


THE PROCESS. In January 2007 Crist called a weeklong special legislative session to try to hammer out a plan. Crist himself brought several aggressive measures to the table, including recommendations to lower threshold requirements for homeowners to get coverage through Citizens, to cap the agency's ability to raise rates, and to crack down on subsidiaries. He also asked for the power to appoint the company's director. But the hallmark of his plan was to make Citizens more competitive with private insurers. After the special session, the legislature continued the reform debate during its regular session.

Early predictions of Crist's likelihood of success were not good. The insurance lobby came on strong, as did a handful of legislators from his own party, who warned the public that increasing the role of the state-sponsored Citizens was tantamount to socialism and potentially could bankrupt the state. But having once been a state legislator himself, Crist knew how to work the ropes. His main advantage was his stratospheric popularity: he had plenty of political capital, and he wasn't shy about spending it.

To promote his plan, Crist put in rare appearances before several House and Senate committees and stumped to persuade homeowners that the promised rate relief wasn't an illusion. He also traveled to Washington, D.C., to help Florida lawmakers appeal for a national disaster relief fund to help defray costs to that state's homeowners.

Crist and his staff continued to work behind the scenes, too, with the governor's staff "buttonholing" legislators. State senator J. D. Alexander reported that "there had been some political arm-twisting," adding, "You don't go against a governor with a 77-percent approval rating."^a

Both the House and Senate took up bills that included a number of Crist's original proposals; by the end of their regular session, they'd reached resolutions.



THE OUTCOMES. Crist got a lot of what he wanted. Legislators agreed to freeze Citizens's rates at 2006 levels through 2009. Policyholders will be allowed to choose coverage through Citizens if they receive quotes from national insurers that are more than 15 percent higher than Citizens's annual premiums. Other provisions also are in place to allow the agency to be more competitive with private insurers.

"You put the nail in the coffin this afternoon on the industry that was hurting our people. That's right and just fair and important, and you did it, and God bless you for fighting for the people of Florida," Crist told legislators. "I hear some groans from insurance lobbyists? Tough. That's right. We work for the people, not them."^b

But Crist didn't get everything he asked for. Legislators killed an amendment giving him the power to appoint Citizens's director. Also rejected was a proposal that would have allowed the agency to write policies for auto, theft, and fire insurance that would have made it better able to amass greater financial reserves and offer lower premiums.

^aPaige St. John, "Crist Still Pushing for Property-Insurance Legislation," *Tallahassee Democrat*, May 3, 2007, <http://www.tallahassee.com/apps/pbcs.dll/article?AID=2007705030346>.

^bS. V. Date, "Session's End More Like Recess Than Finale," *Palm Beach Post*, 2007.