Professor Crump was interviewed by KHUF Houston Public Radio regarding the new "Loser Pays" law in Texas. Audio of the interview is available online at [http://app1.kuhf.org/articles/1311799333-Gov-Perry-Signs-Lawsuit-Bill-In-Houston.html](http://app1.kuhf.org/articles/1311799333-Gov-Perry-Signs-Lawsuit-Bill-In-Houston.html).

The following article appeared on the KUHF Houston Public Radio website on July 27, 2011 (available at [http://app1.kuhf.org/articles/1311799333-Gov-Perry-Signs-Lawsuit-Bill-In-Houston.html](http://app1.kuhf.org/articles/1311799333-Gov-Perry-Signs-Lawsuit-Bill-In-Houston.html)).

**Gov. Perry Signs Lawsuit Bill In Houston**

By David Pitman

Governor Rick Perry came to Houston today for the ceremonial signing of the so-called 'Loser Pays' bill. The measure calls for the losing side in lawsuits to pick up the tab for the other side's legal expenses. It's intended to unclog the court system by encouraging more pre-trail settlements.

The "loser pays" nickname is a bit of a misnomer. One local law school professor points out that it would be possible to 'win' a lawsuit, and still have to pay. David Crump of the UH Law Center says if a plaintiff rejects a settlement offer by the defendant, and wins at trial, then the plaintiff would have to pay some the defendant's costs if the final judgment is not at least 80% of the settlement offer.

"And it's only in that instance where the plaintiff recovers less than 80% of what the defendant offers that the plaintiff has to pay anything. And, even then, it's only the post-offer costs."

In other words, the plaintiff is only on the hook for the expenses racked up from the time the settlement offer is made, to the end of the trial. If no settlement offer is made, then the law does not apply. Professor Crump says the whole point is to make settlements more attractive to both sides.

"If the defendant makes a settlement offer, the plaintiff is going to have to consider it more carefully than in the past. Maybe that's the way it should be. The legislature thought so."

The measure also calls on defendants to pay the legal expenses of the plaintiffs if the plaintiffs win 80% or more of a settlement offer. The new law takes effect September 1st.