

PUBLICATION

Louisiana Lands on "Judicial Hellhole Watch List" for Third Year

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The American Tort Reform Association released its annual Judicial Hellholes Report earlier this month and Louisiana received the dubious distinction of landing on the report's watch list for the third consecutive year. The report, published annually since 2002, surveys Court rulings in states and some specific counties or parishes to identify “places where judges in civil cases systematically apply laws and court procedures in an unfair and unbalanced manner, generally against defendants.” The report highlights the top five worst jurisdictions to be sued in and calls attention to six additional locales that fall on the “Watch List.” Louisiana appears on the Watch List and the report discusses recent surprising verdicts in the state, noting that oil and gas companies have been frequent targets of plaintiffs and victims of surprising jury verdicts. One such verdict discussed involved a \$17.5 million award by a Calcasieu Parish jury against Chevron USA, Inc., Texaco, Inc. and Unocal wherein the jury found that a plaintiff had “suffered extensive benzene exposure” while employed by the companies.

The report, however, did highlight one positive development for oil and gas companies. Despite the overall negativity of the report's inclusion of Louisiana, the report notes the outlook to be more positive for the roughly 1,500 energy production companies mired in “legacy” litigation for years in Louisiana. The report's positive comments related to the passage in 2012 by the Louisiana legislature of legacy lawsuit reform measures.

Finally, although the report indicates Louisiana to not be one of the best places in the country to be sued, it makes clear that things could be worse. The top five “Judicial Hellholes” for 2012, in order of ranking from first to fifth, were as follows: California; West Virginia; Madison County, Illinois; New York City and Albany, New York; and Baltimore, Maryland.