

January 21, 2026

Members of the South Carolina General Assembly,

At 2:15 PM on Wednesday, you'll hear the sound of truck horns surrounding the Statehouse. That sound is coming from the working men and women who move this state forward and it's meant for you.

It's not meant to disrupt. It's meant to be heard.

For too long, the voices of truckers, warehouse workers, and small business employees have been drowned out in the noise of special interests and insider politics. These aren't lobbyists honking these horns. These are real people trying to make an honest living in a time when everything, from fuel to insurance to groceries, costs more than ever.

They've asked for relief. They've waited for real tort reform. They're still waiting.

Lawsuit abuse continues to drive up the cost of doing business in South Carolina. That cost gets passed down to everyday people. It affects prices, insurance premiums, and the stability of jobs in our communities. We believe the legislature can fix this but only if it acts now.

This horn blast is a reminder: working-class South Carolinians are watching and they're praying that you do something real for them this session.

At the same time, we want to express our appreciation. There are members of this body who have taken important steps to strengthen infrastructure, improve safety, and support the industries that keep our economy running. We are especially grateful to those who have filed and supported meaningful tort reform legislation. You've shown leadership, and we're here to support that effort.

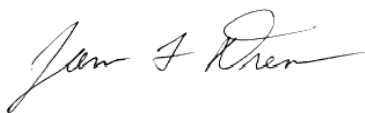
We're not here to point fingers. We're here to lift up the people too often left out of the conversation.

We're asking you to stand with them, to listen to them, and to act for them.

Sincerely,



Rick Todd
President, CEO
South Carolina Trucking Association



Jim Drennan
Chairman
South Carolina Trucking Association

Curating & Perpetuating Hellholes in S.C.

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- 100 years** ● “Hampton County” Firm Exploits and Haunts Transportation Industries
 - 75 years** ● Rural Lawyer-Legislators Political Oligarchy (One law firm has held their local Senate seat for 75 years)
 - 1977** ● U.S. Supreme Court “Free Speech” Ruling Opens Floodgates on Lawyer Advertising (No guardrails on greed)
 - 1991** ● SC Supreme Court “Flips” At-Fault/Liability Doctrine to the a “More Fair System” (Quickly 1% Fault Becomes 100% Liability)
 - 1994** ● SC Supreme Court Rules Accepting Vicarious Liability Doesn’t End a Case (Catalyzes the Monetization of Mistakes)
 - For 34 Years** ● Legislature Refuses to Codify Court’s Decision on “More Fair System” so that it functions as implied
 - Except: 2005** ● Sham “Compromise” Bill Perpetuates 1% = 100%, Shielding At-Fault Parties from Jury Allocation
 - 2025** ● Senate War Produces Modest Improvements, Bu the House Largely Ignores (Except for questionable “Liquor Liability” Measure)
 - 2026 TBD** ● ? Will the House Take Up *Meaningful* Reforms to Rein in Lawsuit Abuse and Insurance Gouging?

South Carolina's Indistinguishable Punishment Standards

(Abused to Trigger 100% Liability & Punitive Damages in Injury Lawsuits)

Any evidence of a violation (not a conviction) of any statute, rule, or reg is "negligence."
Negligence is too easily equated to "gross negligence" and "recklessness" in South Carolina.

Every commercial vehicle-related accident case now contains a claim of some form of "negligence."

- Negligent driving
- Negligent hiring
- Negligent entrustment
- Negligent retention
- Negligent training
- Negligent supervision
- Negligent maintenance, etc.

This is how judges then have to explain to jurors the current standards of conduct (*South Carolina Law of Torts* [5th edition]):

- "Negligence" - One's "failure to use due care."
- "Gross Negligence" - Viewed as "a lack of slight care," often treated as the equivalent of mere negligence.
- "Recklessness" - Actions "marked by lack of proper caution."
- "Willful" - The "conscious failure to exercise due care."

Do you clearly understand the difference?

Can you clearly explain the distinctions?

Judges struggle to charge the jury on these.

The South Carolina Supreme Court has acknowledged this is troublesome, and many scholars suggest this predicament violates Due Process and Equal Protections of our Constitution.

Insurance costs are at stake, often tens of millions of dollars worth.

Your citizens have a right to know and understand what is expected of them – and the consequences of failure. Clarity increases compliance.

Insurance Reform, Litigation Transparency, and Fair Compensation

A Framework to Protect Injured Parties, Reduce Lawsuit Abuse, and Stabilize Insurance Costs

Summary

South Carolina's insurance affordability crisis is driven not by undercompensation of injured parties, but by litigation opacity, inflated claims, excessive punitive damages, and misaligned financial incentives within the civil justice system. These forces increase insurance premiums for businesses and consumers while failing to reliably deliver fair, timely compensation to legitimately injured individuals.

This Policy Paper outlines a balanced reform framework that:

- Ensures injured parties are made reasonably whole
- Improves transparency and accountability in litigation
- Reduces incentives for inflated or speculative claims
- Protects minimally at-fault parties from disproportionate liability
- Stabilizes insurance markets without limiting access to justice

The Core Problem

South Carolina's current system often places outsized financial responsibility on parties with minimal fault, simply because they carry insurance. Joint-and-several liability rules with conflicting and indistinguishable exceptions, inflated medical billing practices, nuclear verdicts and coerced settlements, and punitive damage abuse have transformed tort liability into an economic transfer mechanism, not a safety or fair restitution tool.

At the same time, injured individuals can face delayed, uncertain recoveries, while legal costs and contingency fees consume a growing share of settlements.

The result:

- Higher insurance premiums
- Reduced business investment
- Increased consumer costs
- No guarantee of fair compensation

Guiding Principles for Reform

1. Victims should be made whole — reasonably and promptly
2. Liability should be proportionate to fault
3. Damages should reflect real economic loss
4. Punishment should be reserved for truly egregious conduct
5. Transparency should replace speculation
6. Taxpayers and insured parties should not subsidize abuse

Policy Solutions

1. State Compensation Mechanisms for Catastrophic Losses - For rare cases where damages exceed available insurance and fault is minimal, South Carolina should consider a State Compensation Fund or expanded victim assistance mechanisms.

Key features:

- Independent governance and auditing
- Public reporting of payouts
- Funded through limited fees or structured contributions
- Used only after proportional liability is assigned

This ensures catastrophic victims are supported without distorting private insurance markets or punishing minimally responsible parties.

2. Litigation Transparency & Claim Verification - Inflated claims thrive in opaque systems.

Reforms should include:

- Mandatory disclosure of actual medical amounts paid, not billed
- Enhanced claim documentation standards
- Data-driven fraud detection
- Public reporting of claim and settlement data (modeled after the SC Insurance Reserve Fund)

Transparency discourages abuse while preserving legitimate claims.

3. Medical Billing & Phantom Damage Reform - South Carolina should limit recoverable medical damages to amounts actually paid or contractually owed, not inflated “chargemaster” rates. This aligns compensation with real economic loss and prevents artificial damage inflation that fuels excessive verdicts.

4. Punitive Damages Reform - Punitive damages serve an important role — but only when used appropriately.

Recommended safeguards:

- Higher evidentiary thresholds (genuine, clear, and convincing misconduct)
- Caps to prevent arbitrary windfalls
- Bifurcated trials separating liability evidence from punishment
- Detailed judicial findings justifying punitive awards

Optional reform: Allocate a portion of punitive damages to public safety or victim compensation funds to reduce perverse incentives.

5. Proportional Liability & Fair Apportionment - Minimally at-fault defendants should not bear 100% of damages.

Reforms should:

- Require all responsible parties to appear on jury verdict forms
- Limit liability to proportionate fault
- Close loopholes that shield non-parties from accountability

This protects fairness without eliminating recovery.

6. Attorney Fee Accountability Where Public Funds Are Involved

To protect taxpayers while preserving access to justice:

- Implement sliding-scale contingency fee caps
- Require court approval of fees tied to public compensation funds
- Mandate transparent fee reporting
- Encourage efficiency, not volume-based litigation

These reforms do not eliminate contingency fees, but ensure fairness and accountability.

Making Injured Parties Whole — Without Systemic Harm

True victim-centered reform recognizes that:

- Unlimited litigation does not guarantee justice
- Excessive awards often delay recovery
- Inflated damages drive premiums that harm everyone

A transparent, proportional, and accountable system delivers faster, fairer compensation while preserving economic stability.

Conclusion

South Carolina can lead by adopting balanced insurance and litigation reform that:

- Supports injured individuals
- Deters fraud and abuse
- Stabilizes insurance markets
- Protects responsible businesses and consumers

Insurance reform is not about denying recovery - it is about aligning justice with reality, responsibility, and fairness.