



The Florida House of Representatives

Paul Renner
Speaker

NEWS RELEASE

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Speaker Paul Renner Lays Out Bold Agenda for the Session of Florida's 91st House of Representatives

TALLAHASSEE, Fla. (November 22, 2022) — Today, Florida House Speaker Paul Renner presented a bold agenda for the Session of Florida's 91st House of Representatives. In his speech, Speaker Renner addressed submitting a letter to Florida's three credit rating agencies which are attached. Remarks below are provided as prepared for delivery:

Speaker Sprowls, thank you for your service to our state. I look forward to building on what we've accomplished.

Chairman Perez and Representative Garrison, thank you for your remarks. This chamber will be in good hands.

I also want to recognize our Governor and First Lady. I can think of over a million and half reasons why, but let me just say congratulations on your re-election!

The same congratulations to our guests today, Senator Marco Rubio; and also, our Lieutenant Governor, Attorney General, Chief Financial Officer and our newly elected Commissioner of Agriculture. Florida is truly blessed with your leadership, and I look forward to working with each of you to serve the needs of the people of Florida.

And I also want to congratulate our House members on your election. The sign waving and door knocking are finally over—so are the occasional doors slammed in our faces! You are ready to get to work and I am honored to be your Speaker.

Commissioner Ponder, thank you for leading us in prayer. The biggest blessings in my life have come after facing challenges beyond my control. Faith brought me through each time.

Faith sustains many of us in this chamber, so it is fitting that we begin this session, as we have in the past, by seeking God's guidance and blessing during our next two years of service.

And there is no greater blessing than family. I've been privileged to be married to my wife Adriana for almost 10 years. Sweetheart, I'm able to stand here because of you and I couldn't go through life without you. Since we first met, and long before politics, you have been my First Lady—and you always will be!

The Renner family has grown recently. During last year's designation ceremony, we had our daughter Abigail with us on the House floor---but we also had a secret. That secret is now eating non-stop---and doing other things babies do. Adriana and I are grateful to welcome William Andrew to our family.

The Speaker of the House leads this chamber on behalf of all its members and I take that responsibility seriously. I have enjoyed getting to know Minority Leader Driskell and congratulate her on her new role.

I also pledge to every member of the minority party that we will have robust debate.

I'm confident that all members will exhibit the civility and mutual respect our constituents deserve; and we will tolerate nothing less.

We hold an organization session every two years; each time, we find ourselves in a different moment in history. Sometimes the differences are stark, such as the arrival of COVID or a 100-year storm. As leaders, we must rise to meet our moment.

Hurricanes Ian and Nicole have devastated parts of our state. Lives were lost, homes and businesses destroyed. It will take years for some areas to recover. While the TV cameras are gone, we will remain laser-focused on the recovery effort.

Later today, I will establish a Select Committee on Hurricane Resiliency and Recovery to accelerate rebuilding and gather lessons learned, so that we are even better prepared for future storms.

Fortunately, responsible spending decisions by our legislature and governor have made our state stronger than ever. We have balanced our budget, lowered our debt, and set aside record reserves. Let's just say, no one will ever confuse us for the federal government.

Sustained fiscal responsibility means Florida can bear the costs of hurricanes and still address other priorities.

Unfortunately, our constituents are facing record inflation.

Many Floridians are reaching a breaking point, their incomes can't keep up with rising prices. The basics of life—housing, food and energy costs--are crushing the family budget. Washington's wasteful spending only adds fuel to the inflationary fire.

Inflation will not end without a rare outbreak of responsibility in our nation's capital; but here in Florida, we will act with purpose to reduce Floridians' cost of living.

We will reduce taxes.

We will tackle runaway insurance costs.

We will make housing more attainable.

We will confront the causes driving up the price of fuel and electric bills.

Inflation is hurting everyone—and we will take action!

America is known for its vibrant civil society and how we come together to solve big problems.

We find that American spirit in our churches and synagogues, families, friends and neighbors, the businesses where we work, and the non-profits where we volunteer. It's where most of our lives are lived. The cooperation we saw in response to the hurricanes is the latest example. We must protect this uniquely American strength.

Keeping most areas free of politics has allowed our country to thrive because people of diverse backgrounds can still unite around the many goals we share.

Yet our historical moment is one in which ideologues seek to politicize everything, who treat their ideology as a religion and demand we follow it, no matter the costs.

They have pushed indoctrination at the expense of education. They spend more time defending drag queen story time than actually promoting phonics and the science of reading.

In this election, moms and dads sent a clear message to these ideologues: *Our* children are not *your* social experiment!

Parents expect schools to keep their children safe, respect their values, and teach the reading, math and general knowledge that kids need to succeed in life. We must prepare every child for adulthood with a world class education.

To do so, we will continue to reward our best teachers and staff, respect parental rights, and expand educational freedom. By providing more funding and flexibility, we will deliver a bright future to Florida's next generation.

Unfortunately, these same ideologues have also co-opted Wall Street—with political demands branded under Environmental, Social and Governance goals or ESG. In practice, ESG demands that companies adopt radical environmental and diversity goals and uses a scoring system to reward or punish companies based on their compliance.

These radical goals are causing a politically-induced energy crisis, raising prices at the pump and our electric bills. ESG increases our cost of living, undermines our national security, and bypasses the checks and balances of the democratic process. It also poses a direct threat to Florida's pension fund and credit rating.

Just last year, credit rating agencies began requiring our state to provide data to measure our compliance with ESG's political dogma. ESG scoring will soon become a factor in our state's credit rating, meaning fiscally irresponsible states like California could receive a better credit rating than Florida simply because they embrace ESG's political agenda.

We are not going to let that happen in Florida!

This morning, I am sending a letter to our three credit rating agencies, demanding they drop the politics and return to objective, financial criteria, universally recognized to measure a state's credit rating.

Meanwhile, those in the Florida Retirement System must be confident that we are protecting their money. I want those with a state pension to know: we will never allow your life savings to be put at risk by the political interference of ESG! We'll expose ESG for what it is, an "ideological sham" that hurts all of us!

In addition to our current challenges, we must focus on the Future of Florida, proactively addressing long-term infrastructure, so Florida keeps pace with future growth.

A parable is told about an old man planting a tree. Someone points out that he will not live long enough to see the tree bear fruit, many years later. He responds: When I came into this world, there was fruit from trees planted by those who came before me. It is my duty to plant this tree for those who come after me.

We must secure Florida's future even though term limits mean most of the benefits will come after we are gone. That is why we must plant those seeds now.

We are creating a new committee structure to develop strategic solutions for the future of our water supply, water quality, transportation, land conservation, and resiliency. This focused effort will lay the foundation for a safe, prosperous and beautiful state for generations to come.

Speaking of future generations, we know our actions are of little consequence unless we promote the cause of children and the families who raise them. Strong families are far more important than strong governments.

Therefore, we will commit ourselves these next two years to the safety and well-being of our children and their families, easing the financial burden of raising a family and defending our children from the many threats that confront them.

Meanwhile, we will always remain vigilant in the defense of the rule of law and the constitutional rights of our citizens. We have earned our reputation as the Free State of Florida... and my pledge to you is we will boldly defend life, liberty and freedom for all our citizens!

Before I close, I want to point out a change on the House floor.

In prior years, we have displayed small American flags at our desk--and we still do. But we have now added the flag of our great state throughout the chamber.

We are in a special moment --where all eyes are on Florida, as America's beacon of freedom and opportunity. The state flag on your desk is a daily reminder of the importance of Florida and the people we serve.

Similarly, we will be delivering to your office the gift of a tie or scarf depicting our state. And because our families serve with us, we are providing a tie or scarf to all our spouses in a reverse color pattern.

As we wear them, remember that while we come from different backgrounds, we serve one state.

Our collective success these next two years depends on each of you; and I know you are ready to deliver. Our success also depends on strong cooperation with our Senate colleagues.

I am especially grateful for the close partnership I enjoy with Senate President Passidomo who is dedicated to leaving this state better than we found it.

Along with our great governor, we will deliver on a bold agenda, securing a future for Florida that is full of prosperity, abundant with opportunity, and rich in quality of life.

God bless you and the Great State of Florida!

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Office of the Speaker

Paul Renner
Speaker

November 22, 2022

Michael Rowan
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Michael Rowan:

Credit ratings play an integral role in the bond market and are an important element affecting Florida's borrowing cost on debt offerings. Credit ratings are intended to reflect an analysis and evaluation of the credit quality of a borrower and their ability to timely repay debt obligations.

In response to regulations adopted after the Great Recession, rating agencies sought to improve the transparency underlying the methodologies and criteria that are used to analyze risks. Traditionally, credit ratings analyze only risks that pose a threat to a borrower's ability to make timely payments to their bondholders. To this end, rating agencies serve two clients—the borrower and the prospective investor. Rating agencies need the buy-in and cooperation from both for the continued smooth functioning of the bond market.

Lately, certain investor clients have been espousing the virtues of so-called Environmental, Social, Governance (ESG) investing and other related social, political, or ideological variants of this theme. Rating agencies have attempted to appease this movement by developing and implementing new "scoring" and other analytic products that purportedly evaluate risks posed by ESG factors. While certain risks related to ESG factors have always been considered in valid rating analyses, they are now being separately identified under an ESG classification and emphasized in ways that vastly overstate their importance to the overall credit analysis objective.

Highlighting and incorporating these scores into the credit analysis process feeds a political movement that has no place in the bond market and serves to dilute your role as an independent arbiter of true credit quality and risk. ESG factors and scores are wholly unreliable metrics to rely upon for an accurate reflection of what you are attempting to evaluate. Rating agencies have unilaterally imposed this new initiative and product on us and other borrowers absent our request or consent and this calls into question their true objectives.

Social, political, and ideological beliefs have no place in assigning credit ratings because they have no financial merit and do not add any value to credit ratings. Rating agencies should drop the politics and return to reliance upon objective, universally recognized financial criteria for credit analysis and evaluation.

The Florida House of Representatives will work with our partners in the Florida Senate, as well as with Governor Ron DeSantis, to pass strong legislation that ensures our state and local entities do not participate in this misguided initiative.

According to your published methodologies, you have stated that our ESG scores do not affect our credit rating. We will make certain that your representation is adhered to and will be monitoring closely to ensure that ESG scores do not begin to creep into the evaluation of our credit quality or affect our credit rating.

In Florida, we take great pride in our balanced budget, conservative financial management, strong financial position and low tax burden, all of which are reflected in your analysis of the State through our triple-A rating. We will not allow the ESG movement and your response to that pressure to affect our credit rating or increase our borrowing costs as these costs are ultimately passed onto the citizens of Florida.

Sincerely,

A handwritten signature in black ink, appearing to be 'PR', written over the word 'Sincerely,'.

Paul Renner
Speaker
Florida House of Representatives

CC: Timothy Blake, Managing Director, timothy.blake@moodys.com
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Paul Renner
Speaker
Florida House of Representatives

CC: Eden Perry, Head of U.S. Public Finance, eden.perry@spglobal.com



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Office of the Speaker

Paul Renner
Speaker

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Laura Porter
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Laura Porter:

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Paul Renner
Speaker
Florida House of Representatives

CC: Arlene Bohner, Head of US Public Finance, arlene.bohner@fitchratings.com
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