

TALLAHASSEE WEEKLY REPORT

May 9-13, 2011

Property Insurance

The first major bill passed by the Legislature was presented to the Governor this week, SB 408 related to Property and Casualty Insurance. This bill was a comprehensive measure that had ardent support and opposition. Supporters claim the bill would help the state's insurance market by making it easier for insurers to raise rates to cover reinsurance costs, while also placing limits on sinkhole coverage and limiting the time that homeowners can file claims on both sinkholes and hurricanes. Under the legislation, homeowners would have just two years for sinkhole claims and three years for windstorm claims.

Opponents of the bill says the measure would simply result in higher insurance bills in an already weak economy. Senator Mike Fasano, an opponent of the bill, has started a veto campaign, asking his constituents to call Governor Scott's office and ask him to veto the bill. Senator Fasano attempted, unsuccessfully, during session to remove part of the bill that allows insurers to raise rates up to 15 percent to pay for reinsurance.

Governor Scott has until May 26 to act on the bill.

Over the next few weeks, the legislature will continue presenting bills it passed to the Governor. OIA will provide information of those bills which are of interest to Miami-Dade County as they are sent to the Governor

Mortgage Fraud

A report by the LexisNexis Mortgage Asset Research Institute shows that in 2010, Florida had 3.6 times as much mortgage fraud expected for the number of loans made in the state, with 27 percent of all investigated fraud in the country occurring in the state. This is the fifth year in a row that Florida has led the nation in mortgage fraud.

Nationally, the number of mortgage fraud cases declined by 41 percent, the first decline in five years. Those who conducted the poll cautioned that these numbers partly stem from less loans being made, not necessarily a decrease in fraud.

South Florida was ranked as the fifth metropolitan area for fraud, with Los Angeles being first.

Review of Taxpayer Funded Hospitals

The Commission on Review of Taxpayer Funded Hospital Districts, a panel created by the Governor, will soon begin meetings to discuss the role of taxpayer funder public hospitals. The Commission will be chaired by Dominic Calabro, head of Florida TaxWatch. The first meeting will take place on May 27 in Tallahassee.

Governor Rick Scott has taken an interest in the role of public hospitals and how they are operated. The legislature also considered bills this year that would require judicial oversight of the sale or lease of any public hospital.

All of the meetings will be held in Tallahassee at the Agency for Health Care Administration headquarters. The commission will meet once a month through August, followed by bi-monthly meetings through December, with a special report to be released by January 1, 2012.

Special Election, House District 110

On May 24, the same day of the special election for County Mayor, County Commission Districts 7 and 13, and the charter amendments, voters in House District 110 will also choose their new State Representative. (The winner of the Republican primary will face a write-in opponent in the general election, a formality.) District 110, centered in Hialeah, was represented through the end of March by Esteban Bovo, who resigned the seat to run for the County Commission.

The candidates are as follows:

- Frank Lago – Chief of Staff to Sweetwater Mayor Manny Marono
- Jose Oliva – CEO of Oliva Cigars
- Ralph Perez – former aide to House Speaker Johnnie Byrd and Marco Rubio

Each of these candidates is making his first attempt at public office, save for Ralph Perez who ran, unsuccessfully, in 2008 for the seat currently held by Rep. Erik Fresen.

As of the last campaign reports, filed in April 22, the candidates showed the following numbers:

- Lago: Raised \$101,255 and spent \$16,805
- Oliva: Raised \$133,095 and spent \$64,336
- Perez: Raised \$52,010 and spent \$3,950

2011 Legislative Session

OIA will continue disseminating information as it becomes available on bills that passed during the recently concluded legislative session. Attached, please find a preliminary summary of certain issues of importance to Miami-Dade County.

