



Testimony in Support of House Bill 54

Mr. Daniel Murray

Kansas State Director, National Federation of Independent Business

House Committee on Judiciary

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Madam Chair and members of the committee, I am pleased to submit testimony in strong support of SB54 on behalf of NFIB Kansas. NFIB Kansas is the leading small business organization in Kansas representing small and independent businesses. A non-profit, nonpartisan organization founded in 1943, NFIB Kansas represents the consensus views of its almost 4,000 members in Kansas.

This bill addresses small business concerns regarding third-party litigation. Third-party litigation financing is a predatory practice that's less about justice and more about bullying defendants into a big settlement. SB54 won't stop anyone from going to court. If you've been hurt, you have a constitutional right to seek compensation, but the bill will ensure juries know who's financing the lawsuit and ensure both sides get a fair hearing.

As the nation's legal system continues to spiral out of control and billion-dollar lawsuits become the norm, NFIB fights hard for legal reform in all 50 states. Small business owners do not have in-house counsel, and the vast majority cannot afford to hire lawyers to defend their business and reputations in court. Trial lawyers know this and, as a result, small business owners are easy targets for the plaintiff's attorney looking for a quick payout. Just one frivolous lawsuit can force a small business to close its doors forever.

It is shameful that predatory venture capitalists and foreign interests are partnering with trial attorneys to make money on the backs of fearful small business owners. We urge you to pass SB54 favorably for passage to help shine light on third-party litigation. Thank you for your consideration of our comments.