



# SPECIAL SESSION UPDATE



**FROM DECEMBER 12, 2022**

Today, the House and Senate began the official proceedings of Special Session 2022-A, addressing the property insurance crisis.

## **INSURANCE**

### **SB 2A – Relating to Property Insurance**

The Florida Senate Banking and Insurance Committee and the Fiscal Policy Committee both heard [SB 2A](#), which directly tackles the issues facing the Florida business community and the ongoing insurance issues facing both insurers and consumers.

The Florida Senate Banking and Insurance Committee approved the legislation by a vote of 9 yeas and 3 nays. The Florida Senate Fiscal Policy Committee approved the legislation by a vote of 15 yeas and 5 nays. **AIF’s Vice President of Governmental Affairs, Adam Basford, stood in support of this legislation.**

The current Florida law allows for the practice known as “one way attorney fees.” One way attorney fees currently allow a plaintiff who files litigation against an insurer to be protected from paying the legal fees of the insurer if the case is judged in favor of the defendant (the insurer). This policy has opened the door for thousands of frivolous lawsuits against insurers and has caused higher premiums. SB 2A ends this practice in Florida.

In addition, SB 2A reforms current Florida law regarding “Notice of Claims.” Currently, Florida law allows residents up to three years after a natural disaster to file a claim. SB 2A shortens these timeframes and encourages home and business owners to file claims in a timely manner and will help reduce fraudulent claims.

Finally, SB 2A adds more protections to help ensure Citizens Property Insurance remains a residual market entity.

The House will hold committee hearings tomorrow to debate similar legislation.