

ECONOMIC BENEFITS OF TORT REFORM: 2024 UPDATE

An Assessment of Excessive US Tort Costs and Potential
Economic Benefits of Reform

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Introduction

The civil justice system is a crucial institutional framework in America. When functioning properly, the system provides a fair and equitable forum for the resolution of disputes among parties, appropriately compensating those that have legitimately been harmed. Additionally, it acts as an effective deterrent to undesirable behavior. The civil justice system is designed to provide proper remedies for injured parties and incentives for responsible actions; it is not intended to be punitive, random, or unpredictable.

As part of this framework, tort litigation can be highly beneficial to society in terms of promoting equal and impartial justice as well as establishing part of the critical context in which

economic activity can prosper. It provides for systematic resolution of disputes, reduces conflict, and encourages production using safe practices that benefit society as a whole.

Tort reform can lead to substantial economic benefits, and states which have implemented reform have seen improved judicial efficiency and better economic performance.

The Perryman Group estimates that excessive tort costs to the US economy result in

- **\$367.8 billion** in annual direct costs,
- **\$557.8 billion** in annual output (gross product) and
- **Over 4.8 million** jobs when dynamic effects are considered, and
 - **\$103.2 billion** in annual federal revenues,
 - **\$28.8 billion** in annual State revenues, and
 - **\$24.1 billion** in annual local government revenues.

Excess torts result in a “tort tax” of \$1,666 per person (or \$5,215 per family).

On the other hand, a flawed civil justice system which generates exorbitant levels of damages or numbers of awards and which is unpredictable in its outcomes may result in negative impacts through the misallocation of society’s scarce economic and human resources. When such imbalances occur,

tort reform can lead to substantial benefits, and states which have implemented reforms have seen improved judicial efficiency and measurable enhancements to economic performance.

In order to evaluate the actual and potential economic benefits of tort reform in the US, states, and the District of Columbia, The Perryman Group (TPG) quantified the aggregate excess costs associated with the current system, allocated this amount across states based on the cost relative to overall economic activity, and examined the resulting downstream effects. Effective reform measures can reduce or eliminate these costs to the benefit of each state. Note that this report follows the same basic structure used in prior years to allow for comparison across time periods while incorporating extensive new information.

Background

A tort is either an act or an omission that harms or injures another person.¹

Tort lawsuits make up the majority of civil litigation, and there are a wide variety of cases that fall within the category.² The three main types of tort cases are intentional torts, negligence, and strict liability.³ Intentional torts are when a defendant

purposefully harms a plaintiff and include battery, assault, and trespassing.⁴

Negligence cases must prove that there was a breach of duty that caused an injury and would include,

among others, car accidents and medical malpractice suits.⁵ Strict liability torts are product liability cases where a defective product was made or sold and caused harm and do not depend on whether a level of care was met.⁶

Tort reform generally refers to making changes to the civil justice system to limit either the ability to file a lawsuit or the amount of damages that can be received, responding to the belief that verdicts in tort cases have grown to be excessive and distort economic incentives and activity in undesirable ways. The level of tort reform measures varies from state to state. For example, approximately 25 states currently have laws capping the amount of damages that can be awarded in medical malpractice lawsuits, with values ranging from \$250,000 to \$2.60 million.⁷

If the justice system generates exorbitant levels of damages or numbers of awards, it may result in negative impacts through the misallocation of society's scarce economic and human resources.

¹ Tort, Wex Legal Dictionary, Legal Information Institute, Cornell Law School, (n.d.), <https://www.law.cornell.edu/wex/tort>.

² The 3 Different Types of Tort Law, The Babcock Law Firm LLC, (n.d.), <https://www.injurylawcolorado.com/legal-library/tort-law-types.html>.

³ Tort, Wex Legal Dictionary, Legal Information Institute, Cornell Law School, (n.d.), <https://www.law.cornell.edu/wex/tort>.

⁴ Intentional Tort, Wex Legal Dictionary, Legal Information Institute, Cornell Law School, (n.d.), https://www.law.cornell.edu/wex/intentional_tort.

⁵ Negligence, Wex Legal Dictionary, Legal Information Institute, Cornell Law School, (n.d.), <https://www.law.cornell.edu/wex/negligence>; The 3 Different Types of Tort Law, The Babcock Law Firm LLC, (n.d.), <https://www.injurylawcolorado.com/legal-library/tort-law-types.html>.

⁶ Tort, Wex Legal Dictionary, Legal Information Institute, Cornell Law School, (n.d.), <https://www.law.cornell.edu/wex/tort>.

⁷ Malpractice Damage Caps in All 50 States 2024 Update, Miller & Zois, (n.d.), <https://www.millerandzois.com/medical-malpractice/maryland-medical-malpractice-cap/malpractice-damage-caps/>.

Economic Costs of the US Tort System

The cost of the US civil justice system provides a framework for analysis of the economic impact of tort reform. Not all tort costs are due to excessive litigation and lawsuit abuse. Clearly, there is a need for a system to create

An overly aggressive tort environment is a drain on the economy of a state and the country as a whole.

incentives for firms to produce safe products, conduct business fairly, and otherwise follow the prevailing laws. It is also important that truly injured parties have a mechanism to

be fully and fairly compensated. An efficient system leads to trust among market participants, enhanced business activity, and a higher standard of living.

However, an inadequately balanced justice system can be counterproductive. In particular, if the system generates exorbitant levels of damages or numbers of awards, it may result in negative impacts through the misallocation of society's scarce economic and human resources.

Some of these negative effects include:

- increased costs and risks of doing business in an area,
- disincentives for innovations which promote consumer welfare,
- enhanced incentives to file lawsuits of questionable merit resulting in increased inefficiencies,
- higher insurance premiums than would exist under a more balanced approach,
- increased health care costs and declining availability of medical services,
- deterrence of economic development and job creation initiatives, and
- diversion of activity to unproductive purposes.

In short, an overly aggressive tort environment is a drain on both the economy of a state and the country as a whole.

The size of the tort system in the US has grown substantially over the years. There is also evidence that the US tort system is expensive by international standards. A 2013 study by the US Chamber Institute for Legal Reform found that the US had the highest liability costs as a percentage of GDP among the

advanced western countries of the US, Canada, and the Eurozone.⁸ These findings reflect both higher frequency of claims and higher claims cost in the US.⁹ These findings suggest that the resources consumed by the tort system in the US are well above the level required to maintain an efficient and productive economy.

Excess expenditures reduce the competitiveness of American businesses. They also increase corporate incentives to locate factories elsewhere where there are more reasonable tort environments. Even variation among the litigation environments in the states affects where businesses choose to locate. A 2019 survey of corporate attorneys found that 89% of respondents indicated that the litigation environment in a state is likely to impact business decisions, an increase from 85% in 2017 and 75% in 2015.¹⁰

Industry-Specific Effects

Several industries are particularly hard hit by litigation including certain types of manufacturing and health care delivery. Highly litigated **manufacturing industries** include, among others, categories such as chemicals, pharmaceuticals, tires, power tools, welding equipment, and electrical equipment. Litigation has threatened the viability of numerous companies in these sectors.

The threat of litigation can significantly decrease product innovation. When businesses operate in a high-liability-risk environment, they respond by reducing investments in product innovation, as new products have more uncertain safety characteristics and can be more vulnerable to lawsuits.

An unbalanced civil justice system can also reduce product safety research and the availability of safety-enhancing equipment. In fact, a 2007 study by Paul H. Rubin and Joanna M. Shepherd demonstrated that tort reforms passed in the states between 1981 and 2000 prevented approximately 24,000 net accidental deaths from occurring in the US during that timeframe. The researchers determined that an overly expensive liability system increases the

⁸ International Comparisons of Litigation Costs, US Chamber Institute for Legal Reform, June 2013, p. 2.

⁹ International Comparisons of Litigation Costs, US Chamber Institute for Legal Reform, June 2013, pp. 4-5.

¹⁰ 2019 Lawsuit Climate Survey-Ranking the States, A Survey of the Fairness and Reasonableness of State Liability Systems, US Chamber Institute for Legal Reform, September 2019, p. 3.

cost of many risk-reducing products and services, making them less accessible, and in some cases unavailable to consumers.¹¹

Another vulnerable sector is **health care delivery**. Since 1975 (the first year for which insured medical malpractice costs were separately identified), the escalation in medical malpractice litigation costs has outpaced the increase in overall US tort costs. The result has been an enormous rise in insurance premiums for providers, in some cases leading to reductions in the provision of important procedures and practitioners leaving the profession.

An additional consequence of this phenomenon is an increase in “defensive medicine.” Defensive medicine, as identified in an early analysis, is defined as occurring when “doctors order tests, procedures, or visits, or avoid high-risk patients or procedures, primarily (but not necessarily solely) to reduce their exposure to malpractice liability” and also as administering “precautionary treatments with minimal expected medical benefit out of fear of legal liability.”¹² More recent investigations have reached similar conclusions. In one study, the authors found that in six of seven specialties “greater resource use was associated with statistically significantly lower subsequent rates of alleged malpractice incidents.”¹³

Many of these tests are quite costly (in addition to other issues such as patients incurring needless pain or inconvenience). The savings from the reduction or elimination of defensive medicine would allow millions of Americans to obtain health insurance. Moreover, the premature deaths and lost productivity due to lower

Tort reform can enhance the efficiency of the economy and the competitiveness of the state's businesses.

access to health care from liability-driven rising health care expenditures could be reduced. In addition, the supply of doctors tends to be restricted by the higher risk and costs associated with an excessive system, thus further reducing access to health care. In a 2008 study, The Perryman Group found

¹¹ Rubin, Paul H. and Joanna M. Shepherd, Tort Reform and Accidental Deaths, *Journal of Law and Economics*, Vol. 50, May 2007.

¹² Kessler, Daniel, and Mark McClellan, Do Doctors Practice Defensive Medicine?, *The Quarterly Journal of Economics*, Vol. 111, No. 2, May 1996.

¹³ Jena, Anupam B., Lena Schoemaker, Jay Bhattacharya, and Seth Seabury, Physician Spending and Subsequent Risk of Malpractice Claims: Observational Study, *BMJ*, 351, November 4, 2015. See also Anupam B. Jena and Seth Seabury, Why Do So Many Doctors Practice Defensive Medicine? Maybe Because it Works, *The Evidence Base*, University of Southern California, May 16, 2016, <https://healthpolicy.usc.edu/evidence-base/why-do-so-many-doctors-practice-defensive-medicine-maybe-because-it-works/>.

that, after accounting for other factors, malpractice reforms in Texas led to a statistically significant increase in licensed physicians.¹⁴

Benefits of Tort Reform

Tort reform involves a number of benefits including, among others, enhancing product innovation, increasing productivity, reducing accidental deaths, and improving access to health care through lower costs. These effects, in turn, enhance the efficiency of the economy and the competitiveness of the state's businesses.

Innovation is greater with reform; new products are often higher risk because they have a less well-defined safety history. Legal reform that decreases exposure to liability lawsuits has been shown to **enhance innovation and increase productivity and employment**.

Reform has also been linked to a net **decrease in accidental deaths** because it enables consumers to buy more risk-reducing products. A 2007 study found that there were actually fewer accidental deaths (non-motor-vehicle) from 1981-2000 in states that had tort reforms.¹⁵ As reform ameliorates companies' expected liability from such products, they respond by lowering prices and increasing product offerings for items such as pharmaceuticals, safety equipment, and medical services and devices.

The Pacific Research Institute found a measurable link between a state's legal environment and the growth rate of its real, per capita output, and concluded that the position of states relative to one another in terms of civil justice frameworks explained about 12% of the variation among the 50 states in their output growth rates.¹⁶ A later 2009 report analyzing how state tort reform affects tort losses and tort insurance premiums also found that out of the 25 tort reforms examined, 18 reforms significantly reduced tort losses and insurance premiums over the 1996 to 2006 timeframe. The reforms that resulted in the greatest reduction were those aimed at reducing frivolous

¹⁴ A Texas Turnaround: The Impact of Tort Reform on Business Activity in the Lone Star State, The Perryman Group, 2008.

¹⁵ Rubin, Paul H. and Joanna M. Shepherd, Tort Reform and Accidental Deaths, Journal of Law and Economics Vol. 50, May 2007.

¹⁶ US Tort Liability Index: 2006 Report, Pacific Research Institute, May 2006.

lawsuits, capping appeal bonds, setting negligence standards, and limiting non-economic-damages and medical-malpractice damages.¹⁷

The Perryman Group has also reached a similar conclusion in numerous studies going back to 2003, including an annual update of excessive tort costs and the potential benefits of reform by state since 2019.¹⁸ Economic benefits occur because tort reform enhances the efficiency, fairness, and predictability of the civil justice system.

Tort Reform and Economic Development

Tort reform can cover many areas of legislation, from setting the interest rate used to calculate judgments to trespasser liability laws. The most recognizable form of tort reform is caps set to limit punitive and noneconomic damages, which are the damages that go beyond the direct costs arising from the harm caused by the defendant. Other forms of tort reform include rules qualifying an expert witness in a case, limiting when medical malpractice may be applied, allowing a class action to form, and lowering the barriers for a more thorough representation of the general population to serve as jurors.¹⁹ Any of these

changes can involve economic benefits.

Improving the climate for economic development through actions such as tort reform can help states win the competition for desirable corporate locations and expansions.

The Perryman Group has extensive experience in the area of economic development and has studied the relationship between the

judicial system and economic growth in a variety of contexts including access, supply and compensation of judicial personnel, adequate court records, and numerous types of judicial reforms. Tort reform is an important aspect of

¹⁷ Tort Law Tally: How State Tort Reforms Affect Tort Losses and Tort Insurance Premiums, Pacific Research Institute, April 2009.

¹⁸ See, for example, Economic Benefits of Tort Reform, An Assessment of Excessive US Tort Costs and Potential Economic Benefits of Reform, The Perryman Group, 2023; An Assessment of Excessive Tort Costs in California and Potential Economic Benefits of Reform, The Perryman Group, 2019; The Perryman Group, An Assessment of Excessive Tort Costs in Florida and Potential Economic Benefits of Reform, 2019; An Assessment of Excessive Tort Costs in Illinois and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in Louisiana and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in Missouri and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in West Virginia and Potential Economic Benefits of Reform, The Perryman Group, 2019; and The Impact of the Proposed Judicial Reforms in House Bill 4 (HB4) on Business Activity in Texas: An Initial Assessment, The Perryman Group, 2003.

¹⁹ A review of reforms in various states can be found in The American Tort Reform Association's yearly update of state tort reform enactments, <https://www.atra.org/resources/state-tort-reform-enactments/>; see also: Cook, Andrew C., Tort Reform Update: Recently Enacted Legislative Reforms and State Court Challenges, The Federalist Society, December 2012.

fundamental economic health and development, which involves much of what state government does on an ongoing basis.

The first requirement for prosperity is an overall environment that is conducive to economic success. The primary role of government in achieving a fundamental advantage is to perform its traditional functions in an exemplary fashion. Key aspects of fundamental economic development include an educated workforce, quality infrastructure, balanced and efficient judicial structure, and a stable and competitive tax and regulatory environment. Other initiatives which positively impact the costs of doing business (such as effective workers' compensation and unemployment insurance systems) or the quality of life (such as crime reduction or improved public health) also contribute to the overall climate for growth.

Improving the climate for economic development through actions such as tort reform can help states to be more attractive for desirable corporate locations and expansions.

Impact of Excessive Tort Costs

In order to measure the effects of excessive tort costs on the United States economy and its various states, it is initially necessary to estimate the current overall direct costs of the liability system. One key input to this analysis stems from a 2022 study sponsored by the US Chamber of Commerce Institute for Legal Reform, which included a detailed review of insurance claims and other data across a spectrum of categories.²⁰

Another consistent source of estimates of the magnitude of the tort system that was maintained for many years dating back to the 1950s has been periodic reports by Towers Watson and its predecessors.²¹ Estimates were adjusted as needed and projected forward using models that are statistically significant and exhibit excellent empirical properties and were found to be highly comparable to (modestly above) the estimate from the Institute for

*The Perryman Group estimates that the excessive burden of the US tort system totals **\$367.8 billion** per year.*

Legal Reform. For purposes of conservatism in the present analysis, the lower value was adopted. It was then projected forward using the firm's econometric model (described in

Appendix A) to generate a current (2023) estimate of the magnitude of the US tort system of **\$614.9 billion**, up significantly from The Perryman Group's 2022 estimate of \$573.2 billion. This level was used as the starting point in defining the direct excess costs.

As noted, it is essential in any advanced economy to have a robust system to protect intellectual property, sustain the legal framework, adjudicate legitimate disputes, and provide a viable platform for business activity. The Perryman Group estimated the portion of the costs quantified above which constitutes an excessive burden based on a comparison of costs (as a percentage of the Gross Domestic Product) in other developed areas with similar standards of living and well-developed judicial systems (such as the European Union). Based on this assessment, The Perryman Group estimates that **\$247.0 billion** of the US tort system outlays were necessary and, thus, the

²⁰ Tort Costs in America An Empirical Analysis of Costs and Compensation of the US Tort System, US Chamber of Commerce Institute for Legal Reform, November 2022.

²¹ US Tort Cost Trends, 2011 Update, Towers Watson, 2012.

excessive burden was \$367.8 billion. The excessive burden has risen significantly from the \$342.9 billion estimate for 2022.

Once the US burden is quantified, it was allocated across the 50 states and the District of Columbia based on overall economic and demographic patterns as well as the concentration of factors which are indicative of the extent of tort activity. The differential between the required and overall system costs constitutes the direct excessive burden in each state. Excess costs were then allocated across industrial categories, with the resulting values used as inputs to the impact assessment simulations to quantify multiplier effects. (See Appendix A for additional detail.)

These effects can be expected to rise over time in the absence of meaningful reforms. Descriptions of measures of economic activity and methods used for measuring economic impacts are briefly outlined on the following page and explained in further detail in Appendix A of this report.

Measuring Economic Impacts

Any economic stimulus, whether positive or negative, generates dynamic responses throughout the economy. In this instance, excessive costs of the tort system lead to negative multiplier effects rippling through the economy.

The Perryman Group compared estimated US tort system costs to those in other countries with well-developed judicial systems (such as the European Union) to quantify the amount of excess costs. Dynamic effects were then measured using integrated simulations of The Perryman Group's input-output assessment and econometric models (the US Multi-Regional Impact Assessment System and the US Multi-Regional Econometric Model), which are described in further detail in the Appendices to this report) developed by the firm almost 40 years ago and consistently maintained and updated since that time. These models have been used in hundreds of analyses for clients ranging from major corporations to government agencies. The impact system uses a variety of data (from surveys, industry information, and other sources) to describe the various goods and services (known as resources or inputs) required to produce another good/service. This process allows for estimation of the total economic impact (including multiplier effects) of excessive tort costs, which represents the potential benefits of tort reform. Through integrating this system with the econometric model, the dynamic effects on productivity and other economic phenomena can be estimated. The models used in the current analysis reflect the specific industrial composition and characteristics of the national and individual state economies.

Total economic effects are quantified for key measures of business activity:

- **Total expenditures** (or total spending) measure the dollars changing hands as a result of the economic stimulus.
- **Gross product** (or output) is production of goods and services that will come about in each area as a result of the activity. This measure is parallel to the gross domestic product numbers commonly reported by various media outlets and is a subset of total expenditures.
- **Personal income** is dollars that end up in the hands of people in the area; the vast majority of this aggregate derives from the earnings of employees, but payments such as interest and rents are also included.
- **Job gains** are expressed as permanent jobs because effects would be ongoing.

Business activity also generates incremental taxes to the State and local governments. Monetary values were quantified on a constant (2023) basis to eliminate the effects of inflation. See the Appendices for additional information regarding the methods and assumptions used in this analysis.

Cost of Excessive Torts to the US Economy

Potential effects by state were summed to obtain a national total. The total current impact of excessive tort costs on the US economy includes losses of an estimated **\$557.8 billion** in output (gross product) each year and more than **4.81 million** jobs when dynamic effects are considered, up notably from last year's (2022) estimates of \$520.2 billion in output and approximately 4.77 million jobs.

*The total current impact of excessive tort costs on the US economy includes losses of an estimated **\$557.8 billion** in output (gross product) each year and more than **4.81 million** jobs when dynamic effects are considered, up notably from 2022 levels.*

The reduction in output on a per capita basis implies a "tort tax" of **\$1,666** per person, notably higher than the 2022 estimate of \$1,561. When measured on a per-family basis, the tort tax has also risen and is now estimated to be approximately **\$5,215**. All major industry groups are negatively affected, with business services, retail trade, financial activities, and manufacturing experiencing the greatest losses.

Business activity generates tax revenue, and the business activity losses due to excessive tort costs reduce receipts to the federal, State, and local

*Yearly fiscal losses (as of 2023) are estimated to be **\$103.2 billion** in federal revenues, **\$28.8 billion** in state revenues and **\$24.1 billion** to local governments across the nation.*

governments. Yearly fiscal losses (as of 2023) are estimated to be **\$103.2 billion** in federal revenues, **\$28.8 billion** in state revenues, and **\$24.1 billion** to local governments across the

nation. These reductions are significantly larger than they were last year. (Losses by state are located in Appendix B.) Tort reform can reduce or eliminate these costs. Thus, these results may also be viewed as a measure of the benefits of reasonable reforms.

The Current Annual Loss in US Business Activity Due to Excessive Tort Costs

Total Expenditures (Billions of 2023 Dollars)	Gross Product (Billions of 2023 Dollars)	Personal Income (Billions of 2023 Dollars)	Employment (Jobs)
\$1,097.637	\$557.815	\$354.378	4,813,349

Note: Based on The Perryman Group's estimate of excess costs of the US tort system quantified through a comparison of estimated US costs to those in other countries with well-developed judicial systems (such as the European Union) and related dynamic effects. Additional definitions of terms and explanation of methods and assumptions may be found elsewhere in this report and in Appendix A. Results by industry are included in Appendix B.

Source: US Multi-Regional Impact Assessment System, The Perryman Group

It should be noted that the overall US impacts are determined as the sum of the individual state analyses. This approach modestly understates the overall consequences of excessive tort costs due to spillover effects across areas. Because reforms are generally implemented on an individual state basis, the more conservative representation of aggregate effects is more appropriate.

Cost of Excessive Torts to State Economies

The cost of excessive torts varies widely across states. In order to allow for a comparison given significant variation in the sizes of state populations and economies, The Perryman Group converted excessive costs into a "Tort Tax" measure. This measure is a per capita estimate of the losses in economic output (gross product).

The District of Columbia has by far the highest tort tax at **\$7,813**, followed by Massachusetts, Washington, New York, and California, which are in the **\$2,560 to \$2,458** range.

States with the Highest “Tort Tax”	
Area	Annual Tort Tax
District of Columbia	-\$7,813.46
Massachusetts	-\$2,560.07
Washington	-\$2,558.19
New York	-\$2,534.85
California	-\$2,458.33
Connecticut	-\$2,117.66
Colorado	-\$1,982.84
Illinois	-\$1,919.28
New Jersey	-\$1,885.95
Nebraska	-\$1,847.77

Note: Based on The Perryman Group’s estimates of 2023 excess costs of the US tort system quantified through a comparison of estimated US costs to those in other countries with well-developed judicial systems (such as the European Union) and related dynamic effects. The “Tort Tax” is a measure of annual per capita economic losses (as measured by lost gross product) in the state associated with excessive torts. Additional explanation of methods and assumptions may be found in Appendix A. Economic losses due to excess torts are included in Appendix B by state and industry.
Source: US Multi-Regional Impact Assessment System, The Perryman Group

Results for all states on a detailed industrial basis are included in Appendix B.

Conclusion

The judicial system is essential to resolving disputes, compensating those that have been harmed, and deterring undesirable behavior. However, if it becomes imbalanced or unpredictable, it can cause misallocation of resources and unreasonably constrain economic growth.

Tort reform can significantly reduce excessive tort costs, leading to substantial economic benefits as well as other positive outcomes.

As noted, The Perryman Group estimates that excessive tort costs are harming the economy, leading to a decrease in US business activity of an estimated **\$557.8 billion** in output (gross product) each year and more than **4.8 million** jobs (including dynamic effects). In terms of gross product per capita, these losses amount to a “tort tax” of almost **\$1,666** for every resident (or **\$5,215** per family). The tort tax is much higher in some areas including the District of Columbia, Massachusetts, Washington, New York, California, and Connecticut. In addition, these costs have risen considerably over 2022 levels.

Tort reform can significantly reduce or eliminate these costs, leading to substantial economic benefits as well as other positive outcomes. A strong and equitable judicial system is essential to a sustainable economy, and correcting imbalances is in the interest of individuals, businesses, and society as a whole.

Appendix A: Methods Used

US Multi-Regional Impact Assessment System

The basic modeling technique employed in this study is known as dynamic input-output analysis. This input-output segment of the methodology essentially uses extensive survey data, industry information, and a variety of corroborative source materials to create a matrix describing the various goods and services (known as resources or inputs) required to produce one unit (a dollar's worth) of output for a given sector. Once the base information is compiled, it can be mathematically simulated to generate evaluations of the magnitude of successive rounds of activity involved in the overall production process.

There are two essential steps in conducting an input-output analysis once the system is operational. The first major endeavor is to accurately define the levels of direct activity to be evaluated.

Direct Effects

In order to measure the effects of excessive tort costs on the United States economy and its various states, it is initially necessary to estimate the current overall direct costs of the liability system. One key input to this analysis stems from a 2022 study sponsored by the Institute for Legal Reform of the US Chamber of Commerce. This assessment included a detailed review of insurance claims and other data across a spectrum of categories. It was estimated that, as of 2020, the aggregate outlays were \$442.966 billion.²²

Another consistent source of estimates of the magnitude of the tort system that was maintained for many years dating back to the 1950s has been periodic reports by Towers Watson and its predecessors. Although this measure has not been updated in recent years, the lengthy available time series exhibits a high (between 94% and 98%) degree of correlation with standard economic data series related to the legal system that are provided by the Bureau of Economic Analysis and the Bureau of the Census and exhibiting statistical significance at the 0.01

²² Tort Costs in America An Empirical Analysis of Costs and Compensation of the US Tort System, US Chamber of Commerce Institute for Legal Reform, November 2022.

level.²³ Consequently, it can be estimated and projected forward using models that are statistically significant and exhibit excellent empirical properties.

The Towers Watson values are based on insurance industry data related to benefit payments and legal and administrative expenses with appropriate adjustments. They capture several aspects of the overall cost of the litigation system but fail to fully incorporate efficiency losses and administrative costs because excessive tort costs typically represent a tax on economic activity. As a result, it may be estimated using well-established methods analogous to the "welfare triangle" approach to taxation effects.²⁴ The approach has been widely used in numerous contexts, including prior studies of this issue.²⁵

The incremental administrative burden imposed by an inefficient and costly tort system may be conceptualized by the economic framework of rent seeking and rent avoiding behavior.²⁶ TPG implemented these various modifications to the Towers Watson approach and estimated the overall cost of the system to be \$478.214 billion as of 2016. This value is highly comparable to (modestly above) the estimate from the Institute for Legal Reform. For purposes of conservatism in the analysis, the lower value was adopted. It was then projected forward using the econometric model described below to generate a current estimate of **\$614.9 billion**. This level was used as the starting point in defining the direct excess costs incurred in each step.

It must be noted that, as described in the report, it is essential in any advanced economy to have a robust framework to protect intellectual property, sustain the legal framework, adjudicate legitimate disputes, and provide a viable platform for business activity. Thus, there are necessary and legitimate costs associated with

²³ US Tort Cost Trends, 2011 Update, Towers Watson, 2012.

²⁴ See, for example, Jorgenson, Dale W. and Kun-Young Yun, Investment, Vol. 3: Lifting the Burden: Tax Reform, the Cost of Capital, and U.S. Economic Growth (Cambridge, Mass.: MIT Press, 2001). The original estimation concept was presented in Harberger, Arnold C., Monopoly and Resource Allocation, American Economic Review 44 (1954), pp. 77-87.

²⁵ See, for example, President's Council of Economic Advisers, Who Pays for Tort Liability Claims? An Economic Analysis of the US Tort Liability System (April 2002), p. 12; Economic Benefits of Tort Reform, An Assessment of Excessive US Tort Costs and Potential Economic Benefits of Reform, The Perryman Group, 2022; Economic Benefits of Tort Reform, An Assessment of Excessive US Tort Costs and Potential Economic Benefits of Reform, The Perryman Group, 2023; An Assessment of Excessive Tort Costs in California and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in Florida and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in Illinois and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in Louisiana and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in Missouri and Potential Economic Benefits of Reform, The Perryman Group, 2019; An Assessment of Excessive Tort Costs in West Virginia and Potential Economic Benefits of Reform, The Perryman Group, 2019; and The Impact of the Proposed Judicial Reforms in House Bill 4 (HB4) on Business Activity in Texas: An Initial Assessment, The Perryman Group, 2003.

²⁶ The classic reference outlining this process is Tullock, Gordon, The Welfare Costs of Tariffs, Monopolies and Theft, Western Economic Journal 5 (1967), pp. 224-32.

the judicial system. The next step in this investigation was to determine the portion of the costs quantified above which constitutes an excessive burden. Numerous studies have compared the relative outlays associated with the tort process in various countries.²⁷ By comparing the costs (as a percentage of the Gross Domestic Product) in other developed areas with similar standards of living and well-developed judicial systems (such as the European Union), it is possible to determine a reasonable estimate of the level of resources required to support an efficient and well-functioning tort resolution process. TPG integrated this information into the computation process and found that **\$247.0 billion** of the outlays were necessary and, thus, the excessive burden was **\$367.8 billion**. This amount is likely understated in that (1) the benchmark countries include several positive outliers, thus overstating the actual resource commitment that is needed and (2) the percentage of US output absorbed by the tort process has expanded markedly since this assessment was completed.

Once the US burden is quantified, it is necessary to allocate the aggregate amount across the 50 states and the District of Columbia. The requirements are estimated based on overall economic and demographic magnitudes, that is, larger business complexes and populations generate the need for higher outlays. This process is used to measure the proportion of the estimated cost that is appropriate for each area. The total system expenditures in the various locales are then approximated based on the concentration of factors which are indicative of the extent of tort activity as described above. The differential between the required and overall system costs constitutes the direct excessive burden in each state.

The final task prior to implementation of the impact assessment model is the allocation of the excess costs across industrial categories. This determination is accomplished using the direct requirements coefficients from the USMRIAS for segments of activity that are correlated with tort expenses. This approach requires assignment of effects across more than 500 sectors reflecting the composition of each economy. The resulting values become the inputs for the individual simulations that are conducted in the second phase of the empirical analysis.

²⁷ See, for example, International Comparison of Litigation Costs, Canada, Europe, Japan, and the United States, US Chamber, Institute for Legal Reform, June 2013 update.

Model Simulation

The second major phase of the analysis is the simulation of the input-output system to measure overall economic effects of the direct excess costs of the current situation. The present study was conducted within the context of the US Multi-Regional Impact Assessment System (USMRIAS) which was developed and is maintained by The Perryman Group. This model has been used in hundreds of diverse applications across the country and has an excellent reputation for accuracy and credibility; it has also been peer reviewed on multiple occasions. The submodels used in the current simulations reflect the unique industrial structure of each state. As a part of this analysis, the USMRIAS is integrated with a dynamic econometric model in order to capture the various market responses to the excess costs. It should be noted that the results of the model can also be reviewed in a converse manner. In other words, the losses associated with excess costs may also be interpreted as the potential gains from reforms if these unnecessary outlays are eliminated.

It should be noted that the overall US impacts are determined as the sum of the individual state analyses. This approach modestly understates the overall consequences of excessive tort costs due to spillover effects across areas. Because reforms are generally implemented on an individual state basis, the more conservative representation of aggregate effects is more appropriate.

The USMRIAS is somewhat similar in format to the Input-Output Model of the United States and the Regional Input-Output Modeling System, both of which are maintained by the US Department of Commerce. The model developed by TPG, however, incorporates several important enhancements and refinements. Specifically, the expanded system includes (1) comprehensive 500-sector coverage for any county, multi-county, or urban region; (2) calculation of both total expenditures and value-added by industry and region; (3) direct estimation of expenditures for multiple basic input choices (expenditures, output, income, or employment); (4) extensive parameter localization; (5) price adjustments for real and nominal assessments by sectors and areas; (6) measurement of the induced impacts associated with payrolls and consumer spending; (7) embedded modules to estimate multi-sectoral direct spending effects; (8) estimation of retail spending activity by consumers; and (9) comprehensive linkage and integration capabilities with a wide variety of econometric, real estate, occupational, and fiscal impact models. Moreover, the model uses specific local taxing patterns to estimate the fiscal effects of activity on a detailed sectoral basis.

The impact assessment (input-output) process essentially estimates the amounts of all types of goods and services required to produce one unit (a dollar's worth)

of a specific type of output. For purposes of illustrating the nature of the system, it is useful to think of inputs and outputs in dollar (rather than physical) terms. As an example, the construction of a new building will require specific dollar amounts of lumber, glass, concrete, hand tools, architectural services, interior design services, paint, plumbing, and numerous other elements. Each of these suppliers must, in turn, purchase additional dollar amounts of inputs. This process continues through multiple rounds of production, thus generating subsequent increments to business activity. The initial process of building the facility is known as the *direct effect*. The ensuing transactions in the output chain constitute the *indirect effect*.

Another pattern that arises in response to any direct economic activity comes from the payroll dollars received by employees at each stage of the production cycle. As workers are compensated, they use some of their income for taxes, savings, and purchases from external markets. A substantial portion, however, is spent locally on food, clothing, health care services, utilities, housing, recreation, and other items. Typical purchasing patterns in the relevant areas are obtained from the Center for Community and Economic Research *Cost of Living Index*, a privately compiled inter-regional measure which has been widely used for several decades, and the *Consumer Expenditure Survey* of the US Department of Labor. These initial outlays by area residents generate further secondary activity as local providers acquire inputs to meet this consumer demand. These consumer spending impacts are known as the *induced effect*. The USMRIAS is designed to provide realistic, yet conservative, estimates of these phenomena.

Sources for information used in this process include the Bureau of the Census, the Bureau of Labor Statistics, the Regional Economic Information System of the US Department of Commerce, and other public and private sources. The pricing data are compiled from the US Department of Labor and the US Department of Commerce. The verification and testing procedures make use of extensive public and private sources.

Impacts were measured in constant 2023 dollars to eliminate the effects of inflation.

Measures of Business Activity

The USMRIAS generates estimates of the effect on several measures of business activity. The most comprehensive measure of economic activity used in this study is **Total Expenditures**. This measure incorporates every dollar that changes hands in any transaction. For example, suppose a farmer sells wheat to a miller for \$0.50; the miller then sells flour to a baker for \$0.75; the baker, in turn, sells bread to a customer for \$1.25. The Total Expenditures recorded in this instance

would be \$2.50, that is, $\$0.50 + \$0.75 + \$1.25$. This measure is quite broad but is useful in that (1) it reflects the overall interplay of all industries in the economy, and (2) some key fiscal variables such as sales taxes are linked to aggregate spending.

A second measure of business activity frequently employed in this analysis is that of **Gross Product**. This indicator represents the regional equivalent of Gross Domestic Product, the most commonly reported statistic regarding national economic performance. In other words, the Gross Product of Texas is the amount of US output that is produced in that state; it is defined as the value of all final goods produced in a given region for a specific period of time. Stated differently, it captures the amount of value-added (gross area product) over intermediate goods and services at each stage of the production process, that is, it eliminates the double counting in the Total Expenditures concept. Using the example above, the Gross Product is \$1.25 (the value of the bread) rather than \$2.50.

Alternatively, it may be viewed as the sum of the value-added by the farmer, \$0.50; the miller, \$0.25 ($\$0.75 - \0.50); and the baker, \$0.50 ($\$1.25 - \0.75). The total value-added is, therefore, \$1.25, which is equivalent to the final value of the bread. In many industries, the primary component of value-added is the wage and salary payments to employees.

The third gauge of economic activity used in this evaluation is **Personal Income**. As the name implies, Personal Income is simply the income received by individuals, whether in the form of wages, salaries, interest, dividends, proprietors' profits, or other sources. It may thus be viewed as the segment of overall impacts which flows directly to the citizenry.

The final aggregates used, **Jobs and Job-Years**, reflect the full-time equivalent jobs generated by an activity. For an economic stimulus expected to endure (such as the ongoing operations of a facility), the Jobs measure is used. It should be noted that, unlike the dollar values described above, Jobs is a "stock" rather than a "flow." In other words, if an area produces \$1 million in output in 2021 and \$1 million in 2022, it is appropriate to say that \$2 million was achieved in the 2021-22 period. If the same area has 100 people working in 2021 and 100 in 2022, it only has 100 Jobs. When a flow of jobs is measured, such as in a construction project or a cumulative assessment over multiple years, it is appropriate to measure employment in Job-Years (one person working for one year, though it could be multiple individuals working partial years). This concept is distinct from Jobs, which anticipates that the relevant positions will be maintained on a continuing basis.

In addition to the economic aggregates, the model fully integrates the specific provisions and rate structures associated with major sources of federal, State, and local revenues on a detailed industrial basis, allowing for the estimation of the **fiscal benefits** associated with the economic stimulus.

US Multi-Regional Econometric Model

Overview

The US Multi-Regional Econometric Model was developed by Dr. M. Ray Perryman, President and CEO of The Perryman Group (TPG), about 40 years ago and has been consistently maintained, expanded, and updated since that time. It is formulated in an internally consistent manner and is designed to permit the integration of relevant global, national, state, and local factors into the projection process. It is the result of four decades of continuing research in econometrics, economic theory, statistical methods, and key policy issues and behavioral patterns, as well as intensive, ongoing study of all aspects of the global, US, state, and metropolitan area economies. It is extensively used by scores of federal and State governmental entities on an ongoing basis, as well as hundreds of major corporations. It can be integrated with The Perryman Group's other models and systems to provide dynamic projections.

This section describes the forecasting process in a comprehensive manner, focusing on both the modeling and the supplemental analysis. The overall methodology, while certainly not ensuring perfect foresight, permits an enormous body of relevant information to impact the economic outlook in a systematic manner.

Model Logic and Structure

The Model revolves around a core system which projects output (real and nominal), income (real and nominal), and employment by industry in a simultaneous manner. For the purposes of illustration, it is useful to initially consider the employment functions. Essentially, employment within the system is a derived demand relationship obtained from a neo-Classical production function. The expressions are augmented to include dynamic temporal adjustments to changes in relative factor input costs, output and (implicitly) productivity, and technological progress over time. Thus, the typical equation includes output, the relative real cost of labor and capital, dynamic lag structures, and a technological

adjustment parameter. The functional form is logarithmic, thus preserving the theoretical consistency with the neo-Classical formulation.

The income segment of the model is divided into wage and non-wage components. The wage equations, like their employment counterparts, are individually estimated at the 3-digit North American Industry Classification System (NAICS) level of aggregation. Hence, income by place of work is measured for approximately 90 production categories. The wage equations measure real compensation, with the form of the variable structure differing between “basic” and “non-basic.”

The basic industries, comprised primarily of the various components of Mining, Agriculture, and Manufacturing, are export-oriented, i.e., they bring external dollars into the area and form the core of the economy. The production of these sectors typically flows into national and international markets; hence, the labor markets are influenced by conditions in areas beyond the borders of the particular region. Thus, real (inflation-adjusted) wages in the basic industry are expressed as a function of the corresponding national rates, as well as measures of local labor market conditions (the reciprocal of the unemployment rate), dynamic adjustment parameters, and ongoing trends.

The “non-basic” sectors are somewhat different in nature, as the strength of their labor markets is linked to the health of the local export sectors. Consequently, wages in these industries are related to those in the basic segment of the economy. The relationship also includes the local labor market measures contained in the basic wage equations.

Note that compensation rates in the export or “basic” sectors provide a key element of the interaction of the regional economies with national and international market phenomena, while the “non-basic” or local industries are strongly impacted by area production levels. Given the wage and employment equations, multiplicative identities in each industry provide expressions for total compensation; these totals may then be aggregated to determine aggregate wage and salary income. Simple linkage equations are then estimated for the calculation of personal income by place of work.

The non-labor aspects of personal income are modeled at the regional level using straightforward empirical expressions relating to national performance, dynamic responses, and evolving temporal patterns. In some instances (such as dividends, rents, and others) national variables (for example, interest rates) directly enter the forecasting system. These factors have numerous other implicit linkages into the system resulting from their simultaneous interaction with other phenomena in

national and international markets which are explicitly included in various expressions.

The output or gross area product expressions are also developed at the 3-digit NAICS level. Regional output for basic industries is linked to national performance in the relevant industries, local and national production in key related sectors, relative area and national labor costs in the industry, dynamic adjustment parameters, and ongoing changes in industrial interrelationships (driven by technological changes in production processes).

Output in the non-basic sectors is modeled as a function of basic production levels, output in related local support industries (if applicable), dynamic temporal adjustments, and ongoing patterns. The inter-industry linkages are obtained from the input-output (impact assessment) system which is part of the overall integrated modeling structure maintained by The Perryman Group. Note that the dominant component of the econometric system involves the simultaneous estimation and projection of output (real and nominal), income (real and nominal), and employment at a disaggregated industrial level. This process, of necessity, also produces projections of regional price deflators by industry. These values are affected by both national pricing patterns and local cost variations and permit changes in prices to impact other aspects of economic behavior. Income is converted from real to nominal terms using relevant Consumer Price Indices, which fluctuate in response to national pricing patterns and unique local phenomena.

Several other components of the model are critical to the forecasting process. The demographic module includes (1) a linkage equation between wage and salary (establishment) employment and household employment, (2) a labor force participation rate function, and (3) a complete population system with endogenous migration. Given household employment, labor force participation (which is a function of economic conditions and evolving patterns of worker preferences), and the working-age population, the unemployment rate and level become identities.

The population system uses Census information, fertility rates, and life tables to determine the “natural” changes in population by age group. Migration, the most difficult segment of population dynamics to track, is estimated in relation to relative regional and extra-regional economic conditions over time. Because evolving economic conditions determine migration in the system, population changes are allowed to interact simultaneously with overall economic conditions. Through this process, migration is treated as endogenous to the system, thus

allowing population to vary in accordance with relative business performance (particularly employment).

Real retail sales is related to income, interest rates, dynamic adjustments, and patterns in consumer behavior on a store group basis. It is expressed on an inflation-adjusted basis. Inflation at the state level relates to national patterns, indicators of relative economic conditions, and ongoing trends. As noted earlier, prices are endogenous to the system.

A final significant segment of the forecasting system relates to real estate absorption and activity. The short-term demand for various types of property is determined by underlying economic and demographic factors, with short-term adjustments to reflect the current status of the pertinent building cycle. In some instances, this portion of the forecast requires integration with the US Multi-Regional Industry-Occupation System which is maintained by The Perryman Group. This system also allows any employment simulation or forecast from the econometric model to be translated into a highly detailed occupational profile.

The overall US Multi-Regional Econometric Model contains numerous additional specifications, and individual expressions are modified to reflect alternative lag structures, empirical properties of the estimates, simulation requirements, and similar phenomena. Moreover, it is updated on an ongoing basis as new data releases become available. Nonetheless, the above synopsis offers a basic understanding of the overall structure and underlying logic of the system.

Model Simulation and Multi-Regional Structure

The initial phase of the simulation process is the execution of a standard non-linear algorithm for the state system and that of each of the individual sub-areas. The external assumptions are derived from scenarios developed through national and international models and extensive analysis by The Perryman Group.

Once the initial simulations are completed, they are merged into a single system with additive constraints and interregional flows. Using information on minimum regional requirements, import needs, export potential, and locations, it becomes possible to balance the various forecasts into a mathematically consistent set of results. This process is, in effect, a disciplining exercise with regard to the individual regional (including metropolitan and rural) systems. By compelling equilibrium across all regions and sectors, the algorithm ensures that the patterns in state activity are reasonable in light of smaller area dynamics and, conversely, that the regional outlooks are within plausible performance levels for the state as a whole.

The iterative simulation process has the additional property of imposing a global convergence criterion across the entire multi-regional system, with balance being achieved simultaneously on both a sectoral and a geographic basis. This approach is particularly critical on non-linear dynamic systems, as independent simulations of individual systems often yield unstable, non-convergent outcomes.

It should be noted that the underlying data for the modeling and simulation process are frequently updated and revised by the various public and private entities compiling them. Whenever those modifications to the database occur, they bring corresponding changes to the structural parameter estimates of the various systems and the solutions to the simulation and forecasting system. The multi-regional version of the econometric model is re-estimated and simulated with each such data release, thus providing a constantly evolving and current assessment of state and local business activity.

The Final Forecast

The process described above is followed to produce an initial set of projections. Through the comprehensive multi-regional modeling and simulation process, a systematic analysis is generated which accounts for both historical patterns in economic performance and inter-relationships and the best available information on the future course of pertinent external factors. While the best available techniques and data are employed in this effort, they are not capable of directly capturing “street sense,” i.e., the contemporaneous and often non-quantifiable information that can materially affect economic outcomes. In order to provide a comprehensive approach to the prediction of business conditions, it is necessary to compile and assimilate extensive material regarding current events and factors both across the state of Texas and elsewhere.

This critical aspect of the forecasting methodology includes activities such as (1) daily review of hundreds of financial and business publications and electronic information sites; (2) review of major newspapers and online news sources in the state on a daily basis; (3) dozens of hours of direct telephone interviews with key business and political leaders in all parts of the state; (4) face-to-face discussions with representatives of major industry groups; and (5) frequent site visits to the various regions of the state. The insights arising from this “fact finding” are analyzed and evaluated for their effects on the likely course of the future activity.

Another vital information resource stems from the firm’s ongoing interaction with key players in the international, domestic, and state economic scenes. Such activities include visiting with corporate groups on a regular basis and being regularly involved in the policy process at all levels. The firm is also an active

participant in many major corporate relocations, economic development initiatives, and regulatory proceedings.

Once organized, this information is carefully assessed and, when appropriate, independently verified. The impact on specific communities and sectors that is distinct from what is captured by the econometric system is then factored into the forecast analysis. For example, the opening or closing of a major facility, particularly in a relatively small area, can cause a sudden change in business performance that will not be accounted for by either a modeling system based on historical relationships or expected (primarily national and international) factors.

The final step in the forecasting process is the integration of this material into the results in a logical and mathematically consistent manner. In some instances, this task is accomplished through “constant adjustment factors” which augment relevant equations. In other cases, anticipated changes in industrial structure or regulatory parameters are initially simulated within the context of the Multi-Regional Impact Assessment System to estimate their ultimate effects by sector. Those findings are then factored into the simulation as constant adjustments on a distributed temporal basis. Once this scenario is formulated, the extended system is again balanced across regions and sectors through an iterative simulation algorithm analogous to that described in the preceding section.

Appendix B: Detailed Results

Tort Tax by State

Tort Tax by State:
Estimated 2023 Reduction in
Output (Gross Product) on a
Per-Capita Basis

State	Annual Tort Tax
District of Columbia	-\$7,813.46
Massachusetts	-\$2,560.07
Washington	-\$2,558.19
New York	-\$2,534.85
California	-\$2,458.33
Connecticut	-\$2,117.66
Colorado	-\$1,982.84
Illinois	-\$1,919.28
New Jersey	-\$1,885.95
Nebraska	-\$1,847.77
North Dakota	-\$1,811.73
Virginia	-\$1,735.51
Maryland	-\$1,731.67
Texas	-\$1,724.79
Minnesota	-\$1,701.65
Delaware	-\$1,693.58
Alaska	-\$1,656.12
New Hampshire	-\$1,547.64
Utah	-\$1,540.27
Wyoming	-\$1,495.39
Kansas	-\$1,459.97
Pennsylvania	-\$1,451.24
Iowa	-\$1,432.15
Tennessee	-\$1,432.04
Georgia	-\$1,415.49
Oregon	-\$1,401.28
Ohio	-\$1,370.12
South Dakota	-\$1,358.82
Hawaii	-\$1,334.52

State	Annual Tort Tax
Indiana	-\$1,319.74
North Carolina	-\$1,292.88
Nevada	-\$1,249.43
Florida	-\$1,237.80
Rhode Island	-\$1,233.50
Wisconsin	-\$1,233.50
Arizona	-\$1,218.68
Missouri	-\$1,216.48
Michigan	-\$1,103.14
Vermont	-\$1,059.64
Maine	-\$1,023.10
Louisiana	-\$1,011.24
Kentucky	-\$942.43
Oklahoma	-\$922.36
New Mexico	-\$905.85
South Carolina	-\$886.46
Montana	-\$871.08
Idaho	-\$859.52
Alabama	-\$855.74
Arkansas	-\$795.19
West Virginia	-\$676.97
Mississippi	-\$513.21

Note: Based on excess costs of the US tort system quantified through a comparison of estimated US costs to those in other countries with well-developed judicial systems (such as the European Union) and related dynamic effects.
Source: The Perryman Group.

Fiscal Impact of Excessive Torts

Fiscal Impact of Excessive Torts (in millions of 2023 dollars)

Area	Federal	State	Local
Alabama	-\$808.736	-\$221.399	-\$188.463
Alaska	-\$224.703	-\$60.497	-\$52.534
Arizona	-\$1,675.441	-\$450.944	-\$386.084
Arkansas	-\$451.294	-\$124.699	-\$105.457
California	-\$17,720.999	-\$5,006.745	-\$4,147.833
Colorado	-\$2,156.052	-\$600.889	-\$501.845
Connecticut	-\$1,417.090	-\$389.268	-\$330.304
Delaware	-\$323.304	-\$86.869	-\$75.223
District of Columbia	-\$981.447	-\$272.443	-\$228.688
Florida	-\$5,177.714	-\$1,446.498	-\$1,208.465
Georgia	-\$2,888.183	-\$810.305	-\$674.083
Hawaii	-\$354.315	-\$99.532	-\$83.075
Idaho	-\$312.413	-\$86.471	-\$73.241
Illinois	-\$4,455.976	-\$1,250.820	-\$1,041.220
Indiana	-\$1,675.423	-\$463.912	-\$392.460
Iowa	-\$849.686	-\$236.317	-\$199.712
Kansas	-\$794.223	-\$223.503	-\$186.232
Kentucky	-\$789.133	-\$220.491	-\$185.524
Louisiana	-\$855.658	-\$240.312	-\$200.589
Maine	-\$264.173	-\$72.941	-\$61.847
Maryland	-\$1,979.904	-\$550.074	-\$461.501
Massachusetts	-\$3,315.955	-\$918.432	-\$774.763
Michigan	-\$2,048.418	-\$566.476	-\$483.135
Minnesota	-\$1,806.328	-\$508.186	-\$423.494
Mississippi	-\$279.107	-\$77.421	-\$65.427
Missouri	-\$1,394.437	-\$384.481	-\$324.634
Montana	-\$182.552	-\$50.718	-\$42.866
Nebraska	-\$676.286	-\$186.731	-\$158.022
Nevada	-\$738.314	-\$203.175	-\$172.879
New Hampshire	-\$401.426	-\$110.788	-\$93.887
New Jersey	-\$3,241.574	-\$906.618	-\$757.729
New Mexico	-\$354.332	-\$98.931	-\$83.202
New York	-\$9,177.860	-\$2,535.914	-\$2,147.722
North Carolina	-\$2,591.662	-\$713.217	-\$604.707
North Dakota	-\$262.748	-\$72.725	-\$61.587

Area	Federal	State	Local
Ohio	-\$2,987.406	-\$829.121	-\$700.280
Oklahoma	-\$691.728	-\$195.050	-\$162.507
Oregon	-\$1,097.444	-\$304.846	-\$257.465
Pennsylvania	-\$3,479.953	-\$968.328	-\$814.952
Rhode Island	-\$250.096	-\$69.069	-\$58.670
South Carolina	-\$881.232	-\$239.498	-\$204.537
South Dakota	-\$231.099	-\$64.489	-\$54.404
Tennessee	-\$1,887.998	-\$518.399	-\$437.899
Texas	-\$9,733.157	-\$2,732.776	-\$2,269.252
Utah	-\$973.884	-\$271.499	-\$227.898
Vermont	-\$126.924	-\$34.763	-\$29.766
Virginia	-\$2,798.336	-\$776.144	-\$651.819
Washington	-\$3,697.564	-\$1,033.132	-\$864.304
West Virginia	-\$221.684	-\$60.572	-\$52.055
Wisconsin	-\$1,348.861	-\$375.400	-\$317.343
Wyoming	-\$161.578	-\$44.743	-\$38.025
United States	\$103,195.809	-\$28,766.572	-\$24,119.611

Impact of Excessive Torts: United States

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in the United States

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$18,062.1 m	-\$5,322.6 m	-\$3,422.7 m	-43,178
Mining	-\$23,376.1 m	-\$5,624.0 m	-\$3,059.4 m	-14,727
Utilities	-\$53,902.2 m	-\$12,163.6 m	-\$5,307.9 m	-18,585
Construction	-\$66,385.4 m	-\$31,752.4 m	-\$26,165.9 m	-299,442
Manufacturing	-\$179,057.7 m	-\$58,440.8 m	-\$32,705.4 m	-378,115
Wholesale Trade	-\$41,020.2 m	-\$27,749.4 m	-\$16,000.5 m	-147,573
Retail Trade*	-\$140,042.1 m	-\$105,199.8 m	-\$61,185.7 m	-1,526,099
Transportation & Warehousing	-\$42,059.4 m	-\$27,301.7 m	-\$18,056.4 m	-200,183
Information	-\$34,272.6 m	-\$21,130.2 m	-\$9,021.2 m	-65,600
Financial Activities*	-\$221,279.2 m	-\$79,759.5 m	-\$29,977.5 m	-247,806
Business Services	-\$155,960.9 m	-\$112,636.6 m	-\$91,882.6 m	-911,252
Health Services	-\$43,588.4 m	-\$30,123.2 m	-\$25,469.5 m	-342,613
Other Services	-\$78,630.9 m	-\$40,611.3 m	-\$32,123.6 m	-618,175
Total, All Industries	-\$1,097,637.1 m	-\$557,815.2 m	-\$354,378.2 m	-4,813,349

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

Impact of Excessive Torts: 50 States and the District of Columbia

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Alabama

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$137.0 m	-\$40.5 m	-\$25.9 m	-327
Mining	-\$184.3 m	-\$44.7 m	-\$24.8 m	-120
Utilities	-\$510.4 m	-\$115.2 m	-\$50.3 m	-176
Construction	-\$530.4 m	-\$253.9 m	-\$209.2 m	-2,394
Manufacturing	-\$1,535.0 m	-\$498.1 m	-\$277.7 m	-3,241
Wholesale Trade	-\$312.9 m	-\$211.7 m	-\$122.0 m	-1,126
Retail Trade*	-\$1,075.6 m	-\$807.5 m	-\$469.5 m	-11,724
Transportation & Warehousing	-\$339.3 m	-\$220.3 m	-\$145.7 m	-1,615
Information	-\$263.0 m	-\$162.1 m	-\$69.2 m	-503
Financial Activities*	-\$1,618.0 m	-\$584.4 m	-\$220.3 m	-1,816
Business Services	-\$1,226.8 m	-\$886.0 m	-\$722.8 m	-7,168
Health Services	-\$336.9 m	-\$232.8 m	-\$196.8 m	-2,648
Other Services	-\$608.9 m	-\$314.4 m	-\$248.9 m	-4,762
Total, All Industries	-\$8,678.6 m	-\$4,371.5 m	-\$2,783.2 m	-37,620

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Alaska

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$47.6 m	-\$14.0 m	-\$9.0 m	-114
Mining	-\$50.2 m	-\$12.1 m	-\$6.6 m	-32
Utilities	-\$118.0 m	-\$26.6 m	-\$11.6 m	-41
Construction	-\$153.7 m	-\$72.8 m	-\$60.0 m	-687
Manufacturing	-\$335.0 m	-\$109.5 m	-\$61.5 m	-707
Wholesale Trade	-\$88.4 m	-\$59.8 m	-\$34.5 m	-318
Retail Trade*	-\$281.2 m	-\$213.1 m	-\$124.3 m	-3,059
Transportation & Warehousing	-\$92.2 m	-\$59.9 m	-\$39.6 m	-439
Information	-\$74.5 m	-\$45.9 m	-\$19.6 m	-143
Financial Activities*	-\$478.1 m	-\$175.8 m	-\$67.7 m	-564
Business Services	-\$374.7 m	-\$270.6 m	-\$220.7 m	-2,189
Health Services	-\$95.0 m	-\$65.7 m	-\$55.5 m	-747
Other Services	-\$173.4 m	-\$88.9 m	-\$70.1 m	-1,325
Total, All Industries	-\$2,362.1 m	-\$1,214.6 m	-\$780.9 m	-10,363

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Arizona

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$278.2 m	-\$81.8 m	-\$52.7 m	-666
Mining	-\$370.1 m	-\$89.6 m	-\$49.3 m	-239
Utilities	-\$865.4 m	-\$195.3 m	-\$85.2 m	-298
Construction	-\$1,052.7 m	-\$502.3 m	-\$413.9 m	-4,737
Manufacturing	-\$3,838.6 m	-\$1,168.2 m	-\$639.1 m	-7,553
Wholesale Trade	-\$645.3 m	-\$436.5 m	-\$251.7 m	-2,321
Retail Trade*	-\$2,145.9 m	-\$1,621.2 m	-\$944.5 m	-23,353
Transportation & Warehousing	-\$667.0 m	-\$433.0 m	-\$286.3 m	-3,175
Information	-\$540.2 m	-\$333.1 m	-\$142.2 m	-1,034
Financial Activities*	-\$3,599.3 m	-\$1,286.1 m	-\$477.9 m	-3,947
Business Services	-\$2,496.2 m	-\$1,802.8 m	-\$1,470.6 m	-14,585
Health Services	-\$691.6 m	-\$477.9 m	-\$404.1 m	-5,436
Other Services	-\$1,215.4 m	-\$628.8 m	-\$496.2 m	-9,481
Total, All Industries	-\$18,405.8 m	-\$9,056.4 m	-\$5,713.8 m	-76,826

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Arkansas

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$79.5 m	-\$23.4 m	-\$15.1 m	-191
Mining	-\$102.6 m	-\$24.7 m	-\$13.5 m	-65
Utilities	-\$234.6 m	-\$52.9 m	-\$23.1 m	-81
Construction	-\$295.4 m	-\$141.3 m	-\$116.4 m	-1,333
Manufacturing	-\$818.2 m	-\$263.7 m	-\$146.9 m	-1,707
Wholesale Trade	-\$176.1 m	-\$119.1 m	-\$68.7 m	-634
Retail Trade*	-\$607.0 m	-\$455.4 m	-\$264.8 m	-6,617
Transportation & Warehousing	-\$190.7 m	-\$123.8 m	-\$81.9 m	-908
Information	-\$148.2 m	-\$91.4 m	-\$39.0 m	-284
Financial Activities*	-\$935.4 m	-\$342.4 m	-\$131.2 m	-1,089
Business Services	-\$686.1 m	-\$495.5 m	-\$404.2 m	-4,009
Health Services	-\$188.8 m	-\$130.5 m	-\$110.3 m	-1,484
Other Services	-\$339.4 m	-\$175.2 m	-\$138.8 m	-2,669
Total, All Industries	-\$4,802.2 m	-\$2,439.4 m	-\$1,553.9 m	-21,068

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in California

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$3,454.1 m	-\$1,017.4 m	-\$654.6 m	-8,260
Mining	-\$4,110.8 m	-\$986.3 m	-\$537.0 m	-2,570
Utilities	-\$9,121.5 m	-\$2,058.4 m	-\$898.2 m	-3,145
Construction	-\$11,216.6 m	-\$5,375.2 m	-\$4,429.5 m	-50,690
Manufacturing	-\$28,522.6 m	-\$9,483.1 m	-\$5,350.7 m	-62,482
Wholesale Trade	-\$7,138.7 m	-\$4,829.2 m	-\$2,784.5 m	-25,682
Retail Trade*	-\$24,519.9 m	-\$18,398.0 m	-\$10,696.8 m	-267,278
Transportation & Warehousing	-\$7,178.1 m	-\$4,659.4 m	-\$3,081.6 m	-34,164
Information	-\$5,987.7 m	-\$3,691.6 m	-\$1,576.1 m	-11,461
Financial Activities*	-\$39,378.7 m	-\$14,130.5 m	-\$5,278.7 m	-43,733
Business Services	-\$26,291.5 m	-\$18,988.0 m	-\$15,489.4 m	-153,617
Health Services	-\$7,525.2 m	-\$5,200.6 m	-\$4,397.1 m	-59,150
Other Services	-\$13,490.5 m	-\$6,971.4 m	-\$5,516.4 m	-107,024
Total, All Industries	-\$187,935.9 m	-\$95,789.2 m	-\$60,690.7 m	-829,255

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Colorado

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$364.2 m	-\$106.9 m	-\$69.1 m	-873
Mining	-\$509.6 m	-\$122.6 m	-\$67.7 m	-325
Utilities	-\$1,241.5 m	-\$280.1 m	-\$122.2 m	-428
Construction	-\$1,351.5 m	-\$645.9 m	-\$532.3 m	-6,091
Manufacturing	-\$3,797.8 m	-\$1,214.0 m	-\$676.2 m	-7,681
Wholesale Trade	-\$857.7 m	-\$580.2 m	-\$334.6 m	-3,086
Retail Trade*	-\$2,929.7 m	-\$2,200.9 m	-\$1,280.1 m	-31,926
Transportation & Warehousing	-\$852.7 m	-\$553.5 m	-\$366.1 m	-4,058
Information	-\$715.1 m	-\$440.9 m	-\$188.2 m	-1,369
Financial Activities*	-\$4,805.7 m	-\$1,702.7 m	-\$625.6 m	-5,155
Business Services	-\$3,248.1 m	-\$2,345.8 m	-\$1,913.6 m	-18,978
Health Services	-\$909.4 m	-\$628.5 m	-\$531.4 m	-7,148
Other Services	-\$1,607.3 m	-\$832.3 m	-\$657.2 m	-12,651
Total, All Industries	-\$23,190.3 m	-\$11,654.3 m	-\$7,364.1 m	-99,769

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Connecticut

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$226.8 m	-\$66.9 m	-\$43.0 m	-542
Mining	-\$325.3 m	-\$78.4 m	-\$42.9 m	-207
Utilities	-\$682.7 m	-\$154.1 m	-\$67.2 m	-235
Construction	-\$921.0 m	-\$440.1 m	-\$362.7 m	-4,151
Manufacturing	-\$2,615.4 m	-\$840.8 m	-\$467.9 m	-5,236
Wholesale Trade	-\$556.4 m	-\$376.4 m	-\$217.0 m	-2,002
Retail Trade*	-\$1,864.3 m	-\$1,407.5 m	-\$819.8 m	-20,292
Transportation & Warehousing	-\$590.1 m	-\$383.0 m	-\$253.3 m	-2,809
Information	-\$475.6 m	-\$293.3 m	-\$125.2 m	-910
Financial Activities*	-\$3,008.0 m	-\$1,080.3 m	-\$404.2 m	-3,323
Business Services	-\$2,168.5 m	-\$1,566.1 m	-\$1,277.5 m	-12,670
Health Services	-\$603.3 m	-\$416.9 m	-\$352.5 m	-4,742
Other Services	-\$1,077.1 m	-\$556.1 m	-\$439.4 m	-8,367
Total, All Industries	-\$15,114.6 m	-\$7,659.9 m	-\$4,872.8 m	-65,485

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Delaware

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$48.6 m	-\$14.5 m	-\$9.2 m	-115
Mining	-\$67.5 m	-\$16.0 m	-\$8.0 m	-38
Utilities	-\$163.9 m	-\$37.0 m	-\$16.1 m	-56
Construction	-\$219.9 m	-\$104.5 m	-\$86.1 m	-985
Manufacturing	-\$586.2 m	-\$183.2 m	-\$101.4 m	-1,122
Wholesale Trade	-\$126.1 m	-\$85.3 m	-\$49.2 m	-454
Retail Trade*	-\$413.9 m	-\$312.8 m	-\$182.3 m	-4,503
Transportation & Warehousing	-\$132.5 m	-\$86.0 m	-\$56.9 m	-631
Information	-\$106.5 m	-\$65.7 m	-\$28.0 m	-204
Financial Activities*	-\$674.4 m	-\$241.2 m	-\$89.9 m	-734
Business Services	-\$529.5 m	-\$382.4 m	-\$312.0 m	-3,094
Health Services	-\$139.0 m	-\$96.1 m	-\$81.2 m	-1,093
Other Services	-\$238.0 m	-\$122.8 m	-\$96.9 m	-1,835
Total, All Industries	-\$3,445.9 m	-\$1,747.6 m	-\$1,117.2 m	-14,865

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in the District of Columbia

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$143.0 m	-\$42.5 m	-\$27.1 m	-340
Mining	-\$224.4 m	-\$54.2 m	-\$29.8 m	-144
Utilities	-\$503.7 m	-\$113.7 m	-\$49.6 m	-174
Construction	-\$626.8 m	-\$299.6 m	-\$246.9 m	-2,825
Manufacturing	-\$1,770.9 m	-\$572.2 m	-\$317.7 m	-3,614
Wholesale Trade	-\$389.6 m	-\$263.6 m	-\$152.0 m	-1,402
Retail Trade*	-\$1,322.7 m	-\$995.0 m	-\$578.9 m	-14,410
Transportation & Warehousing	-\$400.2 m	-\$259.7 m	-\$171.8 m	-1,905
Information	-\$324.3 m	-\$200.0 m	-\$85.4 m	-621
Financial Activities*	-\$2,141.3 m	-\$763.1 m	-\$282.5 m	-2,331
Business Services	-\$1,481.5 m	-\$1,070.0 m	-\$872.8 m	-8,656
Health Services	-\$414.5 m	-\$286.5 m	-\$242.2 m	-3,258
Other Services	-\$746.0 m	-\$385.2 m	-\$304.8 m	-5,856
Total, All Industries	-\$10,489.1 m	-\$5,305.1 m	-\$3,361.5 m	-45,535

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Florida

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$1,039.1 m	-\$305.5 m	-\$197.0 m	-2,488
Mining	-\$1,159.6 m	-\$277.9 m	-\$151.7 m	-724
Utilities	-\$2,454.1 m	-\$553.8 m	-\$241.7 m	-846
Construction	-\$3,316.6 m	-\$1,583.8 m	-\$1,305.2 m	-14,937
Manufacturing	-\$8,733.3 m	-\$2,825.0 m	-\$1,573.4 m	-17,823
Wholesale Trade	-\$2,059.7 m	-\$1,393.3 m	-\$803.4 m	-7,410
Retail Trade*	-\$7,016.2 m	-\$5,277.6 m	-\$3,070.8 m	-76,434
Transportation & Warehousing	-\$2,029.3 m	-\$1,317.3 m	-\$871.2 m	-9,659
Information	-\$1,725.5 m	-\$1,063.8 m	-\$454.2 m	-3,303
Financial Activities*	-\$11,648.7 m	-\$4,166.8 m	-\$1,550.0 m	-12,845
Business Services	-\$7,935.7 m	-\$5,731.3 m	-\$4,675.2 m	-46,367
Health Services	-\$2,214.3 m	-\$1,530.3 m	-\$1,293.9 m	-17,405
Other Services	-\$3,783.3 m	-\$1,961.2 m	-\$1,546.6 m	-29,711
Total, All Industries	-\$55,115.5 m	-\$27,987.6 m	-\$17,734.1 m	-239,952

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Georgia

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$490.2 m	-\$143.9 m	-\$93.0 m	-1,175
Mining	-\$650.7 m	-\$156.5 m	-\$85.5 m	-411
Utilities	-\$1,338.9 m	-\$302.1 m	-\$131.8 m	-462
Construction	-\$1,836.8 m	-\$879.4 m	-\$724.7 m	-8,293
Manufacturing	-\$5,319.7 m	-\$1,724.2 m	-\$954.9 m	-11,098
Wholesale Trade	-\$1,154.8 m	-\$781.2 m	-\$450.4 m	-4,154
Retail Trade*	-\$3,976.4 m	-\$2,983.2 m	-\$1,734.4 m	-43,346
Transportation & Warehousing	-\$1,107.3 m	-\$718.8 m	-\$475.4 m	-5,270
Information	-\$940.2 m	-\$579.7 m	-\$247.5 m	-1,800
Financial Activities*	-\$6,336.8 m	-\$2,265.9 m	-\$842.7 m	-6,969
Business Services	-\$4,300.4 m	-\$3,105.8 m	-\$2,533.5 m	-25,127
Health Services	-\$1,223.7 m	-\$845.6 m	-\$715.0 m	-9,618
Other Services	-\$2,173.0 m	-\$1,125.3 m	-\$888.9 m	-17,176
Total, All Industries	-\$30,848.7 m	-\$15,611.8 m	-\$9,877.7 m	-134,898

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Hawaii

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$66.8 m	-\$19.7 m	-\$12.7 m	-159
Mining	-\$73.8 m	-\$17.5 m	-\$8.7 m	-42
Utilities	-\$173.8 m	-\$39.2 m	-\$17.1 m	-60
Construction	-\$230.1 m	-\$109.5 m	-\$90.2 m	-1,032
Manufacturing	-\$493.3 m	-\$165.6 m	-\$94.0 m	-1,123
Wholesale Trade	-\$142.8 m	-\$96.6 m	-\$55.7 m	-514
Retail Trade*	-\$478.8 m	-\$361.4 m	-\$210.5 m	-5,211
Transportation & Warehousing	-\$138.3 m	-\$89.7 m	-\$59.4 m	-658
Information	-\$120.1 m	-\$74.1 m	-\$31.6 m	-230
Financial Activities*	-\$811.1 m	-\$287.1 m	-\$105.3 m	-870
Business Services	-\$568.1 m	-\$410.3 m	-\$334.7 m	-3,319
Health Services	-\$154.2 m	-\$106.6 m	-\$90.1 m	-1,212
Other Services	-\$266.8 m	-\$137.9 m	-\$108.7 m	-2,081
Total, All Industries	-\$3,717.9 m	-\$1,915.2 m	-\$1,218.6 m	-16,513

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Idaho

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$51.4 m	-\$15.1 m	-\$9.7 m	-123
Mining	-\$62.8 m	-\$14.9 m	-\$7.4 m	-35
Utilities	-\$142.1 m	-\$32.1 m	-\$14.0 m	-49
Construction	-\$204.7 m	-\$97.5 m	-\$80.4 m	-920
Manufacturing	-\$556.9 m	-\$177.6 m	-\$98.6 m	-1,118
Wholesale Trade	-\$123.4 m	-\$83.5 m	-\$48.1 m	-444
Retail Trade*	-\$415.8 m	-\$312.7 m	-\$181.9 m	-4,531
Transportation & Warehousing	-\$133.4 m	-\$86.6 m	-\$57.3 m	-635
Information	-\$102.7 m	-\$63.3 m	-\$27.0 m	-197
Financial Activities*	-\$641.6 m	-\$240.3 m	-\$94.7 m	-793
Business Services	-\$490.1 m	-\$354.0 m	-\$288.8 m	-2,864
Health Services	-\$132.5 m	-\$91.6 m	-\$77.4 m	-1,042
Other Services	-\$231.7 m	-\$119.6 m	-\$94.4 m	-1,797
Total, All Industries	-\$3,289.1 m	-\$1,688.7 m	-\$1,079.7 m	-14,546

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Illinois

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$796.6 m	-\$232.9 m	-\$151.2 m	-1,915
Mining	-\$1,043.7 m	-\$252.3 m	-\$140.3 m	-677
Utilities	-\$2,577.5 m	-\$581.6 m	-\$253.8 m	-889
Construction	-\$2,788.0 m	-\$1,338.3 m	-\$1,102.9 m	-12,621
Manufacturing	-\$8,170.6 m	-\$2,638.1 m	-\$1,481.6 m	-17,022
Wholesale Trade	-\$1,766.4 m	-\$1,194.9 m	-\$689.0 m	-6,355
Retail Trade*	-\$6,154.4 m	-\$4,609.6 m	-\$2,678.6 m	-67,115
Transportation & Warehousing	-\$1,871.4 m	-\$1,214.8 m	-\$803.4 m	-8,907
Information	-\$1,467.7 m	-\$904.9 m	-\$386.3 m	-2,809
Financial Activities*	-\$9,427.1 m	-\$3,404.6 m	-\$1,282.8 m	-10,615
Business Services	-\$6,455.2 m	-\$4,662.0 m	-\$3,803.0 m	-37,717
Health Services	-\$1,847.7 m	-\$1,276.9 m	-\$1,079.6 m	-14,523
Other Services	-\$3,436.2 m	-\$1,775.4 m	-\$1,407.9 m	-27,247
Total, All Industries	-\$47,802.5 m	-\$24,086.4 m	-\$15,260.6 m	-208,411

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Indiana

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$301.4 m	-\$89.2 m	-\$57.1 m	-718
Mining	-\$388.7 m	-\$94.3 m	-\$52.5 m	-255
Utilities	-\$882.4 m	-\$199.1 m	-\$86.9 m	-304
Construction	-\$1,114.3 m	-\$534.1 m	-\$440.2 m	-5,037
Manufacturing	-\$3,092.4 m	-\$999.2 m	-\$562.0 m	-6,449
Wholesale Trade	-\$660.5 m	-\$446.8 m	-\$257.6 m	-2,376
Retail Trade*	-\$2,279.0 m	-\$1,707.9 m	-\$992.6 m	-24,850
Transportation & Warehousing	-\$727.3 m	-\$472.1 m	-\$312.2 m	-3,462
Information	-\$553.2 m	-\$341.1 m	-\$145.6 m	-1,059
Financial Activities*	-\$3,318.2 m	-\$1,196.8 m	-\$450.4 m	-3,703
Business Services	-\$2,516.8 m	-\$1,817.7 m	-\$1,482.8 m	-14,705
Health Services	-\$709.5 m	-\$490.4 m	-\$414.6 m	-5,577
Other Services	-\$1,294.0 m	-\$667.7 m	-\$528.9 m	-10,152
Total, All Industries	-\$17,837.8 m	-\$9,056.3 m	-\$5,783.4 m	-78,647

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Iowa

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$156.2 m	-\$45.8 m	-\$29.6 m	-375
Mining	-\$186.6 m	-\$45.3 m	-\$25.0 m	-122
Utilities	-\$395.3 m	-\$89.2 m	-\$38.9 m	-136
Construction	-\$559.4 m	-\$267.3 m	-\$220.2 m	-2,521
Manufacturing	-\$1,554.9 m	-\$491.8 m	-\$273.0 m	-3,125
Wholesale Trade	-\$335.6 m	-\$227.0 m	-\$130.9 m	-1,207
Retail Trade*	-\$1,159.2 m	-\$868.6 m	-\$504.8 m	-12,640
Transportation & Warehousing	-\$371.1 m	-\$240.9 m	-\$159.3 m	-1,766
Information	-\$274.6 m	-\$169.3 m	-\$72.3 m	-526
Financial Activities*	-\$1,667.6 m	-\$617.6 m	-\$240.2 m	-1,995
Business Services	-\$1,304.7 m	-\$942.3 m	-\$768.7 m	-7,623
Health Services	-\$358.5 m	-\$247.8 m	-\$209.5 m	-2,818
Other Services	-\$659.9 m	-\$340.0 m	-\$269.3 m	-5,160
Total, All Industries	-\$8,983.7 m	-\$4,592.9 m	-\$2,941.8 m	-40,015

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Kansas

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$143.9 m	-\$42.2 m	-\$27.3 m	-345
Mining	-\$184.8 m	-\$44.6 m	-\$24.5 m	-118
Utilities	-\$434.1 m	-\$98.0 m	-\$42.7 m	-150
Construction	-\$514.9 m	-\$246.1 m	-\$202.8 m	-2,321
Manufacturing	-\$1,360.4 m	-\$437.2 m	-\$244.3 m	-2,827
Wholesale Trade	-\$317.8 m	-\$215.0 m	-\$124.0 m	-1,143
Retail Trade*	-\$1,093.8 m	-\$820.6 m	-\$477.1 m	-11,923
Transportation & Warehousing	-\$318.4 m	-\$206.7 m	-\$136.7 m	-1,516
Information	-\$259.6 m	-\$160.0 m	-\$68.3 m	-497
Financial Activities*	-\$1,682.2 m	-\$612.4 m	-\$233.1 m	-1,935
Business Services	-\$1,197.6 m	-\$864.9 m	-\$705.6 m	-6,997
Health Services	-\$338.3 m	-\$233.8 m	-\$197.7 m	-2,659
Other Services	-\$602.9 m	-\$311.6 m	-\$246.2 m	-4,740
Total, All Industries	-\$8,448.7 m	-\$4,293.1 m	-\$2,730.3 m	-37,172

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Kentucky

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$146.0 m	-\$42.8 m	-\$27.7 m	-350
Mining	-\$183.7 m	-\$44.5 m	-\$24.8 m	-120
Utilities	-\$480.1 m	-\$108.3 m	-\$47.3 m	-166
Construction	-\$523.2 m	-\$250.5 m	-\$206.4 m	-2,362
Manufacturing	-\$1,309.8 m	-\$432.9 m	-\$244.7 m	-2,836
Wholesale Trade	-\$313.8 m	-\$212.3 m	-\$122.4 m	-1,129
Retail Trade*	-\$1,065.6 m	-\$802.1 m	-\$466.8 m	-11,606
Transportation & Warehousing	-\$334.1 m	-\$216.9 m	-\$143.5 m	-1,590
Information	-\$256.5 m	-\$158.1 m	-\$67.5 m	-491
Financial Activities*	-\$1,585.1 m	-\$580.2 m	-\$222.4 m	-1,843
Business Services	-\$1,209.5 m	-\$873.5 m	-\$712.6 m	-7,067
Health Services	-\$335.3 m	-\$231.7 m	-\$195.9 m	-2,636
Other Services	-\$602.2 m	-\$311.6 m	-\$246.9 m	-4,739
Total, All Industries	-\$8,345.1 m	-\$4,265.6 m	-\$2,728.8 m	-36,936

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Louisiana

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$157.2 m	-\$46.4 m	-\$29.8 m	-375
Mining	-\$199.4 m	-\$47.8 m	-\$26.1 m	-125
Utilities	-\$475.0 m	-\$107.2 m	-\$46.8 m	-164
Construction	-\$561.5 m	-\$268.0 m	-\$220.9 m	-2,528
Manufacturing	-\$1,404.7 m	-\$462.6 m	-\$258.9 m	-2,992
Wholesale Trade	-\$344.4 m	-\$233.0 m	-\$134.3 m	-1,239
Retail Trade*	-\$1,158.1 m	-\$872.3 m	-\$507.8 m	-12,612
Transportation & Warehousing	-\$332.0 m	-\$215.5 m	-\$142.5 m	-1,580
Information	-\$286.3 m	-\$176.5 m	-\$75.4 m	-548
Financial Activities*	-\$1,832.6 m	-\$667.5 m	-\$254.2 m	-2,115
Business Services	-\$1,308.1 m	-\$944.7 m	-\$770.6 m	-7,643
Health Services	-\$366.2 m	-\$253.1 m	-\$214.0 m	-2,879
Other Services	-\$640.4 m	-\$330.4 m	-\$261.2 m	-5,024
Total, All Industries	-\$9,065.9 m	-\$4,625.2 m	-\$2,942.5 m	-39,823

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Maine

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$35.9 m	-\$10.7 m	-\$6.8 m	-85
Mining	-\$54.1 m	-\$12.8 m	-\$6.4 m	-31
Utilities	-\$125.5 m	-\$28.3 m	-\$12.4 m	-43
Construction	-\$174.5 m	-\$83.2 m	-\$68.5 m	-784
Manufacturing	-\$464.0 m	-\$151.8 m	-\$84.6 m	-981
Wholesale Trade	-\$104.2 m	-\$70.5 m	-\$40.6 m	-375
Retail Trade*	-\$350.0 m	-\$263.9 m	-\$153.7 m	-3,810
Transportation & Warehousing	-\$111.3 m	-\$72.3 m	-\$47.8 m	-530
Information	-\$87.2 m	-\$53.8 m	-\$23.0 m	-167
Financial Activities*	-\$545.9 m	-\$199.8 m	-\$76.6 m	-634
Business Services	-\$419.4 m	-\$302.9 m	-\$247.1 m	-2,451
Health Services	-\$111.5 m	-\$77.0 m	-\$65.1 m	-876
Other Services	-\$195.1 m	-\$101.0 m	-\$79.6 m	-1,519
Total, All Industries	-\$2,778.5 m	-\$1,428.0 m	-\$912.1 m	-12,287

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Maryland

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$282.9 m	-\$84.7 m	-\$53.4 m	-669
Mining	-\$453.6 m	-\$109.4 m	-\$59.9 m	-289
Utilities	-\$964.0 m	-\$217.5 m	-\$94.9 m	-332
Construction	-\$1,265.7 m	-\$604.7 m	-\$498.3 m	-5,703
Manufacturing	-\$3,479.7 m	-\$1,120.8 m	-\$623.7 m	-7,021
Wholesale Trade	-\$788.9 m	-\$533.7 m	-\$307.7 m	-2,838
Retail Trade*	-\$2,671.9 m	-\$2,009.4 m	-\$1,169.1 m	-29,109
Transportation & Warehousing	-\$836.4 m	-\$542.9 m	-\$359.1 m	-3,981
Information	-\$649.4 m	-\$400.4 m	-\$170.9 m	-1,243
Financial Activities*	-\$4,387.1 m	-\$1,566.6 m	-\$581.5 m	-4,809
Business Services	-\$2,989.0 m	-\$2,158.7 m	-\$1,761.0 m	-17,464
Health Services	-\$837.1 m	-\$578.5 m	-\$489.2 m	-6,580
Other Services	-\$1,502.8 m	-\$774.8 m	-\$613.7 m	-11,786
Total, All Industries	-\$21,108.7 m	-\$10,702.2 m	-\$6,782.4 m	-91,825

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Massachusetts

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$644.2 m	-\$190.0 m	-\$122.0 m	-1,539
Mining	-\$681.8 m	-\$162.1 m	-\$80.9 m	-388
Utilities	-\$1,499.5 m	-\$338.4 m	-\$147.7 m	-517
Construction	-\$2,125.4 m	-\$1,015.7 m	-\$837.0 m	-9,579
Manufacturing	-\$5,925.1 m	-\$1,947.9 m	-\$1,086.8 m	-12,593
Wholesale Trade	-\$1,316.9 m	-\$890.8 m	-\$513.7 m	-4,738
Retail Trade*	-\$4,409.5 m	-\$3,327.1 m	-\$1,937.7 m	-48,001
Transportation & Warehousing	-\$1,355.1 m	-\$879.6 m	-\$581.8 m	-6,450
Information	-\$1,110.4 m	-\$684.6 m	-\$292.3 m	-2,125
Financial Activities*	-\$7,034.8 m	-\$2,560.4 m	-\$974.6 m	-8,045
Business Services	-\$5,058.5 m	-\$3,653.3 m	-\$2,980.2 m	-29,556
Health Services	-\$1,385.3 m	-\$957.4 m	-\$809.5 m	-10,889
Other Services	-\$2,551.6 m	-\$1,316.7 m	-\$1,042.7 m	-19,987
Total, All Industries	-\$35,098.1 m	-\$17,924.1 m	-\$11,406.7 m	-154,406

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Michigan

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$341.2 m	-\$100.5 m	-\$64.7 m	-816
Mining	-\$449.3 m	-\$108.7 m	-\$59.9 m	-291
Utilities	-\$926.0 m	-\$209.0 m	-\$91.2 m	-319
Construction	-\$1,379.9 m	-\$659.2 m	-\$543.3 m	-6,217
Manufacturing	-\$3,842.9 m	-\$1,243.0 m	-\$697.7 m	-7,941
Wholesale Trade	-\$814.1 m	-\$550.8 m	-\$317.6 m	-2,929
Retail Trade*	-\$2,740.8 m	-\$2,062.9 m	-\$1,200.5 m	-29,854
Transportation & Warehousing	-\$872.1 m	-\$566.1 m	-\$374.4 m	-4,151
Information	-\$667.5 m	-\$411.5 m	-\$175.7 m	-1,278
Financial Activities*	-\$3,771.9 m	-\$1,414.3 m	-\$558.5 m	-4,623
Business Services	-\$3,223.7 m	-\$2,328.2 m	-\$1,899.2 m	-18,835
Health Services	-\$881.2 m	-\$609.0 m	-\$514.9 m	-6,927
Other Services	-\$1,572.5 m	-\$809.3 m	-\$640.5 m	-12,216
Total, All Industries	-\$21,483.2 m	-\$11,072.5 m	-\$7,138.1 m	-96,396

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Minnesota

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$327.9 m	-\$96.0 m	-\$62.2 m	-787
Mining	-\$411.6 m	-\$98.9 m	-\$54.1 m	-260
Utilities	-\$854.5 m	-\$192.8 m	-\$84.1 m	-295
Construction	-\$1,154.8 m	-\$552.6 m	-\$455.4 m	-5,211
Manufacturing	-\$3,168.1 m	-\$1,030.3 m	-\$577.9 m	-6,730
Wholesale Trade	-\$721.4 m	-\$488.0 m	-\$281.4 m	-2,595
Retail Trade*	-\$2,507.9 m	-\$1,877.7 m	-\$1,091.0 m	-27,352
Transportation & Warehousing	-\$717.3 m	-\$465.6 m	-\$307.9 m	-3,414
Information	-\$592.2 m	-\$365.1 m	-\$155.9 m	-1,134
Financial Activities*	-\$3,838.6 m	-\$1,391.0 m	-\$526.5 m	-4,352
Business Services	-\$2,721.8 m	-\$1,965.7 m	-\$1,603.5 m	-15,903
Health Services	-\$767.3 m	-\$530.3 m	-\$448.4 m	-6,031
Other Services	-\$1,370.8 m	-\$709.8 m	-\$560.5 m	-10,792
Total, All Industries	-\$19,154.2 m	-\$9,763.9 m	-\$6,208.9 m	-84,855

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Mississippi

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$50.7 m	-\$14.9 m	-\$9.6 m	-122
Mining	-\$58.8 m	-\$14.0 m	-\$7.0 m	-34
Utilities	-\$152.3 m	-\$34.4 m	-\$15.0 m	-53
Construction	-\$182.9 m	-\$87.5 m	-\$72.1 m	-825
Manufacturing	-\$493.5 m	-\$161.2 m	-\$90.0 m	-1,058
Wholesale Trade	-\$109.7 m	-\$74.2 m	-\$42.8 m	-395
Retail Trade*	-\$377.1 m	-\$282.9 m	-\$164.5 m	-4,110
Transportation & Warehousing	-\$120.2 m	-\$78.0 m	-\$51.6 m	-572
Information	-\$91.4 m	-\$56.4 m	-\$24.1 m	-175
Financial Activities*	-\$555.8 m	-\$204.6 m	-\$79.0 m	-656
Business Services	-\$428.0 m	-\$309.1 m	-\$252.1 m	-2,501
Health Services	-\$117.6 m	-\$81.3 m	-\$68.7 m	-924
Other Services	-\$214.3 m	-\$110.3 m	-\$87.4 m	-1,681
Total, All Industries	-\$2,952.4 m	-\$1,508.7 m	-\$963.8 m	-13,105

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Missouri

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$260.1 m	-\$76.1 m	-\$49.4 m	-625
Mining	-\$318.0 m	-\$76.7 m	-\$42.2 m	-203
Utilities	-\$719.3 m	-\$162.3 m	-\$70.8 m	-248
Construction	-\$896.9 m	-\$429.2 m	-\$353.7 m	-4,048
Manufacturing	-\$2,665.2 m	-\$842.5 m	-\$467.1 m	-5,278
Wholesale Trade	-\$545.9 m	-\$369.3 m	-\$212.9 m	-1,964
Retail Trade*	-\$1,895.0 m	-\$1,416.8 m	-\$822.9 m	-20,674
Transportation & Warehousing	-\$562.1 m	-\$364.9 m	-\$241.3 m	-2,675
Information	-\$458.4 m	-\$282.6 m	-\$120.7 m	-877
Financial Activities*	-\$2,944.9 m	-\$1,058.8 m	-\$396.7 m	-3,272
Business Services	-\$2,089.8 m	-\$1,509.3 m	-\$1,231.2 m	-12,211
Health Services	-\$582.6 m	-\$402.6 m	-\$340.4 m	-4,579
Other Services	-\$1,056.4 m	-\$546.4 m	-\$432.1 m	-8,374
Total, All Industries	-\$14,994.6 m	-\$7,537.5 m	-\$4,781.3 m	-65,028

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Montana

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$26.5 m	-\$7.9 m	-\$5.0 m	-63
Mining	-\$41.6 m	-\$10.0 m	-\$5.6 m	-27
Utilities	-\$112.4 m	-\$25.4 m	-\$11.1 m	-39
Construction	-\$121.1 m	-\$57.7 m	-\$47.5 m	-544
Manufacturing	-\$280.0 m	-\$92.6 m	-\$52.0 m	-605
Wholesale Trade	-\$72.7 m	-\$49.2 m	-\$28.3 m	-261
Retail Trade*	-\$242.0 m	-\$182.5 m	-\$106.2 m	-2,635
Transportation & Warehousing	-\$78.4 m	-\$50.9 m	-\$33.6 m	-373
Information	-\$60.2 m	-\$37.1 m	-\$15.8 m	-115
Financial Activities*	-\$378.4 m	-\$140.7 m	-\$55.0 m	-458
Business Services	-\$288.9 m	-\$208.6 m	-\$170.2 m	-1,688
Health Services	-\$77.5 m	-\$53.5 m	-\$45.3 m	-609
Other Services	-\$137.1 m	-\$70.7 m	-\$55.8 m	-1,062
Total, All Industries	-\$1,916.7 m	-\$986.8 m	-\$631.5 m	-8,480

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Nebraska

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$119.6 m	-\$35.1 m	-\$22.7 m	-287
Mining	-\$139.1 m	-\$33.1 m	-\$16.6 m	-80
Utilities	-\$328.6 m	-\$74.1 m	-\$32.4 m	-113
Construction	-\$443.8 m	-\$211.7 m	-\$174.5 m	-1,997
Manufacturing	-\$1,222.5 m	-\$387.7 m	-\$214.9 m	-2,453
Wholesale Trade	-\$269.2 m	-\$182.1 m	-\$105.0 m	-969
Retail Trade*	-\$911.1 m	-\$683.7 m	-\$397.5 m	-9,932
Transportation & Warehousing	-\$294.1 m	-\$190.9 m	-\$126.3 m	-1,400
Information	-\$225.6 m	-\$139.1 m	-\$59.4 m	-432
Financial Activities*	-\$1,392.8 m	-\$508.4 m	-\$194.3 m	-1,604
Business Services	-\$1,046.2 m	-\$755.6 m	-\$616.3 m	-6,113
Health Services	-\$288.3 m	-\$199.3 m	-\$168.5 m	-2,266
Other Services	-\$491.4 m	-\$254.6 m	-\$200.7 m	-3,849
Total, All Industries	-\$7,172.3 m	-\$3,655.6 m	-\$2,329.0 m	-31,495

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Nevada

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$91.3 m	-\$27.7 m	-\$17.2 m	-214
Mining	-\$165.3 m	-\$39.8 m	-\$21.7 m	-104
Utilities	-\$338.6 m	-\$76.4 m	-\$33.3 m	-117
Construction	-\$498.9 m	-\$236.8 m	-\$195.1 m	-2,233
Manufacturing	-\$1,114.9 m	-\$361.6 m	-\$202.8 m	-2,279
Wholesale Trade	-\$294.2 m	-\$199.0 m	-\$114.7 m	-1,058
Retail Trade*	-\$951.2 m	-\$720.9 m	-\$420.4 m	-10,343
Transportation & Warehousing	-\$299.8 m	-\$194.6 m	-\$128.7 m	-1,427
Information	-\$251.2 m	-\$154.9 m	-\$66.1 m	-481
Financial Activities*	-\$1,643.8 m	-\$602.3 m	-\$231.0 m	-1,928
Business Services	-\$1,215.0 m	-\$877.5 m	-\$715.8 m	-7,099
Health Services	-\$321.7 m	-\$222.3 m	-\$188.0 m	-2,529
Other Services	-\$536.9 m	-\$277.2 m	-\$217.6 m	-4,117
Total, All Industries	-\$7,722.6 m	-\$3,990.9 m	-\$2,552.6 m	-33,929

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in New Hampshire

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$61.0 m	-\$18.1 m	-\$11.5 m	-145
Mining	-\$84.3 m	-\$20.1 m	-\$10.0 m	-48
Utilities	-\$183.2 m	-\$41.3 m	-\$18.0 m	-63
Construction	-\$264.4 m	-\$126.3 m	-\$104.0 m	-1,191
Manufacturing	-\$675.5 m	-\$223.6 m	-\$125.4 m	-1,441
Wholesale Trade	-\$158.4 m	-\$107.1 m	-\$61.8 m	-570
Retail Trade*	-\$529.9 m	-\$400.1 m	-\$233.1 m	-5,767
Transportation & Warehousing	-\$174.0 m	-\$112.9 m	-\$74.7 m	-828
Information	-\$132.6 m	-\$81.7 m	-\$34.9 m	-254
Financial Activities*	-\$857.2 m	-\$310.1 m	-\$117.1 m	-968
Business Services	-\$628.3 m	-\$453.8 m	-\$370.2 m	-3,671
Health Services	-\$170.5 m	-\$117.8 m	-\$99.6 m	-1,340
Other Services	-\$303.1 m	-\$156.9 m	-\$124.0 m	-2,358
Total, All Industries	-\$4,222.3 m	-\$2,169.9 m	-\$1,384.4 m	-18,644

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in New Jersey

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$663.7 m	-\$195.0 m	-\$125.9 m	-1,590
Mining	-\$679.8 m	-\$161.6 m	-\$80.4 m	-386
Utilities	-\$1,745.9 m	-\$394.0 m	-\$171.9 m	-602
Construction	-\$2,077.1 m	-\$995.3 m	-\$820.2 m	-9,386
Manufacturing	-\$5,769.2 m	-\$1,886.6 m	-\$1,052.5 m	-12,109
Wholesale Trade	-\$1,294.2 m	-\$875.5 m	-\$504.8 m	-4,656
Retail Trade*	-\$4,394.8 m	-\$3,306.9 m	-\$1,924.3 m	-47,873
Transportation & Warehousing	-\$1,343.8 m	-\$872.3 m	-\$576.9 m	-6,396
Information	-\$1,077.6 m	-\$664.3 m	-\$283.6 m	-2,062
Financial Activities*	-\$6,822.4 m	-\$2,471.7 m	-\$935.2 m	-7,736
Business Services	-\$4,809.0 m	-\$3,473.1 m	-\$2,833.2 m	-28,098
Health Services	-\$1,381.5 m	-\$954.7 m	-\$807.2 m	-10,859
Other Services	-\$2,456.4 m	-\$1,271.1 m	-\$1,004.7 m	-19,348
Total, All Industries	-\$34,515.4 m	-\$17,522.0 m	-\$11,120.8 m	-151,102

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in New Mexico

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$57.2 m	-\$16.9 m	-\$10.8 m	-137
Mining	-\$81.8 m	-\$19.7 m	-\$10.9 m	-52
Utilities	-\$198.7 m	-\$44.8 m	-\$19.6 m	-69
Construction	-\$231.8 m	-\$110.4 m	-\$91.0 m	-1,041
Manufacturing	-\$542.4 m	-\$180.3 m	-\$101.3 m	-1,180
Wholesale Trade	-\$142.8 m	-\$96.6 m	-\$55.7 m	-514
Retail Trade*	-\$472.3 m	-\$356.7 m	-\$207.8 m	-5,140
Transportation & Warehousing	-\$143.6 m	-\$93.2 m	-\$61.6 m	-683
Information	-\$120.7 m	-\$74.4 m	-\$31.8 m	-231
Financial Activities*	-\$751.2 m	-\$273.2 m	-\$103.8 m	-861
Business Services	-\$557.9 m	-\$402.9 m	-\$328.7 m	-3,259
Health Services	-\$151.8 m	-\$104.9 m	-\$88.7 m	-1,193
Other Services	-\$274.7 m	-\$141.4 m	-\$112.0 m	-2,142
Total, All Industries	-\$3,726.8 m	-\$1,915.3 m	-\$1,223.6 m	-16,502

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in New York

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$1,317.4 m	-\$392.7 m	-\$249.0 m	-3,123
Mining	-\$2,014.6 m	-\$485.8 m	-\$266.0 m	-1,284
Utilities	-\$4,476.4 m	-\$1,010.1 m	-\$440.8 m	-1,543
Construction	-\$6,002.5 m	-\$2,858.3 m	-\$2,355.4 m	-26,957
Manufacturing	-\$14,199.5 m	-\$4,770.2 m	-\$2,694.8 m	-31,657
Wholesale Trade	-\$3,625.8 m	-\$2,452.7 m	-\$1,414.3 m	-13,044
Retail Trade*	-\$12,164.3 m	-\$9,164.3 m	-\$5,334.7 m	-132,468
Transportation & Warehousing	-\$3,651.7 m	-\$2,370.4 m	-\$1,567.7 m	-17,380
Information	-\$3,143.2 m	-\$1,937.9 m	-\$827.3 m	-6,016
Financial Activities*	-\$20,169.2 m	-\$7,353.3 m	-\$2,805.3 m	-23,145
Business Services	-\$14,414.0 m	-\$10,409.9 m	-\$8,491.8 m	-84,218
Health Services	-\$3,834.5 m	-\$2,650.0 m	-\$2,240.6 m	-30,140
Other Services	-\$7,316.0 m	-\$3,754.4 m	-\$2,974.1 m	-56,817
Total, All Industries	-\$96,329.0 m	-\$49,610.1 m	-\$31,661.9 m	-427,794

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in North Carolina

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$448.7 m	-\$131.7 m	-\$85.1 m	-1,075
Mining	-\$579.9 m	-\$139.4 m	-\$76.3 m	-366
Utilities	-\$1,190.1 m	-\$268.6 m	-\$117.2 m	-410
Construction	-\$1,692.8 m	-\$810.3 m	-\$667.7 m	-7,641
Manufacturing	-\$5,003.9 m	-\$1,614.7 m	-\$893.0 m	-10,261
Wholesale Trade	-\$1,023.0 m	-\$692.0 m	-\$399.0 m	-3,680
Retail Trade*	-\$3,471.2 m	-\$2,607.4 m	-\$1,516.5 m	-37,828
Transportation & Warehousing	-\$1,077.4 m	-\$699.3 m	-\$462.5 m	-5,128
Information	-\$857.6 m	-\$528.7 m	-\$225.7 m	-1,641
Financial Activities*	-\$5,290.3 m	-\$1,906.4 m	-\$716.4 m	-5,907
Business Services	-\$3,915.7 m	-\$2,828.0 m	-\$2,306.9 m	-22,879
Health Services	-\$1,102.3 m	-\$761.8 m	-\$644.1 m	-8,664
Other Services	-\$1,976.4 m	-\$1,020.7 m	-\$807.9 m	-15,515
Total, All Industries	-\$27,629.2 m	-\$14,009.0 m	-\$8,918.4 m	-120,997

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in North Dakota

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$44.3 m	-\$13.1 m	-\$8.4 m	-106
Mining	-\$59.8 m	-\$14.5 m	-\$8.0 m	-39
Utilities	-\$195.8 m	-\$44.2 m	-\$19.3 m	-68
Construction	-\$173.7 m	-\$82.6 m	-\$68.1 m	-779
Manufacturing	-\$390.6 m	-\$129.0 m	-\$72.0 m	-843
Wholesale Trade	-\$103.8 m	-\$70.2 m	-\$40.5 m	-373
Retail Trade*	-\$350.2 m	-\$263.3 m	-\$153.2 m	-3,816
Transportation & Warehousing	-\$112.1 m	-\$72.7 m	-\$48.1 m	-533
Information	-\$85.9 m	-\$53.0 m	-\$22.6 m	-164
Financial Activities*	-\$535.0 m	-\$196.6 m	-\$75.8 m	-628
Business Services	-\$417.3 m	-\$301.4 m	-\$245.9 m	-2,438
Health Services	-\$111.6 m	-\$77.2 m	-\$65.2 m	-877
Other Services	-\$198.1 m	-\$102.4 m	-\$80.8 m	-1,542
Total, All Industries	-\$2,778.3 m	-\$1,420.3 m	-\$907.9 m	-12,208

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Ohio

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$526.7 m	-\$154.9 m	-\$99.8 m	-1,261
Mining	-\$691.7 m	-\$167.7 m	-\$93.6 m	-454
Utilities	-\$1,735.0 m	-\$391.5 m	-\$170.8 m	-598
Construction	-\$1,958.3 m	-\$938.8 m	-\$773.6 m	-8,853
Manufacturing	-\$5,544.5 m	-\$1,798.1 m	-\$1,011.0 m	-11,558
Wholesale Trade	-\$1,180.2 m	-\$798.4 m	-\$460.3 m	-4,246
Retail Trade*	-\$4,060.8 m	-\$3,045.8 m	-\$1,770.7 m	-44,268
Transportation & Warehousing	-\$1,269.4 m	-\$824.0 m	-\$545.0 m	-6,042
Information	-\$979.7 m	-\$604.0 m	-\$257.9 m	-1,875
Financial Activities*	-\$5,832.1 m	-\$2,112.2 m	-\$799.0 m	-6,576
Business Services	-\$4,497.5 m	-\$3,248.1 m	-\$2,649.6 m	-26,278
Health Services	-\$1,256.1 m	-\$868.1 m	-\$734.0 m	-9,873
Other Services	-\$2,319.2 m	-\$1,196.6 m	-\$948.4 m	-18,250
Total, All Industries	-\$31,851.2 m	-\$16,148.1 m	-\$10,313.7 m	-140,132

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Oklahoma

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$103.9 m	-\$30.7 m	-\$19.7 m	-248
Mining	-\$164.7 m	-\$39.7 m	-\$21.8 m	-105
Utilities	-\$391.1 m	-\$88.2 m	-\$38.5 m	-135
Construction	-\$454.4 m	-\$217.2 m	-\$179.0 m	-2,048
Manufacturing	-\$1,077.5 m	-\$356.8 m	-\$201.4 m	-2,354
Wholesale Trade	-\$278.1 m	-\$188.2 m	-\$108.5 m	-1,001
Retail Trade*	-\$945.3 m	-\$710.8 m	-\$413.6 m	-10,299
Transportation & Warehousing	-\$276.8 m	-\$179.7 m	-\$118.8 m	-1,318
Information	-\$231.8 m	-\$142.9 m	-\$61.0 m	-444
Financial Activities*	-\$1,482.9 m	-\$539.8 m	-\$205.4 m	-1,707
Business Services	-\$1,069.8 m	-\$772.6 m	-\$630.3 m	-6,251
Health Services	-\$295.6 m	-\$204.3 m	-\$172.7 m	-2,324
Other Services	-\$517.4 m	-\$268.0 m	-\$211.5 m	-4,065
Total, All Industries	-\$7,289.4 m	-\$3,739.1 m	-\$2,382.3 m	-32,297

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Oregon

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$189.6 m	-\$55.7 m	-\$35.9 m	-454
Mining	-\$240.6 m	-\$58.3 m	-\$32.2 m	-157
Utilities	-\$566.0 m	-\$127.7 m	-\$55.7 m	-195
Construction	-\$722.2 m	-\$344.9 m	-\$284.2 m	-3,252
Manufacturing	-\$1,957.8 m	-\$631.0 m	-\$351.5 m	-4,012
Wholesale Trade	-\$436.8 m	-\$295.5 m	-\$170.4 m	-1,571
Retail Trade*	-\$1,490.6 m	-\$1,117.7 m	-\$649.7 m	-16,251
Transportation & Warehousing	-\$457.7 m	-\$297.1 m	-\$196.5 m	-2,179
Information	-\$358.2 m	-\$220.8 m	-\$94.3 m	-686
Financial Activities*	-\$2,198.7 m	-\$807.1 m	-\$310.5 m	-2,572
Business Services	-\$1,697.1 m	-\$1,225.7 m	-\$999.9 m	-9,916
Health Services	-\$466.1 m	-\$322.1 m	-\$272.3 m	-3,663
Other Services	-\$830.5 m	-\$428.5 m	-\$338.8 m	-6,502
Total, All Industries	-\$11,612.0 m	-\$5,932.1 m	-\$3,791.9 m	-51,410

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Pennsylvania

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$510.1 m	-\$150.6 m	-\$96.6 m	-1,218
Mining	-\$814.0 m	-\$197.2 m	-\$109.8 m	-532
Utilities	-\$2,062.7 m	-\$465.5 m	-\$203.1 m	-711
Construction	-\$2,261.2 m	-\$1,084.0 m	-\$893.3 m	-10,223
Manufacturing	-\$6,159.8 m	-\$2,047.4 m	-\$1,155.0 m	-13,607
Wholesale Trade	-\$1,372.8 m	-\$928.7 m	-\$535.5 m	-4,939
Retail Trade*	-\$4,731.0 m	-\$3,552.2 m	-\$2,065.7 m	-51,563
Transportation & Warehousing	-\$1,466.9 m	-\$952.2 m	-\$629.8 m	-6,982
Information	-\$1,132.6 m	-\$698.3 m	-\$298.1 m	-2,168
Financial Activities*	-\$7,076.4 m	-\$2,557.5 m	-\$965.0 m	-7,938
Business Services	-\$5,228.9 m	-\$3,776.3 m	-\$3,080.5 m	-30,551
Health Services	-\$1,467.0 m	-\$1,013.9 m	-\$857.2 m	-11,531
Other Services	-\$2,686.0 m	-\$1,386.8 m	-\$1,098.9 m	-21,152
Total, All Industries	-\$36,969.3 m	-\$18,810.6 m	-\$11,988.5 m	-163,115

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Rhode Island

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$50.8 m	-\$15.0 m	-\$9.6 m	-121
Mining	-\$50.5 m	-\$12.0 m	-\$6.0 m	-29
Utilities	-\$110.4 m	-\$24.9 m	-\$10.9 m	-38
Construction	-\$164.9 m	-\$78.7 m	-\$64.8 m	-742
Manufacturing	-\$448.0 m	-\$145.4 m	-\$81.0 m	-926
Wholesale Trade	-\$98.6 m	-\$66.7 m	-\$38.5 m	-355
Retail Trade*	-\$330.5 m	-\$249.6 m	-\$145.4 m	-3,597
Transportation & Warehousing	-\$105.3 m	-\$68.3 m	-\$45.2 m	-501
Information	-\$83.3 m	-\$51.4 m	-\$21.9 m	-159
Financial Activities*	-\$502.4 m	-\$185.3 m	-\$71.7 m	-594
Business Services	-\$391.2 m	-\$282.5 m	-\$230.5 m	-2,286
Health Services	-\$106.2 m	-\$73.4 m	-\$62.1 m	-835
Other Services	-\$191.5 m	-\$98.6 m	-\$78.1 m	-1,492
Total, All Industries	-\$2,633.4 m	-\$1,351.9 m	-\$865.7 m	-11,675

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in South Carolina

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$149.9 m	-\$44.0 m	-\$28.4 m	-359
Mining	-\$199.9 m	-\$48.2 m	-\$26.4 m	-128
Utilities	-\$421.6 m	-\$95.1 m	-\$41.5 m	-145
Construction	-\$577.0 m	-\$275.8 m	-\$227.3 m	-2,601
Manufacturing	-\$1,740.5 m	-\$555.7 m	-\$306.3 m	-3,506
Wholesale Trade	-\$340.2 m	-\$230.1 m	-\$132.7 m	-1,224
Retail Trade*	-\$1,154.5 m	-\$869.0 m	-\$505.8 m	-12,574
Transportation & Warehousing	-\$370.4 m	-\$240.4 m	-\$159.0 m	-1,763
Information	-\$283.8 m	-\$175.0 m	-\$74.7 m	-543
Financial Activities*	-\$1,864.5 m	-\$664.8 m	-\$246.3 m	-2,032
Business Services	-\$1,341.1 m	-\$968.6 m	-\$790.1 m	-7,836
Health Services	-\$368.1 m	-\$254.4 m	-\$215.1 m	-2,893
Other Services	-\$664.0 m	-\$342.2 m	-\$270.5 m	-5,174
Total, All Industries	-\$9,475.4 m	-\$4,763.4 m	-\$3,024.1 m	-40,779

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in South Dakota

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$40.5 m	-\$11.9 m	-\$7.7 m	-97
Mining	-\$46.7 m	-\$11.1 m	-\$5.5 m	-27
Utilities	-\$109.9 m	-\$24.8 m	-\$10.8 m	-38
Construction	-\$152.6 m	-\$72.8 m	-\$60.0 m	-686
Manufacturing	-\$399.0 m	-\$126.7 m	-\$70.4 m	-807
Wholesale Trade	-\$92.2 m	-\$62.4 m	-\$36.0 m	-332
Retail Trade*	-\$314.2 m	-\$236.0 m	-\$137.3 m	-3,424
Transportation & Warehousing	-\$101.2 m	-\$65.7 m	-\$43.5 m	-482
Information	-\$76.0 m	-\$46.8 m	-\$20.0 m	-145
Financial Activities*	-\$456.1 m	-\$168.4 m	-\$65.2 m	-541
Business Services	-\$361.5 m	-\$261.1 m	-\$213.0 m	-2,112
Health Services	-\$99.1 m	-\$68.5 m	-\$57.9 m	-779
Other Services	-\$180.3 m	-\$93.0 m	-\$73.6 m	-1,408
Total, All Industries	-\$2,429.3 m	-\$1,249.2 m	-\$800.9 m	-10,878

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Tennessee

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$329.5 m	-\$96.6 m	-\$62.5 m	-791
Mining	-\$425.9 m	-\$102.7 m	-\$56.7 m	-273
Utilities	-\$1,296.0 m	-\$292.5 m	-\$127.6 m	-447
Construction	-\$1,192.2 m	-\$571.2 m	-\$470.7 m	-5,386
Manufacturing	-\$3,776.4 m	-\$1,211.0 m	-\$669.9 m	-7,751
Wholesale Trade	-\$731.7 m	-\$495.0 m	-\$285.4 m	-2,632
Retail Trade*	-\$2,538.2 m	-\$1,899.8 m	-\$1,103.7 m	-27,684
Transportation & Warehousing	-\$766.3 m	-\$497.4 m	-\$329.0 m	-3,647
Information	-\$614.2 m	-\$378.7 m	-\$161.7 m	-1,176
Financial Activities*	-\$3,886.4 m	-\$1,397.3 m	-\$523.5 m	-4,321
Business Services	-\$2,752.0 m	-\$1,987.5 m	-\$1,621.3 m	-16,079
Health Services	-\$785.0 m	-\$542.5 m	-\$458.7 m	-6,171
Other Services	-\$1,416.8 m	-\$733.3 m	-\$580.1 m	-11,237
Total, All Industries	-\$20,510.8 m	-\$10,205.4 m	-\$6,450.9 m	-87,596

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Texas

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$1,728.6 m	-\$507.8 m	-\$327.8 m	-4,141
Mining	-\$2,307.6 m	-\$553.8 m	-\$301.4 m	-1,444
Utilities	-\$5,360.4 m	-\$1,209.6 m	-\$527.9 m	-1,848
Construction	-\$6,172.0 m	-\$2,957.4 m	-\$2,437.1 m	-27,889
Manufacturing	-\$16,453.1 m	-\$5,391.1 m	-\$3,015.9 m	-35,047
Wholesale Trade	-\$3,888.0 m	-\$2,630.1 m	-\$1,516.6 m	-13,987
Retail Trade*	-\$13,408.1 m	-\$10,051.5 m	-\$5,842.5 m	-146,186
Transportation & Warehousing	-\$3,875.1 m	-\$2,515.4 m	-\$1,663.6 m	-18,444
Information	-\$3,201.6 m	-\$1,973.9 m	-\$842.7 m	-6,128
Financial Activities*	-\$21,894.9 m	-\$7,769.6 m	-\$2,859.7 m	-23,654
Business Services	-\$14,391.7 m	-\$10,393.8 m	-\$8,478.7 m	-84,088
Health Services	-\$4,108.0 m	-\$2,839.0 m	-\$2,400.4 m	-32,289
Other Services	-\$7,376.6 m	-\$3,818.7 m	-\$3,018.3 m	-58,280
Total, All Industries	-\$104,165.6 m	-\$52,611.7 m	-\$33,232.5 m	-453,426

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Utah

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$140.3 m	-\$42.0 m	-\$26.5 m	-332
Mining	-\$233.1 m	-\$56.4 m	-\$31.1 m	-151
Utilities	-\$560.4 m	-\$126.5 m	-\$55.2 m	-193
Construction	-\$635.3 m	-\$303.6 m	-\$250.2 m	-2,863
Manufacturing	-\$1,626.9 m	-\$530.9 m	-\$298.7 m	-3,445
Wholesale Trade	-\$389.2 m	-\$263.3 m	-\$151.8 m	-1,400
Retail Trade*	-\$1,317.2 m	-\$990.9 m	-\$576.6 m	-14,350
Transportation & Warehousing	-\$407.1 m	-\$264.3 m	-\$174.8 m	-1,938
Information	-\$327.6 m	-\$202.0 m	-\$86.2 m	-627
Financial Activities*	-\$2,060.6 m	-\$741.9 m	-\$278.5 m	-2,295
Business Services	-\$1,494.2 m	-\$1,079.1 m	-\$880.3 m	-8,730
Health Services	-\$414.7 m	-\$286.6 m	-\$242.3 m	-3,260
Other Services	-\$729.8 m	-\$376.8 m	-\$297.4 m	-5,704
Total, All Industries	-\$10,336.5 m	-\$5,264.2 m	-\$3,349.6 m	-45,288

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Vermont

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$16.7 m	-\$5.0 m	-\$3.2 m	-40
Mining	-\$10.0 m	-\$2.7 m	-\$1.5 m	-8
Utilities	-\$57.5 m	-\$13.0 m	-\$5.7 m	-20
Construction	-\$85.1 m	-\$40.5 m	-\$33.4 m	-382
Manufacturing	-\$218.6 m	-\$71.0 m	-\$39.7 m	-452
Wholesale Trade	-\$50.1 m	-\$33.9 m	-\$19.5 m	-180
Retail Trade*	-\$164.7 m	-\$124.6 m	-\$72.7 m	-1,792
Transportation & Warehousing	-\$54.9 m	-\$35.6 m	-\$23.6 m	-261
Information	-\$42.1 m	-\$25.9 m	-\$11.1 m	-81
Financial Activities*	-\$265.2 m	-\$97.3 m	-\$37.4 m	-310
Business Services	-\$205.8 m	-\$148.7 m	-\$121.3 m	-1,203
Health Services	-\$53.6 m	-\$37.1 m	-\$31.3 m	-421
Other Services	-\$98.8 m	-\$50.8 m	-\$40.2 m	-763
Total, All Industries	-\$1,323.2 m	-\$686.1 m	-\$440.4 m	-5,912

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Virginia

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$415.7 m	-\$122.8 m	-\$78.7 m	-992
Mining	-\$638.2 m	-\$154.2 m	-\$85.5 m	-413
Utilities	-\$1,509.5 m	-\$340.6 m	-\$148.6 m	-520
Construction	-\$1,785.5 m	-\$853.6 m	-\$703.4 m	-8,050
Manufacturing	-\$5,179.3 m	-\$1,678.6 m	-\$929.9 m	-10,680
Wholesale Trade	-\$1,107.0 m	-\$748.9 m	-\$431.8 m	-3,982
Retail Trade*	-\$3,766.6 m	-\$2,833.8 m	-\$1,648.9 m	-41,031
Transportation & Warehousing	-\$1,100.0 m	-\$714.1 m	-\$472.3 m	-5,236
Information	-\$931.6 m	-\$574.4 m	-\$245.2 m	-1,783
Financial Activities*	-\$6,010.9 m	-\$2,137.5 m	-\$789.2 m	-6,495
Business Services	-\$4,223.8 m	-\$3,050.5 m	-\$2,488.4 m	-24,679
Health Services	-\$1,180.8 m	-\$816.0 m	-\$689.9 m	-9,281
Other Services	-\$2,129.8 m	-\$1,101.2 m	-\$870.7 m	-16,733
Total, All Industries	-\$29,978.7 m	-\$15,126.1 m	-\$9,582.7 m	-129,876

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Washington

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$661.5 m	-\$195.4 m	-\$125.3 m	-1,579
Mining	-\$840.5 m	-\$202.8 m	-\$111.3 m	-537
Utilities	-\$2,109.6 m	-\$476.1 m	-\$207.7 m	-727
Construction	-\$2,367.0 m	-\$1,131.3 m	-\$932.3 m	-10,669
Manufacturing	-\$6,234.3 m	-\$2,045.3 m	-\$1,144.4 m	-13,276
Wholesale Trade	-\$1,473.5 m	-\$996.8 m	-\$574.8 m	-5,301
Retail Trade*	-\$5,069.6 m	-\$3,797.6 m	-\$2,206.9 m	-55,283
Transportation & Warehousing	-\$1,513.3 m	-\$982.3 m	-\$649.7 m	-7,203
Information	-\$1,213.1 m	-\$747.9 m	-\$319.3 m	-2,322
Financial Activities*	-\$7,919.1 m	-\$2,855.9 m	-\$1,074.0 m	-8,882
Business Services	-\$5,593.8 m	-\$4,039.9 m	-\$3,295.5 m	-32,684
Health Services	-\$1,544.4 m	-\$1,067.3 m	-\$902.4 m	-12,140
Other Services	-\$2,802.5 m	-\$1,448.1 m	-\$1,145.4 m	-22,021
Total, All Industries	-\$39,342.3 m	-\$19,986.8 m	-\$12,689.2 m	-172,624

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in West Virginia

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$26.0 m	-\$7.8 m	-\$4.9 m	-65
Mining	-\$49.5 m	-\$12.0 m	-\$6.7 m	-35
Utilities	-\$116.0 m	-\$26.2 m	-\$11.4 m	-43
Construction	-\$150.5 m	-\$71.6 m	-\$59.0 m	-718
Manufacturing	-\$397.7 m	-\$126.7 m	-\$70.5 m	-843
Wholesale Trade	-\$85.1 m	-\$57.5 m	-\$33.2 m	-325
Retail Trade*	-\$282.2 m	-\$213.3 m	-\$124.3 m	-3,266
Transportation & Warehousing	-\$92.7 m	-\$60.2 m	-\$39.8 m	-469
Information	-\$71.8 m	-\$44.3 m	-\$18.9 m	-146
Financial Activities*	-\$415.1 m	-\$154.9 m	-\$60.9 m	-536
Business Services	-\$349.3 m	-\$252.3 m	-\$205.8 m	-2,170
Health Services	-\$92.7 m	-\$64.1 m	-\$54.2 m	-775
Other Services	-\$165.0 m	-\$84.9 m	-\$67.1 m	-1,345
Total, All Industries	-\$2,293.5 m	-\$1,175.8 m	-\$756.6 m	-10,737

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Wisconsin

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$253.1 m	-\$74.2 m	-\$48.0 m	-607
Mining	-\$272.7 m	-\$65.1 m	-\$32.6 m	-158
Utilities	-\$593.9 m	-\$134.0 m	-\$58.5 m	-205
Construction	-\$888.9 m	-\$425.1 m	-\$350.3 m	-4,009
Manufacturing	-\$2,542.6 m	-\$812.0 m	-\$452.4 m	-5,176
Wholesale Trade	-\$534.9 m	-\$361.8 m	-\$208.6 m	-1,924
Retail Trade*	-\$1,856.0 m	-\$1,389.7 m	-\$807.4 m	-20,241
Transportation & Warehousing	-\$579.2 m	-\$375.9 m	-\$248.6 m	-2,757
Information	-\$436.5 m	-\$269.1 m	-\$114.9 m	-836
Financial Activities*	-\$2,564.2 m	-\$939.7 m	-\$361.0 m	-2,970
Business Services	-\$2,082.9 m	-\$1,504.3 m	-\$1,227.1 m	-12,170
Health Services	-\$573.1 m	-\$396.0 m	-\$334.9 m	-4,505
Other Services	-\$1,054.4 m	-\$544.0 m	-\$430.6 m	-8,248
Total, All Industries	-\$14,232.3 m	-\$7,291.1 m	-\$4,674.9 m	-63,805

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.

The Estimated Annual Impact Associated with Excessive Tort Costs on Business Activity in Wyoming

Results by Industry

Industry	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$18.5 m	-\$5.6 m	-\$3.5 m	-44
Mining	-\$37.4 m	-\$9.0 m	-\$5.0 m	-24
Utilities	-\$94.3 m	-\$21.3 m	-\$9.3 m	-33
Construction	-\$111.6 m	-\$53.0 m	-\$43.7 m	-500
Manufacturing	-\$241.1 m	-\$79.8 m	-\$45.0 m	-522
Wholesale Trade	-\$64.9 m	-\$43.9 m	-\$25.3 m	-233
Retail Trade*	-\$210.4 m	-\$159.3 m	-\$92.9 m	-2,288
Transportation & Warehousing	-\$66.6 m	-\$43.2 m	-\$28.6 m	-317
Information	-\$54.5 m	-\$33.6 m	-\$14.3 m	-104
Financial Activities*	-\$332.4 m	-\$123.3 m	-\$48.0 m	-399
Business Services	-\$261.7 m	-\$189.0 m	-\$154.2 m	-1,529
Health Services	-\$69.5 m	-\$48.0 m	-\$40.6 m	-546
Other Services	-\$125.1 m	-\$64.3 m	-\$50.7 m	-954
Total, All Industries	-\$1,688.1 m	-\$873.4 m	-\$561.2 m	-7,493

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in millions of 2023 US dollars per year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate.