



Week Three – January 27-31, 2020

Florida lawmakers turn their attention this week to crafting Florida's 2020-2021 budget as they begin to reconcile differences in the House and Senate spending plans now \$1.46 billion apart.

Both proposals include \$1.9 million for prosecution of insurance fraud cases and \$969,000 for collaborative efforts between state universities. Such efforts include Florida International University's work with FSU and the private sector to enhance the marketability, viability and applications of the Florida Public Hurricane Loss Model.

Last week, committee action in both chambers dominated the schedule.

The [Senate Environment and Natural Resources](#) passed [SB 1618](#) by [Senator Manny Diaz \(R-Miami\)](#) that creates a pilot program to monitor and report the effects of limestone mining blasting activity on residences in Miami Dade County. Several local communities have raised concerns over blasting activities in their area and the effects on their residences. The bill heads to the [Senate Banking and Insurance Committee](#).

The [Senate Commerce and Tourism Committee](#) approved [SB 1492](#) by [Senator Tom Wright \(R-Port Orange\)](#). The consumer protection measure is being spearheaded by CFO Jimmy Patronis and Department of Financial Services Consumer Advocate Tasha Carter.

Among its major provisions, SB 1492 removes the consumer's obligation to pay a \$100 deductible to Florida Insurance Guarantee Association (FIGA) in order to receive payment on their claim through FIGA. The bill ensures that Floridians have information about their insurance coverage before hurricane season starts and requires all insurance companies to settle claims in 90 days.

The bill would also increase from three days to seven days the amount of time a consumer has in most cases to cancel a contract with an adjuster. However, for contracts signed during a state of emergency or during the one-year period after the date of loss, the bill increases the cooling-off period to 30 calendar days. The bill now goes to the Senate Banking and Insurance Committee.

The [House Insurance and Banking Subcommittee](#) passed [HB 1137](#) by [Representative Chuck Clemons \(R-Jonesville\)](#), its version of the consumer protection bill, after removing provisions that raised Citizens' concern.

The House Insurance and Banking Subcommittee also approved the omnibus insurance bill, [HB 895](#) by [Representative David Santiago \(R-Deltona\)](#). One provision allows the value of the lender's force-placed collateral protection insurance to be reimbursed as a covered policy in some cases. Finally, the committee passed [HB 1211](#) by [Representative Shevrin Jones \(D-West Park\)](#), the companion to [SB 1376](#) by [Senator Doug Broxson \(R-Pensacola\)](#) relating to reinsurance.

Among a handful of measures targeting litigation costs, the [House Judiciary Committee](#) passed [PCB-JDC03](#) relating to contingency fee multipliers. The original, broadly written bill was amended to conform to the Senate version, [SB 924](#) by [Senator Jeff Brandes, R-St. Petersburg](#).

The bill creates a strong presumption that the "lodestar amount" is sufficient and reasonable to calculate attorney fees. (The lodestar amount is calculated by multiplying the hours spent by an attorney working a case by the reasonable hourly billing rate for such work.)

The bill provides further that the lodestar "sufficient and reasonable" presumption is rebuttable only in "rare and exceptional" circumstances by evidence that competent counsel could not be retained in a reasonable manner. Only when such evidence is presented to the court could a contingency fee multiplier be applied in

property insurance litigation.

Looking ahead

Action this week again turns to the [Senate Banking and Insurance Committee](#), which will take up a number of bills today (Tuesday) including [SB 924](#), [SB 1492](#) and [SB 1606](#) by [Senator Keith Perry \(R-Gainesville\)](#), the companion to [HB 895](#) by Representative Santiago outlined above.

Also today, the [Senate Judiciary Committee](#) will hear [SB 914](#) on contingency risk multipliers by Senator Brandes. Citizens supports the provisions in this legislation.