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for  
Floridians in State and Local  
Government:**

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# Federal Focus

## National CAT Fund Update

**D**uring the 110<sup>th</sup> Congress, U.S. Senators Bill Nelson, D-FL, and Mel Martinez, R-FL, and U.S. Reps. Alcee Hastings, D-FL, Ron Klein, D-FL, Tim Mahoney, D-FL, Ileana Ros-Lehtinen, R-FL, Ginny Brown-Waite, R-FL, Gus Bilirakis, R-FL, and Vern Buchanan, R-FL, have all pursued national catastrophic insurance remedies.

The *Commission on Catastrophic Disaster Risk and Insurance Act of 2007*, S. 292, was introduced by Senator Nelson in January and cosponsored by Senator Martinez to establish a nonpartisan commission on insurance reform. The commission would generate a final report to the President and Congress detailing its findings and provide recommendations and analysis on reinsurance,

modernization of federal taxation policies, and insurance of last resort. This measure combines three legislative proposals introduced in the 109<sup>th</sup> Congress—the creation of a federal catastrophe fund to back up state catastrophe funds; tax-deferred catastrophe accounts for insurers; and tax-free catastrophe accounts for policyholders. There has been no movement out of the U.S. Senate's Banking, Housing, and Urban Affairs Committee for this particular bill. However, following a hearing in April, the Committee marked up and passed a similar bill, the *Commission on Natural Catastrophe and Risk Management and Insurance Act of 2007*, to establish a nonpartisan commission to study the management of natural catastrophe risks. The bill passed the committee unanimously on August 1.

"Congress needs to tackle the complicated issues of how the nation responds to and pays for natural disasters. The product of this commission will set the stage for that debate," Senator Martinez said. "The commission's task will be to examine the risks posed by natural disasters and the means for mitigating and for paying for losses caused by natural catastrophes." According to Senator Martinez, "the measure passed the committee with an agreement to attach the commission language to the National Flood Insurance Program bill reauthorization that is expected for debate on the Senate floor this fall."

Additionally, there are six bills sponsored and cosponsored by Senators Nelson and Martinez to address national catastrophic risks. See Federal Focus (April 17, 2007).

## Developing Issues

◇ U.S. Senator Bill Nelson, Chair of the Senate Foreign Relations Subcommittee on International Operations, Democracy, and Human Rights, is planning to convene a hearing on the deletion of Everglades National Park from the U.N.'s endangered sites list.

◇ On July 26, 2007, U.S. Senator Mel Martinez introduced the *Every American Insured Health Act of 2007*, S. 1886, to help consumers find the coverage they seek at an affordable price. (See the Senator's comments on page four of this issue).

◇ U.S. Senator Martinez has been selected by the Senate Armed Services Committee to be the Ranking Member of the Subcommittee on Seapower. Senator Nelson continues to serve as Chair of the Subcommittee on Strategic Forces.



## No Child Left Behind

The U.S. House Committee on Education and Labor, Rep. George Miller, D-CA, Chairman, and Howard P. McKeon, R-CA, Senior Republican Member, along with Reps. Dale Kildee, D-MI, Chairman, and Michael Castle, R-DE, Senior Republican Member of the Subcommittee on Early Childhood, Elementary and Secondary Education, have released a discussion draft for Title I of the Elementary and Secondary Education Act. Although the Committee has not endorsed the draft, they are inviting all interested stakeholders to review it and provide comments.

The draft is a product of several hearings on the *No Child Left Behind Act* (NCLB) and recommendations received from over 100 education groups and constituents throughout the country. Solicited comments may be directed to [ESEA.comments@mail.house.gov](mailto:ESEA.comments@mail.house.gov). The Committee is asking that responders provide their name and/or organization, and the page and line numbers of suggested changes to legislative language by September 5, 2007. The entire draft is available at <http://edlabor.house.gov/> or on U.S. Rep. Kathy Castor's website at <http://castor.house.gov>.

At the invitation of Rep. Castor, Chairman Miller visited Tampa on August 28 to hear first-hand accounts from local parents and educators who discussed their

experiences with NCLB. The Congresswoman is also seeking feedback on the draft language. Comments may be sent via email to [Kathy.Castor@mail.house.gov](mailto:Kathy.Castor@mail.house.gov).

Some of the discussion points in the summary draft include:

- ◇ *Graduation Promise Fund*—establishes new resources for high schools with the lowest graduation rates, to include data-driven decision making, staff collaboration, and professional development;
- ◇ *College and Work-Ready Standards and Assessments*—provides incentives for states to establish college and work-ready standards and assessments; urges states to collaborate with the business and higher education communities to ensure that these standards are aligned with college success benchmarks and workforce expectations;
- ◇ *Multiple Indicators/Assessments*—would permit states to use multiple, state-developed assessments taken at varying times to measure adequate yearly progress (AYP); more than reading and math assessments may be considered in the final AYP determination. Additional indicators could include graduation rates, dropout rates, college enrollment rates, percentages of students who successfully com-

plete end of course exams for college preparatory courses, and assessments in history, science, civics and government, and writing; also, improvements in the lowest and highest performers would be considered. Significant improvement in any of these areas would provide credit toward Annual Measurable Objectives at the elementary and high school levels;

- ◇ *Growth Models*—encourages states to integrate measurement of student academic growth into their AYP definition, while providing them flexibility in developing new models. States will have to develop and implement a longitudinal data system within four years of the bill's passage;
- ◇ *Graduation Rates*—establishes a national definition of "graduation rate" to be used by all states, which will include the option for a four or five year rate. Implements one measure for reporting and sets benchmarks for high schools to improve rates, with an ultimate goal of a 90% graduation rate; and
- ◇ *Advanced Placement*—increases access to AP tests and improves programs. This section was drafted to be consistent with the AP-International Baccalaureate section of the *America COMPETES Act*.

## The Nation's Uninsured

In a newly released report from the Census Bureau, 47 million Americans were without health insurance last year. This represents 15.8% of people in the United States versus 15.3% in 2005.

Also significant, the Census Bureau reports there were 8.7 million, or 11.7%, uninsured children in the United States in 2006—up from 8 million, or 10.9%, of all children in 2005.

Upon returning from the August recess, the U.S. House and Senate are ex-

pected to name conferees to reconcile differences between their respective bills related to the State Children's Health Insurance Program (SCHIP) funding.

The House measure, H.R. 3162, which adds \$50 billion in funds, seeks to provide coverage for an additional 7.5 million children and adults. The Senate amended and passed H.R. 976, which would enroll 6.1 million more people at an additional cost of \$35 billion. President Bush has threatened to veto both versions.

According to the Census Report, 21.2% of Floridians have no health insurance.

SCHIP, which expires this year, was a product of the *Balanced Budget Act of 1997*, as an added safety net for children ineligible for Medicaid—but unable to acquire private insurance.

Given the increase in the number of the nation's uninsured—73.2% of whom were U.S. citizens, it is likely that deliberative discussions with the White House will ensue.



## America COMPETES Act Becomes Law

On August 9, 2007, the *America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science (COMPETES) Act*, H.R. 2272, was signed by President Bush and became P.L. 110-289. Strongly embraced by both chambers, the U.S. House passed the bill by 367-57, while the vote was unanimous in the U.S. Senate.

A consistent theme echoed among speakers at the National Conference of State Legislatures during the annual meeting in Boston August 5-9, was that of American companies and employers seeking graduates who are prepared for the workplace and able to be competitive on a global scene. As expressed by Senator Jeff Bingaman, D-NM, Chairman of the U.S. Senate Committee on Energy and Natural Resources, "America's ability to

compete in an increasingly globalizing economy depends, in large part, on how well our schools prepare our students in science, technology, engineering, and math. With enactment of this bipartisan, bicameral bill, U.S. competitiveness will take a major step forward and our country will reconfirm its commitment to international economic leadership." Senator Pete Domenici, R-NM, Ranking Member of the Committee and a co-author of the bill, added that "the bill also demonstrates what good results may be achieved for the American people when Congress works together."

This law directs the President to convene a National Science and Technology Summit and issue a report on its results. Additionally, it requires the director of the Office of Science and Technology Policy to provide annual reports to Congress

on recommendations for federal research and technology programs.

Among many implementing features, the law also:

- ◇ Authorizes the award of grants to enable educational partnerships to develop and pursue courses of study in mathematics, science, engineering, or critical foreign languages for up to five years;
- ◇ Authorizes the award of grants for up to five years to increase the number of qualified teachers serving low-income and rural area schools; and
- ◇ Authorizes the award of grants to states to promote better alignment of secondary school graduation requirements with the skills needed to succeed in college, the Armed Forces, and the 21st century workforce.



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**Other helpful sites:**

◇ [http://www.census.gov/prod/  
2007pubs/p60-233.pdf](http://www.census.gov/prod/2007pubs/p60-233.pdf)

◇ *Income, Poverty, and Health  
Insurance Coverage in the  
United States: 2006*

*Released August 28, 2007*

◇ [http://www.fedspending.  
org/tutorials.php](http://www.fedspending.org/tutorials.php)

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# The Future of Health Insurance

By U.S. Senator Mel Martinez, R-FL

**F**ar too many people in America today are currently without health insurance. One of the conditions exacerbating the problem—a problem affecting millions of American workers and their families every day—is the federal tax code's imbalanced treatment of those who purchase health insurance.

Under the current system, those who work for a large employer get a tax benefit to purchase a health plan; those who purchase health insurance on their own do not. Among those most affected by this situation are entrepreneurs and the owners and employees of small businesses—two sectors of our economy most responsible for driving the American economy into prosperity. The unbalanced tax treatment is wrong and Congress should address this problem now. Ultimately, it's a question of fairness. A tax break for health insurance should not be applied depending on where you work; tax policy should apply to all seeking quality health care coverage.

The solution relies on streamlining the tax code, so that regardless

of your place of work—whether that's in corporate America or at the neighborhood bakery—American workers have the same opportunity for equal and affordable health care coverage.

This summer, I've joined with several colleagues in urging Congress to begin the debate on how to update our tax code as it relates to health insurance. We simply must remove the current inequity and level the field making tax benefits for health insurance available to all. If we widen the availability of affordable and portable health care plans and remove some of the pressure that leads to higher health care costs, we all will see the benefit of lower health care costs.

The federal government should not prohibit workers from purchasing insurance on their own with pre-tax dollars. Taxpayers who do not have access to employer-provided plans should be allowed access to a health tax credit equal to the benefits enjoyed by workers whose employers provide health insurance.

Understanding that those in

lower income brackets might still struggle to come up with the funds to take advantage of this new tax benefit, we should also increase the tax credit to those families and individuals. With a credit in place, money would be immediately available to make coverage more affordable for more families.

I believe that everyone in America ought to have access to affordable health insurance. Adjusting the tax code has the ability to provide more benefits to more workers across America, regardless of their employment situation. The greatest barrier between the uninsured and health care coverage is the prohibitive cost. Congress needs to take steps now toward helping millions more American workers and their families afford the coverage they need.

The debate over health care needs to take place on Capitol Hill. When it does, I will encourage all of my colleagues to suggest solutions and find innovative and fiscally responsible ways to tackle the problem of the uninsured.

## Florida Legislative Committee on Intergovernmental Relations

Created in 1977 as the Advisory Council on Intergovernmental Relations and renamed the Florida Legislative Committee on Intergovernmental Relations (LCIR) in 1996, the Committee is statutorily authorized to do the following:

- 1) Serve as a forum for the discussion and study of intergovernmental problems.
- 2) Evaluate the interrelationships among local, regional, state, interstate, and federal agencies in the provision of public services and prepare studies and recommendations to improve organizational structure, operational efficiency, allocation of functional responsibility, and the delivery of service.
- 3) Analyze the structure, functions, revenue requirements and fiscal policies of the state and its political subdivisions.
- 4) Examine proposed and existing federal and state programs.
- 5) Review the research and recommendations of national commissions studying local government relationships and problems.
- 6) Analyze the fiscal impact of new state programs or amendments to existing programs on municipalities and counties.

◇ Section 11.70, F.S.(2006).