



December 13, 2011

Dear Representative:

Pennsylvania's job creators need your "yes vote" on final passage on House Bill 1976 prior to the winter recess.

This legislation seeks to limit "venue shopping" – finding some obscure reason to sue someone in a friendly jurisdiction with permissive courtrooms and juries disposed to big awards (often Philadelphia). Data reported by the Administrative Offices of the Pennsylvania Courts show a dramatic reduction in the disproportionate claims filed in relatively few jurisdictions. Recent studies using data from the AOPC, including an examination completed by the International Center for Law & Economics, reveal that certain civil courts in Pennsylvania host an especially large number of cases and have a larger docket than other jurisdictions. Additionally, plaintiffs in these jurisdictions are both less likely to settle than plaintiffs elsewhere and more likely to prefer jury trials. Absent the commonsense reforms included in HB 1976, the practice of venue shopping will continue.

In 2002, the House and Senate passed and Governor Mark Schweiker signed into law very similar legislation for medical malpractice cases. The Supreme Court then adopted a rule that mirrored the law. Since then the number of med-mal cases in Philadelphia has plummeted. The Trial Lawyers Association and Governor Edward Rendell, in fact, used that data to declare med-mal "fixed" and no longer a problem. HB 1976 would extend that success to all civil litigation.

While the bill was reported unanimously by the Judiciary Committee, and an amendment to the bill passed by a margin of 189-6, this bipartisan legislation was opposed recently on two grounds:

- Arguments about constitutionality.
- Arguments the bill hurts small business.

We believe this bill meets the constitutional test for separation of powers. Pennsylvania Rule of Civil Procedure 2179 states that current rules are enforced, "except as otherwise provided by an Act of Assembly ...." Regardless, passage of this bill will demonstrate support for the policy goal to the Pennsylvania Supreme Court and others. Ten years ago a constitutional argument was lodged against medical malpractice venue shopping legislation. The Supreme Court adopted a rule of civil procedure that mirrored the legislation and made the argument moot. It is that rule –based on work by the Pennsylvania House – that has been so successful. This legislation would extend that public policy to all civil cases. Passage of HB 1976 will advance this important reform.

It is true that current law does not allow a plaintiff to sue in their county of residence, and this bill would extend that right to all plaintiffs. Most states allow plaintiffs to sue in their domicile county, and the Pennsylvania Supreme Court rule governing medical malpractice does so. The business community is willing to concede this reform for the other reforms provided by the bill – the only other two places one could sue is in the county where all or the predominant cause of action took place, or in the county in which the defendant’s principal place of business is located. This is about fairness for ALL parties. We have a far bigger problem with cases having no relationship to Philadelphia (plaintiff, defendant, site of injury, principal location of business) being moved to Philadelphia, than we have with Philadelphians being injured outside their county and asking to have the convenience of suing near their home. The business community believes fairness and justice are the rights of all Pennsylvanians. Small business advocates are strong supporters of HB 1976 and co-signers of this letter.

Pennsylvania's legal climate limits access to affordable health care, harms consumers and taxpayers, and adversely impacts job creators of all sizes. Venue reform is strongly supported by all members of Pennsylvania's business community and the passage of HB 1976 is considered as important a reform as passage of the Fair Share Act earlier this year. Please vote “yes” on final passage of HB 1976.

Sincerely,



Samuel Marshall  
President  
Insurance Federation  
of Pennsylvania



David N. Taylor  
Executive Director  
Pennsylvania Manufacturers  
Association



Kevin Shivers  
PA State Director  
National Federation of  
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Gene Barr  
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