



DAILY BRIEF

For the 2019 Legislative Session

From April 17, 2019

ECONOMIC DEVELOPMENT

SB 178 – Relating to Florida Tourism Marketing

On Wednesday, April 17, 2019, **SB 178** by Senator Joe Gruters (R-Sarasota) was read on the Senate floor and passed with a vote of 36 yeas and 0 nays.

This bill removes the scheduled repeal date for the Florida Tourism Industry Marketing Corporation, doing business as VISIT FLORIDA, and the scheduled repeal date for Division of Tourism Marketing within Enterprise Florida, Inc. VISIT FLORIDA is the name for the Florida Tourism Industry Marketing Corporation, a non-profit corporation that serves as Florida's statewide destination marketing organization, and represents the state's tourism industry. Without the bill, the statutory authorizations for these entities would be repealed on October 1, 2019.

SB 178 is now in House messages.

AIF supports investment in building a world-class marketing engine with top talent, analytics, and funding that develops and executes data-driven branding strategies.

SB 596 – Relating to Regional Rural Development Grants

On Wednesday, April 17, **SB 596** by Senator Ben Albritton (R-Bartow) was read on the Senate floor and passed with a vote of 38 yeas and 0 nays.

The bill makes changes to how the Regional Rural Development Grant program and the Rural Infrastructure Fund operate. Specifically, the bill amends the Regional Rural Development Grant Program to:

- Increase the maximum annual grant amount to \$250,000 from \$150,000 that three regional economic development organizations that serve the entire region of a rural area of opportunity may receive;

- Increase the amount of funds the Department of Economic Opportunity (DEO) may expend for the program to up to \$1 million annually (from up to \$750,000 annually);
- Reduce the required match the regional economic development organizations must contribute in non-state resources from 100 percent to 25 percent of the state’s contribution; and
 - Allow the use of grant funds to build the professional capacity of regional economic development organizations. The bill amends the Rural Infrastructure Fund program to:
 - Increase the grant awards to 50 percent of infrastructure project costs (up from 30 percent);
 - Clarify that eligible infrastructure projects include access to broadband Internet service, and projects that improve service and access must be through a partnership that was publicly noticed and competitively bid; and
 - Require the DEO to review the grant program application and award procedures by September 1, 2020.

SB 596 is now in House messages

AIF supports efforts to increase economic development in Florida’s rural areas by increasing job growth.

LEGAL & JUDICIAL

SB 76 – Relating to Texting While Driving

On Wednesday, April 17, **SB 76** by Senator Wilton Simpson (R-Spring Hill) was heard in the Senate Rules Committee and was reported favorably with 15 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Currently, Florida law prohibits a person from texting, emailing, and instant messaging while driving, however, enforcement of this is a secondary offense, which means a law enforcement officer must detain a driver for another traffic offense in order to cite the driver for texting while driving. This bill changes the current enforcement from a secondary offense to a primary offense for all distracted driving and handheld use of wireless communication devices, not just texting and emailing, allowing law enforcement officers to stop a vehicle solely for driving while distracted. The main goal of this legislation is to eliminate a component that contributes to distracted driving on Florida’s roadways.

SB 76 will now move to the Senate floor.

AIF supports legislation that addresses the issue of distracted driving and will ensure public safety for all on Florida’s roadways.

SB 862 – Relating to Lessor Liability Under Special Mobile Equipment Leases

On Wednesday, April 17, **SB 862** by Senator Kelli Stargel (R-Lakeland) was heard in the Senate Rules Committee and was reported favorably with 14 yeas and 2 nays, **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida’s Dangerous Instrumentality Doctrine (DID) was created in the early 20th century, a time where automobiles began traveling on public roads. The doctrine has been expanded far beyond the borders of its original intent and now applies to off-highway vehicles such as golf carts, tractors, and construction equipment. The doctrine holds owners or lessors liable for the harm caused by an operator, even when the lessor is not in control of the equipment or vehicle at the time of the incident. Florida is the only state in the country where DID is applied in this manner.

This bill provides that lessors of special mobile equipment are not liable for the acts of the lessee or lessee’s agent or employee if the lease agreement requires documented proof of insurance coverage containing limits of at least \$250,000 per person and up to \$500,000 per incident for bodily injury liability and up to \$100,000 for property damage liability, or at least \$750,000 for combined property damage liability and bodily injury liability. Special mobile equipment are vehicles not designed or used primarily to transport persons or property and that are only incidentally operated or moved over a highway. Examples include ditchdigging apparatus, well-boring apparatus, road construction and maintenance machinery, draglines, self-propelled cranes and earthmoving equipment.

SB 862 will now move to the Senate floor.

AIF supports the protection of owners and lessors from vicarious liability which is harmful to Florida’s business community.

INSURANCE

SB 122 – Relating to Agreements Between Service Providers and Consumers

On Wednesday, April 17, **SB 122** by Senator Doug Broxson (R-Pensacola) was heard before the Senate Rules Committee and was reported favorably with 11 yeas and 6 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill amends the ways in which attorneys can claim attorney fees and sets forth guidelines as to which party is liable for payment. This bill also provides additional consumer protections from AOB abuse, such as allowing an assignor the right to rescind the assignment agreement without worry of paying penalties or fees.

SB 122 will now move to the Senate floor.

AIF supports reforms to the assignment of benefits process that keeps insurance rates low and protects consumers from AOB abuse.

TAXATION

Proposed Committee Bill WMC 19-03 – Relating to Corporate Income Tax

On Wednesday, April 17, PCB WMC 19-03, sponsored and heard by the House Ways and Means Committee, was reported favorably with 11 yeas and 6 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida imposes a 5.5 percent tax on certain income of corporations doing business in Florida. Florida uses federal taxable income from federal tax returns as a beginning point to calculate corporate income tax owed to Florida. Florida updates its utilization of the Federal Internal Revenue Code (IRC) by adopting the code as it exists on January 1 in any given year. Adopting the code on an annual basis ensures the Florida tax code reflects any relevant changes to the IRC that were made during the prior year. The bill:

- Updates the Florida corporate Income Tax Code by adopting the Internal Revenue Code as in effect on January 1, 2019;
- For Florida corporate income tax purposes, provides for a subtraction of global intangible low-taxed income (GILTI) from taxpayers' federal taxable income;
- Extends the current automatic tax rate adjustment and refund mechanism two years;
- Requires corporate income taxpayers with taxable years beginning during 2018 or 2019 calendar years to submit certain information from their federal tax returns to the Department of Revenue and to certify the accuracy and truthfulness of the information; and
- Requires the Department to create a secure online application for the taxpayers to submit the required information beginning September 3, 2019, and to impose a penalty upon taxpayers who fail to timely provide the information.

AIF supports a reduced corporate income tax on businesses to encourage corporate growth and the expansion of employment opportunities in Florida.