



DAILY LEGISLATIVE BRIEF FROM MARCH 24, 2008

Monday was a relatively quiet day as most legislators were still making their way back to Tallahassee from their Easter break. The one committee who did meet to take up an issue important to AIF and the business community was the House Insurance Committee, who continued with their round of “workshops” on the property insurance crisis facing Florida. Last week, committee members spent hours asking questions (under oath) to representatives from Citizens Property Insurance Corporation. Today, it was the Office of Insurance Regulation’s (OIR) turn to field questions from the Committee. Representing OIR was Belinda Miller Deputy Commissioner (Property and Casualty) as well as Robert Lee, an actuary for OIR. The testimony provided by OIR representatives was also given under oath.

Most of the questions focused on the difference between inadequate and excessive insurance rates as well as on the 2005 Citizens rate filing during which OIR failed to approve a 44% increase in Citizens rates as suggested by Citizens. Instead, OIR approved only a 25.9% rate increase. The Committee also discussed the issue of assessments with representatives from OIR and their potential impact on all insurance policies across the state in the event of a bad hurricane.

On Tuesday, the Senate Banking and Insurance Committee will be considering a number of property insurance bills during its meeting, including a proposal put forth by CFO Sink that would reduce the Cat Fund’s current exposure by \$3 billion dollars; thereby reducing the potential for assessments or “hurricane taxes” for all Floridians and business owners.

Also on Tuesday, the Senate Judiciary committee will be taking up two bad bills for the business community. The first is SB 1130 by Senator Durell Peaden (R-Crestview) or the “guns in the workplace” bill. This will be the bill’s second committee of reference since it passed out of the Senate Criminal Justice committee last week. The second is SB 2076 Relating to Arbitration by Senator Ted Deutch (D-Delray Beach). The business community will be in full force opposing these two proposals.