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## FOR IMMEDIATE RELEASE

## Auto Glass Bill Clears first Stop in Florida House

Big Week for Bills that Would end AOB Auto Glass Abuse

**TALLAHASSEE, Fla. (March 14, 2023)** -- Legislation filed by Florida lawmakers to fix the cracks in the state's auto insurance market passed its first committee today. <u>House Bill</u> <u>541</u>, by Representative Griff Griffitts (R-Panama City Beach), passed favorably from the House Insurance & Banking Subcommittee.

In Florida, a law meant to encourage drivers to repair or replace damaged windshields is being exploited by glass repair shops and attorneys, leading to exorbitant legal fees churned out by abusive litigation. Florida Chief Financial Officer Jimmy Patronis shared a statement in support of efforts to protect consumers.

"For far too long, bad actors have abused the AOB system to line their own pockets and drive-up car insurance rates for all Floridians," **CFO Patronis said**. "If it sounds too good to be true, it is. This good bill will end the use of inducements or gift cards to dishonestly entice consumers and also ensure replacement windshields are properly installed to protect the safety of Florida's motorists. By closing these loopholes and shutting down frivolous litigation, we will help fight rate hikes for auto insurance in our state. Thank you to Senator Stewart and Representative Griffitts for their hard work on this important initiative to protect consumers and drive down car insurance rates in Florida."

<u>Senate Bill 1002</u>, sponsored by Senator Linda Stewart (D-Orlando), will be heard tomorrow in the Senate Banking and Insurance Committee, which meets at 1 p.m. Both bills address problems caused by some glass vendors and attorneys who have in recent years churned out unnecessary litigation, teaming up to exploit Florida law and hurt insurance consumers in the end.

Both HB 541 and SB 1002 would prohibit vendors from taking assignments of insurance policy benefits for auto glass claims and offering a gift or other inducement to a consumer for filing an insurance claim. The bills also require certain disclosures regarding calibration procedures. Additionally, HB 541 allows for an optional windshield deductible of \$250 to be offered by an insurer, which the consumer can accept or reject.

## The growth of auto glass lawsuit abuse in Florida:

- What started as a small regional problem with a few lawyers and auto repair shops proliferated throughout the state as more unscrupulous actors looked to cash in.
- In 2011, there were 591 glass/windshield claim lawsuits filed in Florida. That number grew to more than 37,000 lawsuits in 2022, according to the most recent numbers.
- Florida auto glass litigation saw a major jump recently, roughly a 30% increase in litigation: from over 28,000 in 2021, to over 37,000 in 2022.
- In Florida, 20 lawyers were the most prolific filers of auto glass litigation last year, making up 95 percent of auto glass lawsuits, according to information from the Florida Department of Financial Services Service of Process database. There is similar aggregation on the vendor/shop side.

To learn more, view resources and get engaged, visit <u>FixtheCracksFL.com</u>.

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