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Senator George S. LeMieux Chairman of the Board of Trustees Dominic M. Calabro President & Chief Executive Officer

Comments to the Honorable Wyman Duggan, Chair, and Members of the House Civil Justice & Property Rights Subcommittee regarding HB 7 --- Civil Liability for Damages Relating to COVID-19

My name is Dominic M. Calabro and I am President and CEO of Florida TaxWatch, an independent, nonpartisan, nonprofit, taxpayer research institute & government watchdog which, for 40 years, has worked hard to improve the productivity and accountability of Florida government.

Earlier this week, Florida TaxWatch released an independent research report entitled "<u>The Best Defense Is A</u> <u>Good Offense: The Economic Impact of Protecting Responsible Floridians from COVID-Related Civil</u> <u>Liability</u>." Copies of the report have been made available to members and staff of the Subcommittee and are available at <u>FloridaTaxWatch.org/Research</u>. We look forward to discussing the findings with you and your staff as the Liability Shield protections conversation progresses.

Our report highlights the critical economic need for the protections. In short, if employers' confidence in the economy is shaken due to the absence of a liability shield, we would reduce the Florida economy by as much as \$27.6 billion and more than 356,000 jobs annually.

As Florida businesses struggle to reopen or remain open in light of the COVID-19 pandemic, many are fearful of the threat of litigation. Responsible business owners acting in good faith to comply with public health directives and healthcare workers and facilities who must make extremely difficult decisions under trying and uncertain circumstances must have comfort that they will be able to operate without fear of opportunistic, predatory, and expensive litigation.

It is just as important to make sure that those acting in "bad faith" are held accountable for their negligence while ensuring that those who contract COVID-19 because of the gross negligence of others can recover for their injuries. We must ensure that good actors are protected and bad actors are punished.

We have faced this crisis before and addressed it head on. You might recall that our work in 2006 looked at the economic toll that frivolous lawsuits had on our economy and Florida TaxWatch research led to significant reforms to joint and several liability. Today we see the same potential for runaway litigation which would have a devastating impact on Floridians across the board but especially our businesses as they strive to recover from the global economic crisis. Safeguards are essential to ensure that all industries across Florida remain "open for business." Failure to act can have dire consequences.

Florida TaxWatch understands and acknowledges that immunity from civil liability will not stem the spread of COVID-19, nor will it prevent injury or harm or make the associated costs go away, but if Florida's economy is to recover and regain its pre-pandemic prosperity, it is essential that businesses, healthcare facilities, and other entities that are working hard to comply with public health directives or protective measures are protected from civil liability.

As I close let me thank you for pursuing the recommendations we highlighted in our other COVID-19 related reports, including **Bringing Florida's Budget Back from Covid-19: A Roadmap for Responsible Recovery** and the **TaxWatch Covid-19 Taxpayer Task Force Final Report**. We look forward to working with you and your colleagues as the many difficult issues related to the pandemic and economic recovery are addressed.