

North Dakota Association for Justice "The Trial Lawyers of North Dakota PO Box 365 Mandan, ND 58554 www.ndaj.org

Jaclyn Hall, Executive Director (701) 663-3916 jaclyn@ndaj.org

DO PASS - HB 1334 As Amended

Madame Chair Larson and members of the Senate Judiciary Committee, my name is Jaci Hall and I am the Executive Director of the North Dakota Association for Justice. Today I am here to ask you for a DO Pass recommendation on HB 1334 as amended. After visiting with Rep Jones, this amendment is an equitable compromise to the proposed legislation.

HB 1334 seeks to amend 28.26.01 of the ND Century Code to ask the court to award damages and reasonable attorney fees as the result of a frivolous lawsuit. A lawsuit or defense may be deemed frivolous because it has no underlying justification in fact, or because it was not presented with an argument for a reasonable extension or reinterpretation of the law.

After reviewing HB 1334 and visiting with Representative Jones, we agreed that this amendment would create the same outcome for a frivolous defense. Frivolous defenses are not as popular as frivolous lawsuits, but they do happen.

For example: A business sues a customer for nonpayment of a contract. The suit is for failure to pay. The defendant files multiple motions to have the plaintiff's lawsuit thrown out of court, none of which have a significant chance of success, all aimed at delaying the day when the defendant has to face a jury, or pay to settle.

An insurance company paying an attorney to contest an injury claim that the insurer knows is valid, all because the insurer hopes to wear down the injured party or her lawyer and pay less money to settle the case.

Lastly, a corporation making an injured plaintiff ask for relevant documents 7, 8 or more times during the life of a case before it finally turning them over. This process can not only delay a case for 6-18 months, but it can also be extremely, and totally unnecessarily expensive for the plaintiff just to get documents to which he is entitled.

In closing, frivolous lawsuits, as well as frivolous defenses, tie up the court system. They needlessly prolong cases, waste courts' time and cost taxpayer's money. I am here today to ask you to amend HB 1334 to discourage *any frivolous filing-whether it's the lawsuit or the defense of the lawsuit*.

Thank you for the opportunity to provide testimony. I will take any questions you may have at this time.

Sincerely, Jaclyn Hall NDAJ