By the Committees on Banking and Insurance; and Judiciary; and Senator Brandes

597-02689-21 2021686c2

A bill to be entitled

An act relating to offers of judgment; amending s. 768.79, F.S.; authorizing parties to serve offers of judgment that make certain stipulations relating to attorney fees and costs; authorizing certain offerings of judgment relating to jointly owned property to require both individuals to either accept or reject the offer; providing requirements relating to grounds for challenging the validity of offers; defining the term "judgment obtained" as it relates to certain offers of judgment; providing applicability; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Present subsections (3) through (8) of section 768.79, Florida Statutes, are redesignated as subsections (5) through (10), respectively, new subsections (3) and (4) are added to that section, and subsection (2) and present

read:

768.79 Offer of judgment and demand for judgment.-

subsections (3), (4), and (6) of that section are amended, to

- (2) The making of an offer of settlement which is not accepted does not preclude the making of a subsequent offer.
- (3) A party may make an offer of judgment that identifies only the total amount of indemnity or damages and stipulates that entitlement to attorney fees and costs will be established at a later time by the parties or the court. An offer of judgment is not required to specify an amount for attorney fees

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and costs.

- (4) An offer must:
- (a) Be in writing and state that it is being made pursuant to this section.
- (b) Name the party making it and the party to whom it is being made.
- (c) State with particularity the amount offered to settle a claim for punitive damages, if any.
  - (d) State its total amount.

The offer shall be construed as including all damages which may be awarded in a final judgment <u>unless it is an offer of judgment that stipulates that entitlement to attorney fees and costs will</u> be established at a later time by the parties or the court.

- (5) (3) An The offer shall be served upon the party to whom it is made, but it may shall not be filed unless it is accepted or unless filing is necessary to enforce the provisions of this section. In an action relating to damages to real property that is jointly owned by two individuals who are insureds, an offer of judgment which is served on both insureds may require that both insureds either accept or reject the offer.
- (6) (4) An offer shall be accepted by filing a written acceptance with the court within 30 days after service. Upon filing of both the offer and acceptance, the court has full jurisdiction to enforce the settlement agreement. Within 30 days after an offer is served, the offeree must notify the offeror of any grounds for challenging the validity of the offer. The grounds for challenging the validity of the offer must be in writing and stated with specificity. If the offeree fails to

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timely notify the offeror in writing of the grounds for challenging the validity of the offer, the offeree waives the right to object to the validity of the offer.

- (8) (6) Upon motion made by the offeror within 30 days after the entry of judgment or after voluntary or involuntary dismissal, the court shall determine the following:
- (a) If a defendant serves an offer which is not accepted by the plaintiff, and if the judgment obtained by the plaintiff is at least 25 percent less than the amount of the offer, the defendant shall be awarded reasonable costs, including investigative expenses, and attorney attorney's fees, calculated in accordance with the guidelines promulgated by the Supreme Court, incurred from the date the offer was served, and the court shall set off such costs in attorney attorney's fees against the award. When such costs and attorney attorney's fees total more than the amount of the judgment, the court shall enter judgment for the defendant against the plaintiff for the amount of the costs and fees, less the amount of the award to the plaintiff.
- (b) If a plaintiff serves an offer which is not accepted by the defendant, and if the judgment obtained by the plaintiff is at least 25 percent more than the amount of the offer, the plaintiff shall be awarded reasonable costs, including investigative expenses, and attorney attorney's fees, calculated in accordance with the guidelines promulgated by the Supreme Court, incurred from the date the offer was served.

For purposes of the determination required by paragraph (a), the term "judgment obtained" means the amount of the net judgment

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entered, plus any postoffer collateral source payments received or due as of the date of the judgment, plus any postoffer settlement amounts by which the verdict was reduced. For purposes of the determination required by paragraph (b), the term "judgment obtained" means the amount of the net judgment entered, plus any postoffer settlement amounts by which the verdict was reduced. For purposes of the determination required by paragraph (a) for an offer of judgment that stipulates that entitlement to attorney fees and costs will be established at a later time by the parties or the court, the term "judgment obtained" means the total amount of damages, if any, but does not include any amount awarded for attorney fees and costs.

Section 2. This act applies to all offers of judgment

Section 2. This act applies to all offers of judgment served on or after July 1, 2021.

Section 3. This act shall take effect July 1, 2021.