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Public Pension Reform & Health Care Compacts *JMI releases recommendations for improving the Florida Retirement System and health care access and affordability*

TALLAHASSEE – Much of the 2012 Legislative Session’s initial focus will be on redistricting, but in newly released Policy Briefs, The James Madison Institute lays out two issues that are worthy of policy makers’ attention—issues that have the potential to improve the financial well-being of Florida and the quality of life of its residents.

While the legislative reforms of early 2011 made improvements in the Florida Retirement System, further work is needed to keep Florida on the right track and avoid the financial disasters experienced by other states. In [“Pension Reform in Florida: Unfinished Business,”](#) JMI Adjunct Scholar Stuart Buck of the University of Arkansas proposes five recommendations for further reform and discusses why they should be enacted.

- **Make the defined contribution/investment plan the default option for new hires who don’t express a preference.**
- **Limit employees switching between plans to the first year of employment .**
- **Lengthen the defined benefit/pension plan vesting period to 10 years from 8.**
- **Increase the employee contribution rate to 4% from 3%.**
- **Apply the above reforms to municipalities.**

In [“Passing the Health Care Compact in Florida,”](#) JMI Adjunct Scholar Mario Loyola of the Texas Public Policy Foundation discusses the federal government’s usurpation of state authority to regulate health care, the resultant failure of those interventions and mandates, why health care regulatory authority should be reserved to the states, and a mechanism for rolling back this federal overreach.

- **“The relentless expansion of the federal government into every area of our lives is incompatible with a Constitution based on local self-government, economic freedom, and shared sovereignty among state, federal, and local authorities. Health care regulation should be returned to the states, along with the tax revenues the federal government sucks away to fund its misguided programs, in order to ultimately lead to accessible and affordable health care for Americans.”**

All JMI publications are available on-line at www.jamesmadison.org. To comment or request a copy, contact Tanja Clendinen at 850.383.4633 (toll free 1.866.340.3131) or Tanja@jamesmadison.org.