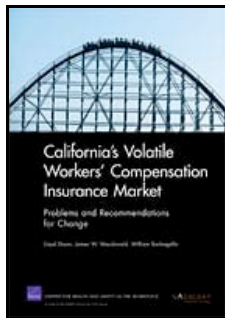




Highlights of Recent RAND Research on Judiciary Issues

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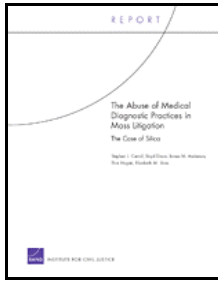
The RAND Institute for Civil Justice (ICJ) conducts research in a variety of areas, including civil justice, insurance regulations, trends in litigation and jury verdicts, compensation systems, terrorism risk management, and small business and entrepreneurship. ICJ's work has been used widely by decisionmakers and featured prominently in policy debates. In the judiciary issue area, ICJ has analyzed policies in regard to class action lawsuits, asbestos litigation, medical malpractice laws, bankruptcy, and illegal drugs.



California's Volatile Workers' Compensation Insurance Market Problems and Recommendations for Change

Lloyd Dixon et al., 2009

Since partial deregulation of insurance rates in 1995, the California workers' compensation insurance market has been very volatile. For reasons that go beyond price deregulation, there have been dramatic swings in insurers' underwriting profits and the share of coverage written by private insurance carriers, and a substantial number of insurers, including some of the largest market participants, have failed. The price that California employers have paid for workers' compensation insurance has been volatile since 1995 as well, continuing the considerable variation that occurred in earlier years. This book identifies and examines factors that contributed to the market volatility and the large number of insolvencies following price deregulation. It also examines the regulatory system that oversees the workers' compensation market and how the California Department of Insurance responded to the market turmoil that followed the move to open rating. It makes recommendations that aim to reduce market volatility and the frequency of insolvencies while realizing the benefits of a competitive market.



The Abuse of Medical Diagnostic Practices in Mass Litigation The Case of Silica

Stephen J. Carroll, Lloyd Dixon et al., 2009

Litigation over injuries due to the inhalation of respirable silica dust in the workplace skyrocketed beginning in 2001, raising concerns that silica litigation would become a mass tort with similarities to the asbestos litigation that had occurred in the previous 30 years. However, the litigation collapsed soon after the discovery of numerous abuses in the procedures used to diagnose the injuries. The uncovering of grossly inadequate diagnosing practices was a significant success for the tort system in handling a mass tort. However, there is no guarantee that similar practices would be uncovered should they be used in the future. This report reviews the court proceedings that led to the uncovering of abusive diagnostic practices in silica litigation. It then identifies several areas in which changes in litigation practices and procedures could increase the likelihood that similar diagnosing practices would be uncovered in the future or prevented from occurring in the first place.



Perspectives of Chief Ethics and Compliance Officers on the Detection and Prevention of Corporate Misdeeds

What the Policy Community Should Know

Michael D. Greenberg, 2009

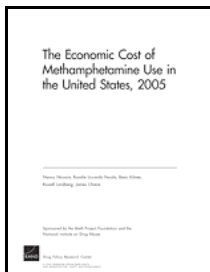
Improvements in corporate compliance, ethics, and oversight have been a significant policy goal for the U.S. government at least since the enactment of the U.S. Federal Sentencing Guidelines in 1991 and the Sarbanes-Oxley Act in 2002. Notwithstanding these earlier government initiatives, the collapse of financial markets in late 2008 has invited renewed questions about the governance, compliance, and ethics practices of firms throughout the U.S. economy. On March 5, 2009, RAND convened a conference in Washington, D.C., on the role and perspectives of corporate chief ethics and compliance officers (CECOs) in supporting organizations in the detection and prevention of corporate misdeeds. The conference brought together leaders from among ethics and compliance officers in the corporate community, as well as stakeholders in the nonprofit sector, academia, and government. Discussions focused on the challenges facing corporate ethics and compliance programs as a first line of defense against malfeasance and misbehavior; on the role of CECOs as champions for implementation in their companies; and on potential steps that might be taken by government to empower CECOs and, by extension, the corporate ethics and compliance programs that they oversee.



Understanding Forfeitures **An Analysis of the Relationship Between Case Details and Forfeiture Among TEOAF High-Forfeiture and Major Cases**

Amy Richardson and Noreen Clancy, 2009

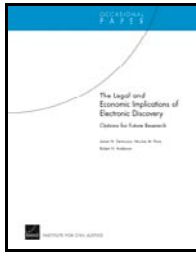
The Treasury Executive Office for Asset Forfeiture (TEOAF) administers the Treasury Forfeiture Fund (TFF), which is the receipt account for the deposits of nontax forfeitures that result from law-enforcement actions against criminal enterprises, such as drug cartels, terrorist organizations, and individual embezzlers, by agencies that are currently, or were historically, part of the U.S. Treasury — the Internal Revenue Service Criminal Investigation division, U.S. Immigration and Customs Enforcement, U.S. Customs and Border Protection, and the U.S. Secret Service. High levels of forfeiture from the prosecution of these crimes serve to punish the individuals involved, help to dismantle the operations associated with the crime, may deter others from engaging in similar crimes, and provide funds to support future investigations among participating agencies. TEOAF commissioned the RAND Corporation to examine the relationship between targeted funding support of significant financial investigations and the forfeiture outcomes of such investigations. This report presents the findings of that analysis.



The Economic Cost of Methamphetamine Use in the United States, 2005

Nancy Nicosia et al., 2009

This first national estimate suggests that the economic cost of methamphetamine (meth) use in the United States reached \$23.4 billion in 2005. Given the uncertainty in estimating the costs of meth use, this book provides a lower-bound estimate of \$16.2 billion and an upper-bound estimate of \$48.3 billion. The analysis considers a wide range of consequences due to meth use, including the burden of addiction, premature death, drug treatment, and aspects of lost productivity, crime and criminal justice, health care, production and environmental hazards, and child endangerment. Other potential harms of meth, however, could not be included due to a lack of scientific evidence or to data issues. Although meth causes some unique harms, many of the primary cost drivers are similar to those identified in economic assessments of other illicit drugs. Among the most costly elements are the intangible burden of addiction and premature death, which account for nearly two-thirds of the economic costs. The intangible burden of addiction measures the lower quality of life experienced by those addicted to the drug. Crime and criminal-justice costs also account for a significant share of economic costs, as do lost productivity, removing a child from the parents' home, and drug treatment. One unusual cost captured in the analysis is that associated with the production of meth, which requires toxic chemicals that can result in fire, explosions, and other negative events.



The Legal and Economic Implications of Electronic Discovery **Options for Future Research**

James N. Dertouzos et al., 2008

Pretrial discovery — the exchange of relevant information between litigants — is central to the American civil legal process. As computer technologies continue to develop, concerns have arisen that, because of the sheer volume of electronically stored information, requests for electronic discovery (e-discovery) can increase litigation costs, impose new risks on lawyers and their clients, and alter expectations about likely court outcomes. For example, concerns about e-discovery may cause businesses to alter the ways in which they track and store information, or they may make certain types of plaintiffs and defendants more likely to sue, settle out of court, or go to trial. This paper presents the results of an exploratory study to identify the most important legal and economic implications of e-discovery. The authors interviewed plaintiffs and defense attorneys as well as corporate information technology staff and in-house counsel, and they reviewed the current state of e-discovery law and procedure. They then developed a preliminary model to explore the range of plausible effects that e-discovery might have on case outcomes. After summarizing this research, the authors propose five studies that will evaluate how e-discovery affects and is affected by technology, costs, business practices, legal outcomes, and public policy.

Updated 2/23/10