

## **Key reforms in Florida (2023) and Georgia (2025) and Affordability/Availability Impacts**

### **FLORIDA**

#### **HB 837 (2023)**

- Shortened Statute of Limitations for Negligence Claims to Two Years
- Eliminated phantom damages. For past medical expenses, only the amount actually paid—regardless of the source—can be considered. Future medical expenses must be calculated based on what health insurance would pay.
- Required disclosure of Third Party Medical Financing, including Letters of Protection
- Changed negligence standard from pure comparative to modified comparative negligence.
- Limited Bad Faith Lawsuits Against Insurers
  - The new law requires policyholders and claimants to act in good faith when submitting claims, making demands, and negotiating settlements. Mere negligence by an insurer is no longer enough to establish bad faith. Instead, a court will consider bad faith only when determining damages, rather than as a separate legal claim.
- Eliminated one way attorney fee awards
- Reformed premises liability-negligent security for a landlord for failing to provide adequate security measures

### **FLORIDA AFFORDABILITY AND AVAILABILITY BENEFITS:**

- Seventeen new insurers have entered the marketplace to offer coverage since the reforms were implemented. Of those 2 were new auto insurers and the remaining were property insurers with most focused on residential.
- With more residential insurance carriers in the private market, Florida's state-backed insurer of last resort has reduced its policy count by more than half.

- Florida's nuclear verdict ranking dropped from second in the nation to tenth in 2024.
- According to the Florida Office of Insurance Regulation, the state's five largest auto insurers reduced rates by 6.5% -10.5% and rebates to consumers are being issued.
- Insurance litigation has decreased by 30% from pre-reform levels.
- Frivolous lawsuits against property insurance companies dropped 25% in the first half of 2025 compared to the same period in 2024.
- Florida P/C insurers' defense costs and containment expenses incurred as a percentage of direct premiums earned declined to 5.1% in 2024 after rising from 4.5% in 2015 to 6.6% in 2022, before the reforms were enacted.

**Bottom line - By focusing on meaningful legal system abuse solutions, Florida policymakers created a framework to benefit and protect consumers while maintaining market stability. This approach recognizes that a healthy insurance market requires balance – a focus on consumers alongside conditions that allow insurers to operate sustainably and competitively.”**

## **GEORGIA**

### **SB68 and SB69 (2025)**

- Eliminated "phantom damages" – evidence of paid damages allowed into evidence
- Restricted attorney's fees - A plaintiff can now only recover attorney fees, court costs, or expenses of litigation once per civil action regardless of the number of claims or statutory grounds.
- Reformed negligent security liability for crimes committed by 3<sup>rd</sup> parties. Negligent Security refers to a legal concept where property owners may be held liable for failing to provide adequate security measures leading to harm or injury to individuals on their premises.

- Trial bifurcation -In an action to recover damages for bodily injury or wrongful death, either party may now request to have court proceedings in two phases: one for determining liability and one to determine damages.
- Seatbelt use evidence can now be introduced
- **SB69**- Third Party Litigation Financing Disclosure legislation allowing for discoverability.
- Limited “jury anchoring.” To after the close of evidence and rationally related to evidence of non-economic damages.

## **GEORGIA BENEFITS**

While It’s too early for full insurance and tort data, 20 auto insurers have filed rate decreases in Georgia since January, 2025, with 14 lowering premiums by more than 1%.