

Representative Danny Burgess
303 House Office Building
402 South Monroe Street
Tallahassee, FL 32399-1300

April 18, 2017

Dear Representative Burgess:

As a coalition of organizations that represent businesses and employers, we want to thank you and your colleagues for the considerable progress that has been made regarding workers' compensation reforms. We believe HB 7085 makes significant strides in ensuring cost savings for Florida's employers.

House Bill 7085 attempts a balanced approach to the issue of attorney fees. The proposal seeks to address the concerns raised in *Castellanos* while also being mindful of the inevitable increase to premiums if attorney fees go unchecked. Provisions of the bill that require good faith attempts to settle, require specificity of pleadings and encourage claimants to engage actively with their attorneys will also assist in controlling system costs and delivering benefits timely. The bill also codifies the *Westphal* decision, which provides certainty. We respectfully urge you to consider additional refinements to the language that will serve to strengthen this reform package; we look forward to working with you on this language.

We support the approach HB 7085 takes regarding the issue of rate-making. Competition within Florida's workers' compensation system is robust, and previous reviews and studies have indicated that wholesale changes in this area are not necessary. We do not object to the provision allowing for limited deviations.

The landscape of workers' compensation in Florida has changed considerably following recent Florida Supreme Court decisions. We anticipate that reform in the wake of these opinions will be a work in progress, and we can expect to revisit the issue of workers' compensation periodically in the coming years to ensure enacted reforms are having the desired impact on employers and employees. We appreciate the meaningful steps you and your colleagues have taken to begin the reform process.

Sincerely,

American Insurance Association
Associated Industries of Florida
Associated Builders and Contractors of Florida
Florida Association of Counties
Florida Associated General Contractors Council

Florida Association of Insurance Agents
Florida Chamber of Commerce
Florida Building Materials Association
Florida Farm Bureau Federation
Florida Fire Sprinkler Association
Florida Home Builders Association
Florida Insurance Council
Florida League of Cities
Florida Poultry Association
Florida Restaurant and Lodging Association
Florida Retail Federation
Florida Roofing & Sheet Metal Contractors Association
Florida Transportation Builders Association
Florida Trucking Association
Florida United Businesses Association
Manufacturers Association of Florida
National Association of Mutual Insurance Companies
National Federation of Independent Business
National Utility Contractors
Property Casualty Insurance Association of America