

February 1, 2012

The Honorable Dennis Egan
Alaska State Senate
Chairman, Senate Labor & Commerce Committee
Capitol Room 510
Juneau, AK 99801

Re: Litigation Reform and House Bill 168

Dear Senator Egan,

The Alaska State Chamber of Commerce (Alaska Chamber) is an organization dedicated to improving the business climate in Alaska. The Alaska Chamber represents hundreds of statewide businesses from Ketchikan to Barrow that share a common goal: to make Alaska a viable and competitive place to do business. Today, I am writing in support of House Bill (HB) 168 – Injunction Security.

As you may have learned last week while meeting with Alaska Chamber Fly-In attendees, litigation reform as it relates to resource development in Alaska is one of Alaska Chamber's top three priorities for the 2012 Legislative Session. Currently, there is virtually no risk to discourage opponents of natural resource projects to file lawsuits and appeals against projects. Under existing state law there is no requirement for those who file the lawsuits to post bonds which adequately cover the economic harm to the project proponent or workers, frequently resulting in a halt on projects altogether. Often the discovery phase in litigation can cost the State of Alaska and project proponents hundreds of thousands of dollars in attorney's fees.

HB 168 seeks to improve a penalty on frivolous lawsuits. By requiring a bond to be posted in the event of an injunction, the cost to the party bringing the suit forward is increased. This bill seeks to level the legal playing field without infringing on any parties right to bring a legitimate issue to court. We are hopeful that HB 168 will enjoy the bipartisan support it received in 2011 in the House of Representatives.

These are just a few reasons why I respectfully urge you, on behalf of Alaska Chamber members, to schedule HB 168 for a hearing in the Senate Labor and Commerce Committee as soon as possible. Thank you for your prompt consideration of this request.

Sincerely,



Rachael A. Petro
President/CEO

Cc: Representative Eric Feige

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