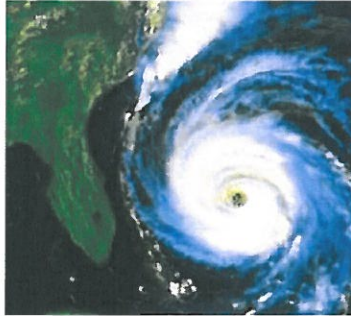


## Rick Watson: Don't make insurance more costly in Florida

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This month marks an important anniversary for Florida that has significantly shaped our industry over the past 20 years. On August 24, 1992 Hurricane Andrew pummeled Florida's coast forever changing many aspects of our state including the landscape, building requirements and insurance industry.



While the 112th Congress has recessed until next month, there is legislation being considered NASA which also threatens to forever change our state. Rep. Richard Neal (D-MA) and Sen. Robert Menendez (D-NJ) have introduced HR 3157 and S 1693 which threaten to impose costly tariffs on global insurance companies. These are the very same companies that provide nearly two-thirds of all the reinsurance throughout the United States including a considerable share of the home and business property insurance in Florida.

Known as "The Voice of Commercial Construction," the Associated Builders and Contractors of Florida and our members are concerned by this legislation. Of the 1,660 companies we represent, including commercial, industrial and institutional merit contractors, suppliers and industry professionals, we fear these bills will create an anti-competitive tax structure that will undoubtedly drive up premiums and unfairly penalize businesses across the state.

Additionally, at a time when Florida is in the midst of reforming and revitalizing our state's property insurance market, we cannot afford the unintended consequences of this federal legislation. This includes the potential for a reduced supply of insurance which would ultimately pass higher rates on to policyholders statewide. The reality is imposing new tariffs on non-U.S. insurers will only result in disproportionate burdens on all Floridians including Florida businesses.

20 years ago this month, Floridians began recovery efforts following Hurricane Andrew. While we will certainly be able to repair and rebuild following the devastation and destruction from the next inevitable storm, the consequences of HR 3157 and S 1693 may just be too much for Florida to handle. It's up to Florida's Congressional Delegation to ensure this legislation does not pass in order to protect our hurricane-prone state and the people proudly who call Florida home.

Rick Watson,

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