



The Voice of Independent Insurance AgentsSM

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” Assignment of Benefits “AOB” Reform** - Protect Your Rights - Assignment of Benefits (AOB) abuse is a costly scheme that hurts consumer’s pocketbook. While AOB is a legal tool that **CAN** be used appropriately, it also provides an opportunity for fraud that in turn drastically inflates consumers home repair costs. This practice encourages the homeowner to sign over the benefits of their insurance policies so that the costs can be run up and overbilled. This increase in costs (and attorneys' fees) leads to an increase in premiums for which consumers are left on the hook. This epidemic is causing drastic insurance availability and affordability problems.

SB 122 - Agreements Between Service Providers and Consumers – 2019 by Senator Broxson, Co-sponsor Senator Hooper

HB 7065 - Insurance Assignment Agreements – 2019 by Civil Justice Subcommittee & Representative Rommel

👉 **“SUPPORT” Workers Compensation Reform** - We need to SUPPORT efforts to address these issues at a minimum:

- Employees are free to retain their own attorneys;
- The Workers’ Compensation Act will remain intact, expediting resolution of outstanding cases/issues to avoid costly and prolonged litigation process;
- Injured workers will be attended to by the appropriate medical providers quicker based on mandatory state oversight;
- Unnecessary litigation will be avoided; and
- Personal information of injured workers would not be publicized.

👉 **“SUPPORT” Commercial Residential Export Eligibility Reform** - The only commercial lines 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 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 policies. We feel their agent should provide the consumer with all insurance options available. Currently, if an insured has coverage through an

admitted carrier, their agent can shop the insurance for them but cannot offer them coverage offered by the surplus lines carriers. In some cases, the financial stability of the surplus lines carrier is better and might offer a broader policy and even more affordable premiums. A competing agent can offer the surplus lines coverage if they can prove that they don't have an admitted market to offer. **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.** While these bills do not directly address this issue, we are in support of them in the current form.

HB 301 - Insurance – 2019 by Representative Santiago

SB 714 - Insurance – 2019 by Senator Brandes



“SUPPORT” Insurer Multi/Companion Policy Discount Reform - A companion auto policy discount is being provided to an active Citizens homeowner' policy by some carriers. This practice is hindering the depopulation process in Citizens and undermining the efforts of the Take-out carriers. State statute also recognizes that only commonly owned/related carriers are allowed to offer companion policy or multi-policy discounts. This current practice obligates (or encourages) the consumer whether they like it or not to remain with the insurer and Citizens Property Insurance Corporation in order to continue with the companion auto policy discount. The LAAIA discourages this practice due to it impeding with the overall objective of the depopulation program in Citizens. While these bills do not directly address this issue, they do allow non commonly owned/related carriers to partner through a joint marketing agreement to offer a companion policy or multi-policy discount. These types of agreements will only be offered by a small percentage of agents that have appointments with both partnering companies. Unfortunately, many agents will not have active appointments with BOTH of the partnering companies that participate in the joint marketing agreements.

HB 301 - Insurance – 2019 by Representative Santiago

SB 714 - Insurance – 2019 by Senator Brandes



“SUPPORT” Personal Injury Protection Insurance “PIP” Reform - We support reform that would make automobile insurance premiums affordable for all consumers. Historically, financially constrained individuals are the ones that carry only PIP, and are the ones that are drastically affected by the rate increases as a result of the rampant fraud within the system. Some say eliminate PIP and replace it with mandatory Bodily Injury. A few think we should have a managed care option under PIP or if you eliminate PIP and replace it with BI adding medical pay. We feel **adding medical pay is a bad idea**. Our overall concern is to make sure that the financially constrained individuals that purchase this coverage can afford it!

SB 896 - Motor Vehicle Insurance – 2019 by Senator Brandes