



DAILY BRIEF

For the 2019 Legislative Session

From March 19, 2019

TRANSPORTATION

HB 311 – Relating to Autonomous Vehicles

On Tuesday, March 19, **HB 311** by Representative Jason Fischer (R-Jacksonville) was heard in the House Transportation & Tourism Appropriations Subcommittee and was reported favorably with 9 yeas and 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill authorizes the use of vehicles in autonomous mode in the state. The autonomous technology would be considered the human operator of the motor vehicle and provides that various provisions of law regarding motor vehicles such as rendering aid in the event of a crash do not apply to vehicles in autonomous mode if the vehicle owner, or person on behalf of the owner, promptly contacts law enforcement. The bill also specifies that statutory provisions relating to unattended motor vehicles, wireless communication devices, and television receivers do not apply to autonomous vehicles (AVs) operating with the automated driving system engaged. The bill also removes the requirement for a person to possess a valid driver license to operate a fully autonomous vehicle.

HB 311 will now move to the House State Affairs Committee.

AIF supports modernizing state law to accommodate new technologies that open the door for safe, reliable modes of autonomous vehicles in a competitive marketplace with clear, limited government regulations. The transportation system and its continued growth and viability is critically important to businesses across the state.

ENERGY

HB 797 – Relating to Public Utility Storm Protection Plans

On Tuesday, March 19, **HB 797** by Representative Randy Fine (R-Palm Bay) was heard in the House Energy and Utilities Subcommittee and was reported favorably with 13 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill aims to harden Florida’s utilities grid against tropical storm and hurricane damage with proposed under-grounding of electric infrastructure. The bill would require public utility companies (Florida Power and Light, Duke Energy Florida, Gulf Power Company, Tampa Electric Company, and the Florida Public Utilities Corporation) to submit a transmission and distribution storm protection plan to the Public Services Commission, with updates required at least every three years. Data collected after Hurricane Irma showed that underground lines suffered minimal outages during storms.

HB 797 will now move to the House Government Operations and Technology Appropriations Subcommittee.

AIF supports actively seeking ways to harden our state’s infrastructure and more effectively prepare for hurricanes and tropical storms to ensure that power is quickly restored.

INSURANCE

HB 7065 – Relating to Insurance Assignment Agreements

On Tuesday, March 19, **HB 7065**, sponsored by the House Civil Justice Subcommittee, was heard in the House Insurance and Banking Subcommittee and was reported favorably with 14 yeas and 0 nays. **AIF stood in support of this legislation.**

The abuse of the one-way attorney fee statute in relation to “assignment of benefits” (AOB) has created a relatively new form of litigation over auto glass repairs and property damage. These legal abuses are perpetrated by a handful of lawyers and vendors who work together to strip benefits away from policyholders and use these to force higher settlements from insurers, and even go so far as to sue in the name of the policyholder, often without the policyholder’s consent. This bill helps prevent future abuse of AOBs by:

- Limiting an assignee’s ability to recover certain costs from the insured;
- Requiring the assignee to give the insurer notice of the assignee’s intent to file a lawsuit
- Requiring the insurer to respond to the assignee’s notice;

- Setting the formula that will determine which party, if any, receives an award of attorney fees should litigation related to an assignment agreement result in a judgment; and
- Allowing an insurer to offer a policy prohibiting assignment.

HB 7065 will now move to the House Judiciary Committee.

AIF supports reforms to the AOB process to protect consumers against these abuses.

TAXATION

HB 693 – Relating to Communication Services

On Tuesday, March 19, **HB 693** by Representative Jason Fischer (R-Jacksonville) was heard before the House Energy & Utilities Subcommittee and was reported favorably with 13 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill reduces the state tax on general communications services from 4.92% to 3.92%, and on direct-to-home satellite services from 9.07% to 8.07%. This bill eliminates all the current provisions on local governments electing whether to require and collect permit fees and effectively freezes local government elections on collection of permit fees, providing that a municipality or county that chose to impose permit fees on or before January 1, 2019, may continue to impose such fees, while a municipality or county that did not impose permit fees as of January 1, 2019, may not impose such fees.

HB 693 will now move to the House Ways and Means Committee.

AIF supports legislation that will both reduce the communications services tax and have a positive financial impact on Florida’s consumers, many of whom are businesses that pay for cable or satellite service.

LEGAL & JUDICIAL

HB 847 – Relating to Preemption of Conditions of Employment

On Tuesday, March 19, **HB 847** by Representative Bob Rommel (R-Naples) was heard in the House Workforce Development and Tourism Subcommittee and was reported favorably 9 yeas and 5 nays. **AIF stood in support of this legislation.**

This bill amends s. 218.077, F.S., regarding state preemption of conditions of employment. The bill:

- Expressly prohibits a county, city, district, or other public body created by state law from requiring an employer from paying a minimum wage other than the state or federal minimum wage or to offer other conditions of employment;
- Expressly preempts to the state the right to regulate any requirements imposed upon employers relating to a minimum wage and conditions of employment;
- Defines “conditions of employment” to include preemployment screening, job classification, job responsibilities; hours of work; scheduling and schedule changes, wages, payment of wages, leave, paid or unpaid days off for holidays, illness, vacations, and personal necessity, and employee benefits;
- Voids any ordinance, regulation, or policy currently in existence which is now preempted.

HB 847 will now move to the House Local, Federal, and Veterans Affairs Subcommittee.

AIF supports legislation that allows Florida businesses to adhere to state or federal wage requirements, thus eliminating onerous regulations set by municipalities.

HB 1161 – Relating to Malt Beverages

On Tuesday, March 19, **HB 1161** by Representative Spencer Roach (R-North Fort Myers) was heard before the House Business and Professions Subcommittee and was reported favorably with 14 yeas and 0 nays. **AIF stood in support of this legislation.**

This bill creates a process for returns of malt beverages by a vendor to a distributor for an exchange of product, a refund, or a credit. A vendor may return malt beverages to a distributor if the malt beverages are a “damaged product,” an “out-of-code” product,” or an “undamaged product.” An “out-of-code product” is a malt beverage that has exceeded the manufacturer’s code date indicating the product’s freshness and availability for purchase at retail. A distributor is not required to accept a return request. A product may not be returned because it is overstocked or slow-moving or because there is only limited or seasonal demand for the product. Under the bill, a vendor may request return of undamaged product to a distributor only for exchange of product or for credit and an out-of-code product may be returned to a distributor only for an exchange of product.

HB 1161 will now move to the House Government Operations and Technology Appropriations Subcommittee.

AIF supports legislative efforts to revise outdated laws that impose burdens and restrictions on any sector of the business community, including vendors and distributors of malt beverages.

HEALTH CARE

HB 559 – Relating to Step Therapy Protocols

On Tuesday, March 19, **HB 559** by Representative Ralph Massullo, Jr. (R-Beverly Hills) was heard before the House Health Market Reform Subcommittee and was reported favorably with 14 yeas and 0 nays. **AIF supports the adopted amendment on the underlying bill and stood in support of this legislation.**

Insurers and health maintenance organizations (HMOs) use many cost management strategies to manage drug spending. For example, step therapy is when a health insurance plan requires an individual to try a preferred drug before using a nonpreferred drug.

This bill states that a health insurer may not impose a step-therapy protocol for a covered prescription drug if:

- The insured has been approved to receive the prescription drug through a step-therapy protocol imposed by a health insurer that previously issued major medical coverage to the insured; and,
- The insured is currently taking the drug and is documented by the health insurer that approved the drug.

This does not preclude an insured's new health insurer from imposing a prior authorization requirement for the continued coverage of a drug prescribed and a health insurer is not required to add a drug to its prescription drug formulary, or to cover a prescription drug's use if it is not currently covered.

This bill also requires health insurers and pharmacy benefit managers to establish and offer an online prior authorization process for step therapy exceptions.

HB 559 will now move to the House Appropriations Committee.

AIF supports an online prior authorization form for continued flexibility for health plans to ensure consumers receive high quality, high value and affordable care, through continued use of innovative plan designs.