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February 26, 2020

The Honorable Ron DeSantis
Governor, State of Florida
PL-05, The Capitol
4000 S Monroe Street
Tallahassee, FL 32399

RE: Contingency Risk Multiplier- SB 914/HB 7071

Dear Governor Ron DeSantis:

Florida has one of the worst lawsuit climates in the nation. In fact, in the 2019 Lawsuit Climate Survey conducted on behalf of the U.S. Chamber Institute for Legal Reform, Florida ranks 46 out of 50 states in the nation.

Florida's legal climate favors trial attorneys over Florida businesses and Florida families. One of the most egregious examples of this is the contingency risk multiplier.

Though the U.S. Supreme Court has determined that the contingency risk multiplier should be applied only in rare and exceptional circumstances, the Florida Supreme Court in 2017 rejected this standard and expanded its use.

With the incentive for trial attorneys to pocket up to 30 times more than the value of the claim they represent in property insurance lawsuits, the volume of these cases has doubled in 2018 and 2019. The average attorney's fee on property insurance lawsuits has ballooned 300% since 2017.

The excessive litigation and exorbitant attorney's fees are costing Florida millions, and Florida families are footing the bill with the rising cost of property insurance premiums.

The Florida Chamber of Commerce endorses SB 914, filed by Sen. Jeff Brandes, and HB 7071, filed by Rep. Mike Beltran. This legislation aims to rein in the exorbitant fees by limiting the contingency risk multiplier fee to be used only in rare and exceptional circumstances.

By reforming the legal climate, we can bring down the cost of property insurance and keep the American Dream of homeownership within reach for Florida families.

I stand with you in support of tort reform, and I urge the Legislature to pass SB 914 and HB 7071.

Regards,

A handwritten signature in black ink that reads "David A. Hart". The signature is written in a cursive, slightly slanted style.

David A. Hart
Executive Vice President

CC: Charles Caulkins, Chair, Florida Chamber of Commerce
Mark Wilson, President & CEO, Florida Chamber of Commerce
David Hart, Executive Vice President, Florida Chamber of Commerce