



**FLORIDA  
FIRE  
SPRINKLER  
ASSOCIATION**

**From the desk of.....**

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**August 14, 2008**

We have made tremendous progress in solving the inequitable worker's compensation rate problem Florida has experienced for decade. We were paying a base rate of over \$15.00 per hundred payroll in 2003 - of course those with good experience modifications are wee paying less and those with bad modifications were paying more - the base rate is the average. In 2008 our base rate is \$7.45 per hundred payroll - a savings of over \$16 million in payroll costs for the Florida fire sprinkler industry. We did this largely by adding tort reform measures into the workers' compensation laws including a cap on attorney's fees.

But now comes the greedy trial bar who have filed an amicus brief, literally translated as "friend of the court", that refers to someone, not a party to a case, who volunteers to offer information on a point of law or some other aspect of the case to assist the court in deciding a matter before it. The greedy trial bar has filed the amicus brief charging that putting a cap on attorney's fees have caused many injured to forego litigation, litigation against those whose actions allegedly caused harm to the person. The Florida Supreme Court is the recipient of this amicus brief in a challenge to the constitutionality of the workers' compensation law. My take on this is the trial bar, should they argue and win a \$100 million dollar judgment that they want \$40 million of this money.

The bad news is that while the Supreme Court is on break and not expected back until August 28th, indications are shortly after their return rumor has it the Supreme Court will find the 2003 WC law changes or a portion thereof unconstitutional. The problem is exacerbated by the fact that one law firm in Central Florida has already had a major party celebrating the win. This and 11 other law firms found the time to send my wife a letter encouraging legal action for her workers' compensation injury even though her employer took exceptional care and were not at fault in the accident. These greedy lawyers don't care about fault, they just want to file a lawsuit and expect to settle so they can squeeze their 30-40% fees.

What does this mean to the construction industry and in particular the fire sprinkler industry? Well, expect the NCCI WC rate filings which usually are filed in October or November to show a significant rate increase. Depending on the Supreme Court decision, we expect the Construction Coalition to plan legislation to again protect the employer from these frivolous lawsuits that serve absolutely no purpose other than generating money for the lawyers thereby driving up insurance costs.

We need to stop electing attorney's to the legislature. There were a number of very bad bills filed last year from members of the Legislature who come from the trial bar ranks.

More to come when the Supreme Court decision is finalized.

Buddy