

## FOR IMMEDIATE RELEASE

## Statement from Florida Chamber on Workers' Comp Ruling

**TALLAHASSEE**, **Fla. (October 23, 2008)** – Florida Chamber of Commerce Vice President of Government Affairs David Daniel issued the following statement on the Florida Supreme Court ruling in Murray v. Mariners Health:

After reviewing today's Florida Supreme Court decision in the case of Murray v. Mariners Health, the Florida Chamber is very concerned that Florida employers could experience a workers' compensation insurance rate crisis. Unfortunately, the Court did not adopt the arguments set out by the Florida Chamber in its amicus brief, and the Florida Chamber is extremely disappointed with today's ruling.

The ruling will increase costs to businesses now in order to pay for plaintiff trial lawyer fees in future cases. The court rejected the Legislature's decision to impose a consistent and predictable formula on trial lawyer fees, and instead said that fees must be determined by a judge using a series of factors.

It was these factors that the Legislature determined in 2003 were leading to wildly uneven and unjust windfalls for plaintiffs' trial lawyers, and this ruling will jeopardize the significant savings businesses have received since the hard fought 2003 reforms. Florida employers anticipating approval of 18.6% rate reduction instead will likely see rate increases.

This is just another example of plaintiffs' trial lawyers attempting to bleed more attorney fees from Florida employers using our state's workers' compensation system. Unless corrected, this decision means employers will face higher workers' compensation rates and an added financial burden to the cost of doing business in our state. With a struggling economy, now is not the time to raise employer workers' compensation rates.

The court's ruling overturns provisions of the landmark workers' compensation legislation that worked to lower rates, cut out exorbitant attorney fees and reduced fraud. The legislation, passed in 2003 with the support of the Florida Chamber, resulted in an overall average drop in rates by more than 58 percent when you include the most recent filing.

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Prior to the 2003 reforms, the state of Florida consistently ranked No. 1 or No. 2 in the country for the highest workers' compensation rates; however, post-reform, Florida has dropped out of the top 10 rankings.

Florida's employers are united in the fight for lower workers' comp insurance costs through the Coalition of Business and Insurance Industry. In addition to the Florida Chamber, some of the other Coalition partners include Florida United Business Association, National Federation of Independent Businesses, Associated Industries of Florida and the Florida Retail Federation.

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Established in 1916 as Florida's first statewide business advocacy organization, the Florida Chamber of Commerce is the state's largest federation of employers, chambers of commerce and associations, representing more than 139,000 employers. The Chamber works within all branches of government to affect those changes set forth in the annual Florida Business Agenda, and which are seen as critical to the continued improvement of Florida's business environment. Visit <u>www.FloridaChamber.com</u>.