

Charles Martin
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Testimony on S.18

Charles Martin, Government Affairs Director, Vermont Chamber of Commerce
Senate Committee on Judiciary – February 1, 2019

Dear Chairman Sears and Members of the Committee,

The Vermont Chamber of Commerce represents nearly 1,500 members from all industries and sectors of Vermont's business community. Informed by routine engagement with our diverse membership, the Chamber prides itself on maintaining a knowledgeable perspective on issues impacting Vermont's employees and employers. After carefully considering the concerns of our members, the Vermont Chamber of Commerce cannot help but strongly opposed to S. 18.

Inclusive standard form contracts are a proven mechanism to make common agreements between suppliers and consumers more efficient and less costly. Passage of this bill would drastically increase liability exposure for businesses, potentially subjecting well intentioned Vermonters to significant liability, as well as penalties, and increased attorney fees. This would serve as a disincentive for economic growth and business startup in sectors that depend on the ability of service providers to responsibly operate without fear of frivolous lawsuit.

To be clear, we are not advocating for businesses to operate free of liability and we are also supportive of the court's common-sense test in determining the enforceability of waiver clauses. If a business is proven negligent or at fault, that business should be held accountable. Our concern instead lies in the real possibility that S.18 would move us away from fully considering circumstance and context on a case by case basis when determining the legitimacy of grievances, toward a situation in which the occurrence of frivolous lawsuits increases significantly.

The penalties for being found to have violated a provision in this bill will have a chilling effect on the willingness of businesses to advocate for their legal interests, which ultimately impacts the overall stability of entire business sectors. Businesses finding themselves in the precarious situation of operating without previously enjoyed legal protections will also have to confront the added challenge of increased insurance premiums, which would naturally rise along with increased rates of risk brought on by diminished protections. All of these factors lead to increased consumer costs.

The Vermont Chamber of Commerce understands that this bill was created with the best of intentions, but we cannot support legislation that has the potential to have such a significant and detrimental impact on Vermont's businesses. I appreciate the opportunity to speak before the Committee today, and I look forward to answering any questions you have to the best of my ability.

Sincerely,

Charles Martin
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