

# PIP REPEAL

## VOTE NO ON HB 1181

For decades, Florida has been a no-fault auto insurance state in which medical expenses and other amounts incurred by an individual injured in a car accident are paid by the individual's own insurance company, regardless of who was at fault for the accident. Under this system, drivers are required to maintain \$10,000 in personal injury protection ("PIP") coverage on their auto insurance policies. In addition, the injured person's ability to sue the parties at fault for the car accident for noneconomic damages, such as pain and suffering, is curtailed unless certain thresholds are met.

Now, the Legislature is considering HB 1181, which would abolish PIP and instead require certain bodily injury liability and property damage coverage. Since it was enacted, Florida's PIP law has been plagued by fraud and excessive litigation over low-dollar-value claims. Often these lawsuits were filed for the simple reason that, under Florida law, successful plaintiffs in insurance lawsuits were entitled to an award of attorneys' fees under the One-Way Attorney Fees Statute.

In 2023, Governor DeSantis signed HB 837 and repealed the One-Way Attorney Fees Statute. This eliminated the incentive to litigate low-dollar claims in the hopes of recovering outsized attorneys' fees. ***HB 837 took effect in March 2023, and the impacts of the reforms that were passed in that legislation are still being realized.***

Abolishing PIP now threatens to increase the number of automobile liability and uninsured motorist claims and the exposure attending those claims. Once PIP is gone, there will no longer be a permanent injury threshold. In other words, in a bodily injury system, suit and recovery of noneconomic damages would be permitted for any injury, no matter how small.

Thus, before repealing Florida's PIP law, the recent statutory and judicial reforms should be given sufficient time to work and to reduce PIP litigation and costs. Then, after five years of data on PIP litigation and benefit payment costs is accumulated, the Florida Legislature will be in a better position to decide whether repealing PIP is a necessary next step. ***Give HB 837 time to work. Vote NO on HB 1181.***

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Questions? Reach out to William Large at [william@fljustice.org](mailto:william@fljustice.org).

