49
Oregon	25	West Virginia	50

STATE RANKINGS BY KEY ELEMENT

Table 14

Discovery

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Georgia	26
Virginia	2	Washington	27
Nebraska	3	Rhode Island	28
Iowa	4	Oregon	29
New Hampshire	5	Tennessee	30
Wyoming	6	Kentucky	31
North Carolina	7	Pennsylvania	32
Indiana	8	Missouri	33
Colorado	9	Oklahoma	34
Connecticut	10	Massachusetts	35
Idaho	11	Montana	36
Vermont	12	Nevada	37
Wisconsin	13	South Carolina	38
Arizona	14	Texas	39
Ohio	15	Alaska	40
Maryland	16	Florida	41
South Dakota	17	New Mexico	42
North Dakota	18	Arkansas	43
Maine	19	Illinois	44
Kansas	20	California	45
New York	21	Hawaii	46
Michigan	22	Alabama	47
Minnesota	23	Mississippi	48
Utah	24	Louisiana	49
New Jersey	25	West Virginia	50



2006 STATE LIABILITY SYSTEMS RANKING STUDY

STATE RANKINGS BY KEY ELEMENT

Table 15

Insert Title

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	South Dakota	26
Virginia	2	North Dakota	27
Colorado	3	Wisconsin	28
New York	4	Indiana	29
Nebraska	5	Tennessee	30
North Carolina	6	Missouri	31
Massachusetts	7	Vermont	32
Connecticut	8	Kansas	33
Minnesota	9	California	34
Iowa	10	Texas	35
New Jersey	11	Nevada	36
Arizona	12	Kentucky	37
New Hampshire	13	Oklahoma	38
Ohio	14	Montana	39
Maine	15	Alaska	40
Rhode Island	16	Florida	41
Utah	17	New Mexico	42
Washington	18	South Carolina	43
Maryland	19	Illinois	44
Wyoming	20	Arkansas	45
Michigan	21	Hawaii	46
Georgia	22	Alabama	47
Pennsylvania	23	Louisiana	48
Oregon	24	Mississippi	49
Idaho	25	West Virginia	50

STATE RANKINGS BY KEY ELEMENT

Table 16

Non-Economic Damages

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	New Jersey	26
Nebraska	2	Washington	27
Virginia	3	Pennsylvania	28
North Dakota	4	Massachusetts	29
Iowa	5	Alaska	30
Colorado	6	Maryland	31
Kansas	7	Wisconsin	32
South Dakota	8	Oklahoma	33
Utah	9	Oregon	34
North Carolina	10	Missouri	35
Indiana	11	Arkansas	36
Idaho	12	Kentucky	37
Connecticut	13	Montana	38
New Hampshire	14	Florida	39
Wyoming	15	Nevada	40
Maine	16	New Mexico	41
Ohio	17	Texas	42
Arizona	18	South Carolina	43
Minnesota	19	Illinois	44
Michigan	20	Hawaii	45
Georgia	21	California	46
Vermont	22	Alabama	47
Tennessee	23	Mississippi	48
Rhode Island	24	Louisiana	49
New York	25	West Virginia	50



2006 STATE LIABILITY SYSTEMS RANKING STUDY

STATE RANKINGS BY KEY ELEMENT

Table 17

Insert Title

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Vermont	26
Virginia	2	Michigan	27
Nebraska	3	Pennsylvania	28
Iowa	4	Massachusetts	29
Connecticut	5	Georgia	30
Colorado	6	Missouri	31
Wyoming	7	Tennessee	32
Maryland	8	Rhode Island	33
South Dakota	9	Oklahoma	34
New Hampshire	10	Alaska	35
Wisconsin	11	Florida	36
Indiana	12	Kentucky	37
North Dakota	13	Nevada	38
Minnesota	14	California	39
New Jersey	15	Arkansas	40
New York	16	South Carolina	41
Maine	17	Montana	42
Arizona	18	New Mexico	43
Utah	19	Texas	44
North Carolina	20	Illinois	45
Idaho	21	Hawaii	46
Oregon	22	Alabama	47
Kansas	23	Mississippi	48
Washington	24	West Virginia	49
Ohio	25	Louisiana	50

STATE RANKINGS BY KEY ELEMENT

Table 18

Judges' Competence

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Delaware	1	Oregon	26
Virginia	2	Vermont	27
Nebraska	3	Michigan	28
Connecticut	4	Georgia	29
Iowa	5	Rhode Island	30
Maryland	6	Pennsylvania	31
New Hampshire	7	Missouri	32
Minnesota	8	Tennessee	33
Colorado	9	Alaska	34
Wisconsin	10	Oklahoma	35
Maine	11	Kentucky	36
Arizona	12	California	37
North Carolina	13	Montana	38
Utah	14	Florida	39
New York	15	New Mexico	40
Kansas	16	Nevada	41
Washington	17	Arkansas	42
New Jersey	18	Illinois	43
North Dakota	19	Texas	44
Indiana	20	South Carolina	45
Idaho	21	Hawaii	46
South Dakota	22	Alabama	47
Massachusetts	23	Mississippi	48
Wyoming	24	Louisiana	49
Ohio	25	West Virginia	50



2006 STATE LIABILITY SYSTEMS RANKING STUDY

STATE RANKINGS BY KEY ELEMENT

Table 19

Juries' Predictability

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Nebraska	1	Michigan	26
Connecticut	2	Oklahoma	27
Iowa	3	Kentucky	28
Delaware	4	New York	29
Wisconsin	5	New Jersey	30
New Hampshire	6	Pennsylvania	31
Minnesota	7	Georgia	32
Maine	8	Oregon	33
Indiana	9	New Mexico	34
North Carolina	10	Massachusetts	35
Kansas	11	South Carolina	36
Virginia	12	Montana	37
South Dakota	13	Missouri	38
Utah	14	Washington	39
Vermont	15	Alaska	40
Idaho	16	Florida	41
Arizona	17	Nevada	42
North Dakota	18	Texas	43
Ohio	19	Illinois	44
Arkansas	20	West Virginia	45
Maryland	21	Alabama	46
Rhode Island	22	Hawaii	47
Colorado	23	California	48
Wyoming	24	Louisiana	49
Tennessee	25	Mississippi	50

STATE RANKINGS BY KEY ELEMENT

Table 20

Juries' Fairness

STATE	ELEMENT RANKING	STATE	ELEMENT RANKING
Nebraska	1	Michigan	26
Iowa	2	New York	27
Connecticut	3	Oklahoma	28
Delaware	4	Massachusetts	29
Indiana	5	Oregon	30
Virginia	6	New Jersey	31
Wisconsin	7	Washington	32
Minnesota	8	Kentucky	33
North Dakota	9	Georgia	34
Colorado	10	Alaska	35
North Carolina	11	Montana	36
Kansas	12	Arkansas	37
South Dakota	13	Missouri	38
Wyoming	14	Nevada	39
Arizona	15	Florida	40
Maine	16	New Mexico	41
Ohio	17	South Carolina	42
New Hampshire	18	Texas	43
Utah	19	Illinois	44
Vermont	20	California	45
Idaho	21	Hawaii	46
Maryland	22	Alabama	47
Rhode Island	23	West Virginia	48
Pennsylvania	24	Louisiana	49
Tennessee	25	Mississippi	50



2006 STATE LIABILITY SYSTEMS RANKING STUDY

Table B-1

Overall Ranking of State Liability Systems for 2002-2005

STATE	2005			2004			2003			2002		
	RANK	SCORE*	N	RANK	SCORE*	N	RANK	SCORE*	N	RANK	SCORE*	N
Delaware	1	76.0	128	1	74.4	178	1	74.5	96	1	78.6	75
Nebraska	2	69.7	98	2	69.1	81	2	69.3	44	6	65.4	61
North Dakota	3	68.5	57	16	63.8	72	6	65.1	37	25	59.4	50
Virginia	4	67.1	136	3	68.7	179	8	64.0	95	2	67.9	81
Iowa	5	66.3	155	4	68.6	80	3	68.8	61	5	65.8	63
Indiana	6	65.5	119	11	64.4	178	5	65.1	86	12	62.8	70
Minnesota	7	65.2	77	8	65.0	177	9	63.5	85	19	61.0	66
South Dakota	8	64.9	70	17	63.6	73	4	66.5	38	9	63.9	47
Wyoming	9	64.7	85	15	63.8	77	25	58.0	37	20	60.7	45
Idaho	10	64.2	61	5	66.2	81	13	61.8	37	14	62.4	53
Maine	11	64.2	80	12	64.1	79	16	60.9	39	18	61.0	53
New Hampshire	12	64.0	95	7	65.2	80	10	63.2	39	17	61.9	63
Colorado	13	63.6	93	13	63.9	179	12	62.3	78	7	65.3	73
Utah	14	63.3	144	6	65.8	82	7	64.5	55	8	64.2	62
Washington	15	63.1	94	24	60.7	178	21	59.4	85	3	66.6	71
Kansas	16	62.6	148	9	64.4	81	15	61.0	53	4	66.0	63
Wisconsin	17	62.5	143	10	64.4	178	11	62.7	74	15	62.1	66
Connecticut	18	62.0	131	18	62.5	179	17	60.3	81	10	63.4	68
Arizona	19	60.9	95	14	63.8	177	18	59.7	92	11	63.2	78
North Carolina	20	60.3	114	19	61.9	178	20	59.5	84	16	61.9	74
Vermont	21	60.3	73	20	61.5	71	19	59.6	36	21	60.6	62
Tennessee	22	59.9	102	25	60.7	176	26	57.7	76	24	59.9	66
Maryland	23	59.8	95	21	61.4	178	23	58.8	76	22	60.6	67
Michigan	24	59.6	135	23	61.3	179	29	56.3	97	28	58.2	83
Oregon	25	59.6	115	27	58.4	173	14	61.2	69	13	62.5	62
Ohio	26	59.5	178	32	57.2	187	24	58.6	98	26	59.4	100
New York	27	58.8	256	22	61.4	200	27	57.2	96	27	58.9	100
Georgia	28	58.4	170	29	57.6	180	39	52.7	93	23	59.9	100
Nevada	29	58.4	109	34	56.4	176	34	54.1	66	30	56.7	63
New Jersey	30	57.8	194	26	60.2	185	30	56.1	98	32	55.4	100
Massachusetts	31	57.8	144	28	57.7	180	22	59.1	93	36	54.0	66
Oklahoma	32	56.5	132	31	57.5	179	36	53.9	71	41	51.2	62
Alaska	33	56.4	64	33	56.5	77	32	55.8	39	37	53.8	63
Pennsylvania	34	55.5	204	30	57.5	200	31	55.9	95	31	56.2	100
Rhode Island	35	55.4	92	36	55.7	83	37	53.2	42	35	55.0	62
Kentucky	36	54.9	129	35	56.0	178	35	54.0	73	38	53.5	67
Montana	37	54.8	70	43	51.7	80	28	56.4	40	43	49.6	62
New Mexico	38	54.5	155	37	55.1	81	41	48.6	56	39	52.8	63
South Carolina	39	54.2	101	40	53.0	178	42	48.0	77	42	50.9	66
Missouri	40	51.9	121	41	52.9	178	33	55.4	89	29	56.8	75
Hawaii	41	51.5	81	39	53.7	80	43	47.8	37	40	52.0	62
Florida	42	50.9	288	38	54.1	200	40	48.6	96	33	55.2	100
Arkansas	43	50.2	169	42	52.5	82	45	44.9	57	44	49.3	63
Texas	44	49.2	287	45	49.9	200	46	41.1	97	46	45.2	100
California	45	45.5	351	46	45.2	205	44	45.6	100	45	48.6	100
Illinois	46	44.1	285	44	50.5	201	38	53.1	97	34	55.1	100
Louisiana	47	39.1	146	47	40.5	182	47	37.3	98	47	41.3	94
Alabama	48	35.9	157	48	34.3	183	48	31.6	97	48	37.8	100
West Virginia	49	33.2	107	49	31.9	176	49	30.9	79	49	35.6	65
Mississippi	50	30.7	164	50	25.7	182	50	24.8	99	50	28.4	96

* Note: Scores displayed in this table have been rounded to one decimal point. However, when developing the ranking, scores were evaluated based on two decimal points. The column labeled "N" represents the number of evaluations for a given state.

Table B-2

Prior State Rankings Using Past Years' Ranking System

<u>Alabama</u> 2005 = 48 2004 = 48 2003 = 48 2002 = 48	<u>Georgia</u> 2005 = 28 2004 = 29 2003 = 39 2002 = 23	<u>Maine</u> 2005 = 11 2004 = 12 2003 = 16 2002 = 18	<u>Nevada</u> 2005 = 29 2004 = 34 2003 = 34 2002 = 30	<u>Oregon</u> 2005 = 25 2004 = 27 2003 = 14 2002 = 13	<u>Virginia</u> 2005 = 4 2004 = 3 2003 = 8 2002 = 2
<u>Alaska</u> 2005 = 33 2004 = 33 2003 = 32 2002 = 37	<u>Hawaii</u> 2005 = 41 2004 = 39 2003 = 43 2002 = 40	<u>Maryland</u> 2005 = 23 2004 = 21 2003 = 23 2002 = 22	<u>New Hampshire</u> 2005 = 12 2004 = 7 2003 = 10 2002 = 17	<u>Pennsylvania</u> 2005 = 34 2004 = 30 2003 = 31 2002 = 31	<u>Washington</u> 2005 = 15 2004 = 24 2003 = 21 2002 = 3
<u>Arizona</u> 2005 = 19 2004 = 14 2003 = 18 2002 = 11	<u>Idaho</u> 2005 = 10 2004 = 5 2003 = 13 2002 = 14	<u>Massachusetts</u> 2005 = 31 2004 = 28 2003 = 22 2002 = 36	<u>New Jersey</u> 2005 = 30 2004 = 26 2003 = 30 2002 = 32	<u>Rhode Island</u> 2005 = 35 2004 = 36 2003 = 37 2002 = 35	<u>West Virginia</u> 2005 = 49 2004 = 49 2003 = 49 2002 = 49
<u>Arkansas</u> 2005 = 43 2004 = 42 2003 = 45 2002 = 44	<u>Illinois</u> 2005 = 46 2004 = 44 2003 = 38 2002 = 34	<u>Michigan</u> 2005 = 24 2004 = 23 2003 = 29 2002 = 28	<u>New Mexico</u> 2005 = 38 2004 = 37 2003 = 41 2002 = 39	<u>South Carolina</u> 2005 = 39 2004 = 40 2003 = 42 2002 = 42	<u>Wisconsin</u> 2005 = 17 2004 = 10 2003 = 11 2002 = 15
<u>California</u> 2005 = 45 2004 = 46 2003 = 44 2002 = 45	<u>Indiana</u> 2005 = 6 2004 = 11 2003 = 5 2002 = 12	<u>Minnesota</u> 2005 = 7 2004 = 8 2003 = 9 2002 = 19	<u>New York</u> 2005 = 27 2004 = 22 2003 = 27 2002 = 27	<u>South Dakota</u> 2005 = 8 2004 = 17 2003 = 4 2002 = 9	<u>Wyoming</u> 2005 = 9 2004 = 15 2003 = 25 2002 = 20
<u>Colorado</u> 2005 = 13 2004 = 13 2003 = 12 2002 = 7	<u>Iowa</u> 2005 = 5 2004 = 4 2003 = 3 2002 = 5	<u>Mississippi</u> 2005 = 50 2004 = 50 2003 = 50 2002 = 50	<u>North Carolina</u> 2005 = 20 2004 = 19 2003 = 20 2002 = 16	<u>Tennessee</u> 2005 = 22 2004 = 25 2003 = 26 2002 = 24	
<u>Connecticut</u> 2005 = 18 2004 = 18 2003 = 17 2002 = 10	<u>Kansas</u> 2005 = 16 2004 = 9 2003 = 15 2002 = 4	<u>Missouri</u> 2005 = 40 2004 = 41 2003 = 33 2002 = 29	<u>North Dakota</u> 2005 = 3 2004 = 16 2003 = 6 2002 = 25	<u>Texas</u> 2005 = 44 2004 = 45 2003 = 46 2002 = 46	
<u>Delaware</u> 2005 = 1 2004 = 1 2003 = 1 2002 = 1	<u>Kentucky</u> 2005 = 36 2004 = 35 2003 = 35 2002 = 38	<u>Montana</u> 2005 = 37 2004 = 43 2003 = 28 2002 = 43	<u>Ohio</u> 2005 = 26 2004 = 32 2003 = 24 2002 = 26	<u>Utah</u> 2005 = 14 2004 = 6 2003 = 7 2002 = 8	
<u>Florida</u> 2005 = 42 2004 = 38 2003 = 40 2002 = 33	<u>Louisiana</u> 2005 = 47 2004 = 47 2003 = 47 2002 = 47	<u>Nebraska</u> 2005 = 2 2004 = 2 2003 = 2 2002 = 6	<u>Oklahoma</u> 2005 = 32 2004 = 31 2003 = 36 2002 = 41	<u>Vermont</u> 2005 = 21 2004 = 20 2003 = 19 2002 = 21	



2006 STATE LIABILITY SYSTEMS RANKING STUDY

HARRIS INTERACTIVE INC.

About the Institute for Legal Reform

Founded in 1998, the U.S. Chamber Institute for Legal Reform (ILR) is a 501 (c) (6) tax-exempt, separately incorporated affiliate of the U.S. Chamber of Commerce. The mission of ILR is simple: to make America's legal system simpler, fairer and faster for everyone. ILR's multifaceted program seeks to promote civil justice reform through legislative, political, judicial and educational activities at the national, state and local levels.



U.S. CHAMBER INSTITUTE FOR LEGAL REFORM
1615 H Street, N.W.
Washington, D.C. 20062-2000
ph. 202-463-5724 fax: 202-463-5302

www.instituteforlegalreform.org