



March 2025

The Consumer Protection Coalition Urges Lawmakers to Stay the Course

~ Insurance Reforms Are Working, 11 New Companies Enter Florida Market~

The Market is Stabilizing

- > Two years after significant legislative reforms, the insurance market is seeing competition return and rates are stabilizing or dropping.
- > More private insurers are writing policies in Florida, reflecting confidence in these reforms.
- > This increased competition benefits hard working Floridians who can keep more of their income.
- > Much of this success is due to eliminating incentives for trial lawyers to file meritless lawsuits with the promise of earning fees that did not benefit consumers.
- > Every Floridian pays when attorneys pursue cases solely to garner fees.
- > While the success has already been substantial, the trend is clear that it is likely to continue.

Profits over People

- > Trial lawyers continue to push creative legal theories and tactics to secure one-way attorney's fees, despite Florida law already permitting such fees under [F.S. 624.1551](#). These lawyers are putting profits over people instead of allowing the reforms to continue working.
- > For years, Florida's one-way attorney fee laws made it easy for plaintiffs to sue insurance companies without financial risk. These laws encouraged lawsuits, even over small claims, because attorneys could collect large fees. As a result, a flood of minor damage claims led to **massive** legal payouts, costing insurers and Florida taxpayers billions of dollars each year.



Stay the Course

- > The 2023 reforms must be allowed to continue working to the benefit of all Floridians.
- > The facts are clear – the insurance reforms are benefiting ALL Floridians by stabilizing the market.
- > We must continue on this successful path or could see insurance companies scale back in Florida or do business elsewhere.
- > The Florida Legislature played a critical role in passing legal reforms, recognizing that stabilizing the insurance market requires a strong, sustainable framework. Thanks to their leadership and the Governor’s leadership we are seeing the long-term benefits of a more predictable and stabilized insurance market.

The Facts Are Clear

- > In 2024, Florida had the lowest average homeowners’ premium increases in the nation of just 1% compared to other states which have seen increases as high as 20%.
- > This is due in part to 11 new companies entering the market over the past two years.
- > Among the state’s top 10 insurance carriers, 60% have expanded their business, and 40% have filed for rate decreases.
- > The average rate increase has dropped from more than 21% in 2023 to a projected 0.2% for 2025.
- > Auto insurance costs are also dropping with major companies filing for rate reductions between 10.5% to 6%.
- > Since January 2024, 17 companies have filed for a rate decrease and 34 companies have requested no change or 0% increase.

How Did This Happen?

- > There have been a number of consumer-friendly reforms passed in the past three years.
- > Among those was the elimination of a major incentive for meritless lawsuits known as “one-way attorney fees.”
- > Simply put, these fees made lawsuits against insurers risk-free for trial lawyers.



- > Under previous law, plaintiffs had no skin in the game and in these cases could be awarded attorney fees.
- > This incentivized lawsuits, even over very small amounts. Trial lawyers stood to win their fees or not be responsible for paying any of the defendant's fees, regardless of how trivial the lawsuit.
- > This uneven playing field kept insurers from entering the Florida market.
- > In just the past two years, we have seen rates stabilized and reduced as insurers can now enter the market without the threat of legal assaults fueled by lawyers with their own financial interests at stake.

Fast Facts - Please [click here](#).

On February 5, 2025, Governor DeSantis provided an update on Florida's insurance market, highlighting significant progress in stabilizing rates, expanding consumer protections, and fostering a competitive environment.

- > Since 2019, Florida has passed five landmark laws – three on tort reform and two on consumer protection – reversing years of insurance market instability.
- > Key reforms include HB 7065 (2019), which curbed abusive litigation tied to Assignment of Benefits (AOBs); SB 76 (2021), which tightened claim deadlines and encouraged dispute resolution over lawsuits; and SB 2D (2022), eliminating one-way attorney fees for AOBs, limiting roofing scams, and creating a \$2 billion Reinsurance to Assist Policyholders (RAP) program. SB 2A (2022) further reduced meritless litigation, strengthened insurer accountability, and protected consumers.
- > In 2023, additional reforms eliminated subsidies for out-of-state vacation homes, expanded home hardening programs, and enhanced oversight of insurers.
- > Eleven insurers have entered the Florida market, reflecting renewed confidence in Florida.
- > Florida has the lowest average premium rate increase in the nation, with an average statewide rate hike of just 1%, a stark contrast to other states where premiums have surged by more than 20%.

Consumer Protection Coalition

Florida's consumers are forced to pay thousands of dollars more each year for everything from toothpaste to insurance coverage due to lawsuit abuse schemes that drive up costs for everyone. Protecting



consumers from unnecessary high costs and “lawsuit abuse taxes” due to the state’s treacherous litigation environment – and advocating for sound public policy that puts consumers first – is the mission of the Consumer Protection Coalition.

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