



**ASSOCIATED INDUSTRIES OF FLORIDA**  
*The Voice of Florida Business Since 1920*

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February 24, 2020

Governor Ron DeSantis  
State of Florida  
The Capitol  
400 S. Monroe St.  
Tallahassee, FL 32399-0001

Dear Governor DeSantis:

On behalf of Associated Industries of Florida (AIF), a state trade association representing a broad spectrum of industry, we are writing to express our strong support for Senate Bill 914 and House Bill 7071, *Relating to Contingency Risk Multipliers*. Florida's economy is strong, and unemployment is at a record low. But Florida's successful streak is at stake because of the rising costs of litigation, the burden it imposes on businesses and the impact that it has on Florida's citizens.

In 2017, the activist Florida Supreme Court rejected the U.S. Supreme Court standard of applying contingency risk multipliers only in rare and exceptional circumstances. Instead, in the *Joyce v. Federated National* decision, the Florida Supreme Court expanded the use of the contingency risk multiplier to be applied in almost any case.

As a result, lawsuits tied to property insurance claims have grown exponentially from 25,000 cases in 2017 to 50,000 cases in 2018 and even higher in 2019. Trial lawyers are taking home exorbitant attorney's fees, sometimes up to 30 times more than the value of the claim they represent. The average of attorney's fees in these cases is up over 300% since 2017.

While this trial lawyer scheme is costing Florida businesses millions, it's also costing Florida homeowners.

Some property insurance carriers have been forced to close after being determined financially insolvent. Others were acquired. Those that remain open are increasing their policyholders' premiums just to make ends meet. In sum, homeowners are paying more on fewer choices when it comes to property homeowners insurance.

Florida families deserve access and affordability when it comes to homeowners insurance.

As stated, AIF strongly supports SB 914, filed by Sen. Jeff Brandes, and HB 7071, filed by Rep. Mike Beltran. This legislation will reverse the growing crisis in the property insurance market by bringing Florida's standard on attorney's fees in line with the U.S. Supreme Court standard.

This legislation limits the contingency risk multiplier fee to be used only in rare and exceptional circumstances.

We encourage you to support SB 914 and HB 7071. By passing meaningful tort reform, your Administration and the Florida Legislature can ensure that businesses in Florida can compete, and Florida families will have access to affordable property insurance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brewster B. Bevis', with a long horizontal flourish extending to the right.

Brewster B. Bevis  
Senior Vice President  
State and Federal Affairs



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February 24, 2020

The Honorable Jimmy Patronis  
Chief Financial Officer  
Florida Department of Financial Services  
200 East Gaines Street  
Tallahassee, FL 32399-0301

Dear Chief Financial Officer Patronis:

On behalf of Associated Industries of Florida (AIF), a state trade association representing a broad spectrum of industry, we are writing to express our strong support for Senate Bill 914 and House Bill 7071, *Relating to Contingency Risk Multipliers*. Florida's economy is strong, and unemployment is at a record low. But Florida's successful streak is at stake because of the rising costs of litigation, the burden it imposes on businesses and the impact that it has on Florida's citizens.

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February 24, 2020

The Honorable Bill Galvano  
State Senate President  
305 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

Dear President Galvano:

On behalf of Associated Industries of Florida (AIF), a state trade association representing a broad spectrum of industry, we are writing to express our strong support for Senate Bill 914, *Relating to Contingency Risk Multipliers*. Florida's economy is strong, and unemployment is at a record low. But Florida's successful streak is at stake because of the rising costs of litigation, the burden it imposes on businesses and the impact that it has on Florida's citizens.

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February 24, 2020

The Honorable Wilton Simpson  
Senate President-Designate  
420 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

Dear President-Designate Simpson:

On behalf of Associated Industries of Florida (AIF), a state trade association representing a broad spectrum of industry, we are writing to express our strong support for Senate Bill 914, *Relating to Contingency Risk Multipliers*. Florida's economy is strong, and unemployment is at a record low. But Florida's successful streak is at stake because of the rising costs of litigation, the burden it imposes on businesses and the impact that it has on Florida's citizens.

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February 24, 2020

The Honorable Lizbeth Benacquisto  
Senate Rules Committee Chair  
400 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

Dear Chair Benacquisto:

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