Gov. Perry Highlights Importance of Fair Legal Climate in Texas

It's always a pleasure to be among those who understand the real danger lawsuit abuse can present to an economy, how it can derail employers of all sizes, and prematurely end the hopes and dreams of small business owners.

That's why, with your help, we've taken aggressive action over the past several legislative sessions, to limit unscrupulous individuals and fortune-seeking lawyers from playing the system and taking advantage of the courts to achieve their own, self-serving ends.

As many of you in this room know, during the last session, the legislature passed, and I had the honor of signing, important legislation to help Texas employers spend less time in court, and more time creating jobs.

The bill I signed gave Texas judges the ability to dismiss a frivolous lawsuit immediately if there is no basis for the suit, just as in 42 other states, with the prevailing party able to recover their attorney's fees from their opponent.

Also, trial judges who think a question of law can end a case can now ask an appeals court to decide the matter, eliminating the need to play out an entire, costly trial before the question is decided by a higher court.

It also created expedited civil actions for cases involving less than $100,000, which will cut down on court time and costs in smaller cases.

The bill also encourages timely settlements, by penalizing parties who turn down fair settlement offers in search of a "home run" at trial, because we all end up paying for every big swing they take in the batter's box.

Now, more resources can be invested in business expansion and hiring, instead of wasting them on extended, frivolous lawsuits.

It's all a part of creating a Texas where people of all industries can confidently invest their capital, and expect to see a solid return on their investment.

That didn't just happen overnight.

A little over a decade ago, we set out to create a Texas where job-creators could put down roots, relocate or expand, and know they wouldn't be tied up in miles of government red tape and regulations.

We kept our taxes low, ensuring employers and employees alike keep more of the money they earn.

We dedicated ourselves to cultivating a workforce that stands ready to fill any need an employer could have, from the assembly line, to the sales office, to the laboratory.

And, as I discussed earlier, the tort reforms we passed were certainly key to this process.

We're about a decade into those efforts, and I think the results speak for...
themselves.

fDi Magazine recently awarded Texas the 2012 Governor Award for being the most successful state in the nation at attracting investment, and that publication is far from alone in its praise of the Lone Star State.

Chief Executive Magazine has named Texas the country's "Best State for Business" for the eighth consecutive year, and we're committed to making it nine in a row next year.

Texas has also received accolades from media outlets like USA Today, CNBC, the Wall Street Journal, Forbes and Site Selection Magazine.

More important than good press, however, Texas continues to be the nation's epicenter for job creation, with our state's employers creating more jobs last month than any other state in the nation, just as we have over the past decade.

What that means is that the people in Texas have a better chance at finding a new job, a better job, to improve their lives and the lives of their families.

We're attracting companies from around the country, and around the world.

We've done this by rooting our economy on sound, fiscally conservative principles.

We don't spend more than we bring in, balancing our budget every biennium, and keeping billions in reserve in our Rainy Day Fund.

We have no, and will have no, state income tax, and we're pressing to make 40,000 small businesses permanently exempt from our state's margin tax.

Earlier this year, I proposed the Texas Budget Compact, a collection of five basic steps our legislature should take to ensure we continue adhering to the bedrock principles that have gotten us where we are today.

They are, practice truth-in-budgeting, support a stricter constitutional limit on spending, oppose any new taxes or tax increases, and make the small business tax exemption permanent, preserve our strong Rainy Day Fund, and cut wasteful and redundant government programs and agencies.

At the heart of the Compact is the idea that money does a lot more good in the pockets of individuals than it does in government coffers.

The compact has been designed to keep government honest, as small as possible, and as efficient as it can be in providing essential services like educating our children and caring for our most vulnerable citizens.

By sticking to that formula, we can enable employers and employees alike to keep more of their hard-earned dollars, which translates to a stronger economy, and more, and better, jobs.

That's the Texas way, and again, the Texas way is working.

Another benefit of tort reform has been a surge in the number of doctors coming to our state.

In fact, just a couple weeks ago, we got the news that Texas' supply of doctors grew twice as fast as the state's population since we passed tort reform in 2003.

http://governor.state.tx.us/news/speech/17844/
The same study found that, since we passed reform, the total number of active physicians per capita grew twice as fast as it did before.

Sometimes I'm surprised we still have to argue with people about this, the facts seem pretty clear.

Having a thriving and growing medical community increases access to care, improving the quality of life for all Texans, and it also creates new opportunities for research across our state.

Research has played a key role in diversifying our economy in Texas, and has seen us make dramatic inroads in fields like biotechnology, aerospace and engineering, chemicals and electronics.

Those inroads are paying serious dividends in terms of new, high-quality jobs in Texas.

In fact, this summer, I travelled to Boston, to discuss our state's top ranking in biotech job creation in the widely-respected Battelle Study.

Around that same time, the U.S. Department of Health and Human Services selected Texas A&M as one of only three sites in the nation for a Center for Innovation in Advanced Development and Manufacturing.

This national center will play a key role in securing our country from bio-terrorism and global pandemic, through the rapid development and manufacturing of vaccines and therapies to protect human life.

This further solidifies our status as a vital part of the ongoing development of life-saving vaccines and treatments, and will bring in billions more in outside research dollars, for decades to come.

Texas is also establishing a foothold in the potentially world-changing industry of regenerative medicine, which I discussed at the inaugural Houston Stem Cell Summit a couple weeks ago.

The rapid growth of research in our state only adds to the likelihood that the cure for Parkinson's, paralysis and cancer, will eventually be found, and found in Texas.

Our state is growing, and growing in all the right ways.

Organizations like CALA have played an important role in that growth, helping free innovative thinkers and bold visionaries from the fear of draconian, and frivolous, legal action.

That has helped make Texas a place where people are free to blaze their own trails, free to take the kinds of chances that often lead to new discoveries, new innovations, and new industries.

No less than the very future of our great state is at stake.

In the months to come, I expect we'll be hearing a lot out of CALA, and I hope you'll continue to spread the word about lawsuit abuse, and make sure that your voices are heard in the Capitol in the upcoming legislative session.

May God bless you and, through you, may He continue to bless the great state of Texas.