



*The Voice of Independent Insurance Agents<sup>SM</sup>*

The Latin American Association of Insurance Agencies is an association of insurance professionals whose purpose is to protect the rights of its members for the benefit of the consumer through education, information, networking and active participation in the political environment and community service. The LAAIA represents over 300 agency members that consist of **over 2,500 insurance professionals** and **over one billion** of insurance premiums for Florida residents.



### **“SUPPORT”**

**We Support Property Insurance Market Reform** – Many cost drivers are affecting the property market in Florida causing drastic affordability problems for homeowners as well as driving a significant decline of available property insurers. While SB 76 in 2021 addressed some concerns, there is still much needed reform to mitigate the drastically rising premium costs to homeowners and provide stability for the market to bring consumers more choice of products. Fraud is one of the largest cost drivers to the market, until fraudulent claims are reduced a noticeable reduction in premiums will not occur. As insurance agents we are seeing companies not writing new business, reducing coverage options, stringent underwriting guidelines all of which ultimately harm the consumers with higher premiums and less options. Meaningful reform has to take place without harming the consumer!

Bills, currently filed, impacting the property insurance market:

SB 186 - “Citizens Property Insurance Corporation” by Senator Brandes

HB 1307 - “Citizens Property Insurance Corporation” by Representatives Gregory & Giallombardo

SB 1728 - “Property Insurance” by Senator Boyd

SB 468 - “Insurance” by Senator Perry

HB 503 - “Insurance” by Representative Gregory

### **WE OPPOSE:**

**SB 150 - “Motor Vehicle Insurance” by Senator Burgess**

**HB 1525 - “Motor Vehicle Insurance” by Representative Grall** - These bills, as currently written, could drastically increase the cost of auto insurance for Floridians THAT CAN LEAST AFFORD IT, therefore putting a larger percentage of Florida’s population on the roadways left UNISURED. While our association has always supported reform within PIP that would make automobile insurance premiums affordable for all Floridians, we cannot support these bills that could place the rate increase on the backs of financially constrained Floridians that will be directly impacted by this legislation.

**Personal Injury Protection (PIP)** – We support reform that would make automobile insurance premiums affordable for all consumers. Historically, financially constrained individuals are the ones that carry only PIP (seeking less coverage for a more affordable premium), and are the ones that are drastically affected by the rate increases as a result of the rampant fraud within the system. If PIP is eliminated and replaced with mandatory Bodily Injury, the Bodily injury limits would have to be set at a **low level** not to cause a drastic rate increase (sticker shock) for an extremely large portion of Florida’s population. Regarding the potential inclusion of medical payments coverage or death benefit, these provisions alone would produce a drastic rise in litigation which in turn would cause additional large rate increases. We feel adding either of these provisions provides a negative impact on Florida consumers. **As agents, our overall concern is to make sure that automobile insurance is affordable**

for all Florida consumers, which in turn will reduce the amount of uninsured motorists we have on our Florida roadways!



**“SUPPORT”**

**Protecting Florida Consumers**

**HB 749 - “Fraud Prevention” by Representative Clemons**

**SB 1292 - “Fraud Prevention” by Senator Gruters**

We support these bills that protect Florida consumers. Some of the provisions included in these bills are digital insurance applications which will communicate with the digital driver’s license providing insurance verification functionality. They deter fraudulent telemarketing activity from warranty agencies. Increases penalties of unlicensed public adjusting.



**“SUPPORT”**

**SB 156 - “Loss Run Statements by Senator Broxson**

**HB 275 – “Loss Run Statements by Representative Fernandez-Barquin**

We support these bills that revise the number of years of loss history that an insurer must provide from a minimum of five years to a minimum of three years to better reflect the previous industry practice of routinely providing insureds with a three year history upon request before the enactment of the 2020 statutes. It requires that if a personal lines insured asks an insurer for a loss run statement, after receiving information from a consumer reporting agency, that the insurer must provide it within fifteen days.



**“SUPPORT”**

**SB 1926 - “Disposition of Insurance Proceeds” by Senator Stewart**

We support this bill that would provide consumer protection and transparency when the mortgagee, mortgage companies/financial institutions, engage in managing the repair of an insurance claim on behalf of an insured/mortgagor. We are seeing an increasing problem and concern when financial institutions are holding the insurance claim proceeds and not passing them down to the insured/mortgagor to pay contractors for the work performed or to be performed.



**“SUPPORT”**

**SB 484 - “Motor Vehicle Glass” by Senator Stewart**

“Auto Glass - Windshield Assignment of benefits” - We support reform for Motor Vehicle Insurance Coverage for Windshield Glass - Auto glass harvesters are getting consumers to sign AOBs, or their equivalents, to take control of their policies and essentially step between the consumer and their insurer. Fraudulent windshield repair is happening everywhere. Aggressive strangers are typically pushy and may offer you incentives like free cash rebates or gift cards. Fraudulent claims can drive up the cost of your car insurance, result in cancellation of your policy or even put your safety at risk if the windshield is not installed properly. We must address this concern and educate policyholders on the importance of selecting reputable providers.



**“SUPPORT”**

**We support making changes to the “Commercial Residential Export Eligibility”** - The only commercial lines insurance policy that still requires a Diligent Effort Form is Commercial Residential and some agents who use prefilled forms have abused it. Replacing the form with an Acknowledgement of Surplus Lines insurance placement form signed by the insured is a more practical way of doing business; a similar form is used today for the other Commercial lines insurance policies. We feel their agent should provide the consumer with all insurance options available. In some cases, the financial stability of the surplus lines insurance carrier is better and might offer a broader policy and even more affordable premiums. *Consequently, the trusted insurance advisor can’t offer all available options to their client. Therefore, there isn’t any transparency or real choices for the consumer.*