By Senator Wise

31

5-909A-03 See HB A bill to be entitled 1 2 An act relating to awards of damages; limiting noneconomic damages in tort cases to \$250,000; 3 4 providing for annual adjustment; providing 5 construction; requiring court supervision of 6 damages paid to claimants; authorizing courts 7 to restrict payment of contingent attorney's fees based upon the amount of damages awarded; 8 9 specifying limits for such contingent attorney's fees in health care lawsuits; 10 providing applicability; authorizing courts to 11 12 further limit fees in certain cases; providing an effective date. 13 14 15 Be It Enacted by the Legislature of the State of Florida: 16 17 Section 1. Cap on noneconomic damages. -- Notwithstanding any other provision of law, 18 19 noneconomic damages in tort cases shall be limited to 20 \$250,000, which amount may be adjusted on an annual basis to reflect inflation. The provisions of this section shall not be 21 22 deemed a denial of access to courts as set forth in Section 21, Article I of the State Constitution. 23 Section 2. Court supervision of damage payments.--24 25 (1) COURT SUPERVISION OF SHARE OF DAMAGES ACTUALLY PAID TO CLAIMANTS; CONTINGENT ATTORNEY'S FEES; HEALTH CARE 26 27 LAWSUIT LIMITS. --2.8 (a) In any lawsuit, the court shall supervise the 29 arrangements for payment of damages to protect against 30 conflicts of interest that may have the effect of reducing the

amount of awarded damages which are actually paid to a claimant.

- (b)1. In any lawsuit in which an attorney for a party claims a financial stake in the outcome by virtue of a contingent fee based on the amount of damages awarded, the court shall have the power to restrict the payment of a claimant's damage recovery to such attorney and to redirect payment of amounts of such damages to the claimant based upon the interests of justice and the principles of equity.
- 2. In no event shall the total of all contingent fees, based upon the amount of damages awarded, for representing all claimants in a health care lawsuit exceed the following limits:
- a. Forty percent of the first \$50,000 in damages awarded to the claimants.
- b. Thirty-three and one-third percent of the next \$50,000 in damages awarded to the claimants.
- $\underline{\text{c. Twenty-five percent of the next $500,000 in damages}}$ awarded to the claimants.
- $\underline{\text{d.}}$ Fifteen percent of any amount by which the award of damages to the claimants exceeds \$600,000.
- (2) APPLICABILITY.--The limitations in this section shall apply whether the recovery is by judgment, settlement, mediation, arbitration, or any other form of alternative dispute resolution. In a lawsuit involving a minor or an incompetent person, a court retains the authority to authorize or approve a fee that is less than the maximum permitted under this section.
- Section 3. This act shall take effect upon becoming a law.