



DAILY BRIEF

From March 3, 2012

As noted in AIF's Weekly Briefing yesterday, the Florida Senate has called a special meeting of the Senate Budget Committee on Saturday to consider a couple of remaining priorities. Although committees are no longer scheduled to meet following the 50th day of session, Senate leadership waived these rules to help push issues vital to Florida and the business community to the finish line.

Insurance

SB 1346 by Senator Steve Oelrich (R-Gainesville) Relating to Citizens Property Insurance Corporation was finally brought forward for consideration by its remaining committee of reference. Following delay to adequately tailor a substantive amendment, the committee approved the measure by a vote of 18-2. The only two dissenting votes were Senators Anitere Flores (R-Miami) and Jim Norman (R-Tampa).

Specifically, this legislation reduces the Citizens Property Insurance Corporation's maximum regular assessment from 18 percent to 2 percent which may be levied on most businesses' property and liability insurance premiums for claims paying deficits resulting from a hurricane. Current law requires insurers to pay the regular assessment within 30 days which in turn surcharge their customers to recoup amounts paid; however, the reduction of the regular assessment will not reduce the overall assessment authority of Citizens. Greater levies will be imposed through emergency assessments which are spread out over multiple years reducing the financial burden on businesses and insurers.

Budget Chairman JD Alexander (R-Lake Wales) introduced a brief, yet important amendment that will alleviate concerns associated with potential assessments or "hurricane taxes" on Floridians and businesses. Chair Alexander explained that this amendment would primarily reduce the amount of the CatFund's exposure, from \$17 billion to \$15 billion over a span of two years. Senator Arthenia Joyner (D-Tampa) asked the sponsor whether this amendment would have a significant impact on policyholders. Chair Alexander responded that the this legislation is a modest step forward that will significantly protect all Florida policy holders from hidden hurricane taxes while minimally impacting premiums on Florida consumers. Jack Nicholson, CEO of Florida's Hurricane CAT Fund, also testified to Chair Alexander's point highlighting that the rate impact of "right-sizing" the CatFund would be barely noticeable (less than on 1 percent per year). AIF was present during today's committee hearing to support this very important piece of legislation. [Read AIF's Statement on the Passage of SB 1346.](#)

SB 1346 will now proceed to the Senate floor for final consideration by its members. The House proposal – HB 1127 by Representative Ben Albritton (R-Bartow) – has already passed the full House and awaits consideration by the Senate. The House still needs to consider this new CatFund language and so the bill will likely bounce back during the last week of session.

AIF SUPPORTS legislation to return Citizens to an insurer of last resort. AIF also SUPPORTS restoring the Florida Hurricane Catastrophe Fund (Cat Fund) to a safety buffer for Andrew-sized storms. The business community would like to further thank members of the Florida Senate Budget Committee and Chairman Alexander for their leadership on this very important issue for Floridians.

Education

The Senate Budget Committee also took up and passed SB 1718 Relating to Parental Empowerment in Education by Senator Lizbeth Benacquisto (R-Wellington).

This legislation creates the Parent Empowerment Act to expand the list of rights provided to K-12 students and parents. The bill also provides options to parents when a school or a teacher's performance is unsatisfactory.

School districts are required to notify parents that they may, through petition process, select and submit to the district school board a new school turnaround option when the student performance in a school subject to an existing turnaround option has failed to improve. Safeguards are included for the accuracy and credibility of the petition process to provide majority vote, require public meetings, and authorize signature verification.

In cases where a school district fails to adopt a petition selection, it still must submit the petition option, along with its own, to the State Board of Education (SBE). The SBE makes the final determination.

School districts are also required to notify parents if the classroom teachers assigned to their children have received poor performance ratings. Upon request, parents would also have the right to receive actual performance evaluations of any classroom personnel involved in their child's education.

A number of unfriendly amendments were offered by members of the committee that would hinder the bill's intent, create duplicative provisions already included in the bill's language, or provide a roadblock for final passage if received by the House. Sen. Benacquisto is to be commended for addressing members' questions and concerns while maintaining the integrity of SB 1718.

This legislation will ensure that Florida's workforce is adequately prepared to meet the demands of a competitive workforce.

SB 1718 passed by a vote of 13-7. The bill will now proceed to the Senate Floor for consideration by its members. The House measure, HB 1191 by Representative Michael Bileca (R-Miami), has already passed the full House and awaits hearing by the Senate. This will be another issue that will have to be resolved between the two chambers this last week of session.

AIF will continue to SUPPORT legislative changes that will increase digital learning and improve foundational skills and readiness for college and careers.