



WEEKLY UPDATE

For the 2019 Legislative Session

From March 8, 2019

Welcome back for the 2019 Legislative Session! The focus this year will encompass a myriad of issues in the legislature including, hurricane preparedness and relief due to the impacts of Hurricane Michael; continuing to fight against policies that will increase the cost of health care for Florida's business community, such as prior authorization, retroactive denial of claims and removal of step-therapy protocols; battling back legislation pushed by the Trial Bar that would make it more expensive for businesses to operate in our state; and supporting Governor Desantis' \$91.3 billion budget which includes \$335 million in tax cuts that will go a long way in continuing to help our state achieve prosperity and growth Florida's businesses and families deserve.

We began the first week of session with a gathering of legislators, lobbyist, leaders in the business community and others at the Annual Legislative Reception, an eagerly anticipated event hosted by Associated Industries for more than four decades. The video below highlights legislators that attended the event and their goals for the 2019 Session.

View Video – <https://youtu.be/tkrV5ihMqJQ>

Tuesday kicked off the official start of the legislative session with the Governor, Senate President, and House Speaker all giving their opening day speeches. To view the speeches please see the below links.

Governor DeSantis: <https://youtu.be/hmgSVxACstc>

Speaker Oliva: <https://youtu.be/dtvGiP6EtZw>

President Galvano: <https://www.youtube.com/watch?v=rf5H-5XNWpU>

LEGAL & JUDICIAL

HB 17 – Relating to Tort Reform

On Wednesday, March 6, **HB 17** by Representative Tom Leek (R-Daytona Beach) was heard in the House Civil Justice Subcommittee and was voted favorably with 10 yeas and 5 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida currently has the highest tort system costs among U.S. states as a percentage of state GDP, at 3.6%. In 2016, the total amount paid in costs and compensation within Florida's tort system averaged \$4,442 for each Florida household.

A flawed tort system generates exorbitant damages and unpredictability, causing:

- Increased economic costs and increased risks of doing business;
- Higher insurance premiums;
- Increased healthcare costs and declining availability of medical services; and
- Deterrence of economic development and job creation activities.

HB 17 will now move to the House Commerce Committee.

AIF supports tort reforms which will dramatically reduce the costs of the tort system in Florida while providing a better business climate in the state.

HB 355 – Relating to Dangerous Instrumentality Doctrine

On Wednesday, March 6, **HB 355** by Representative Tom Leek (R-Daytona Beach) was heard in the House Civil Justice Subcommittee and was voted favorably with 10 yeas and 5 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.

HB 355 will now move to the House Insurance and Banking Subcommittee.

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

SB 76 – Relating to Distracted While Driving

Wednesday, March 6, **SB 76** by Senator Wilton Simpson (R-Spring Hill) was heard before the Senate Innovation, Industry, and Technology Committee and was voted 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.**

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. The bill would rename the "Florida Ban on Texting While Driving Law" to the "Florida Driving While Distracted Law." This bill would change 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 Judiciary Committee.

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

HB 431 – Relating to Liens Against Motor Vehicles and Vessels

On Wednesday, March 6, **HB 431** by Representative Jason Fischer (R-Jacksonville) was heard in the House Civil Justice Subcommittee and was voted 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.**

Currently, towing companies and auto repair shops, among others, may impose a lien on automobiles for towing and storage charges, as well as unpaid repair costs. The current statute requires the lienor to give the auto owner and all parties that have a financial interest in the auto notice of the lien and the public sale of the auto to cover paying off the lien.

Unfortunately, some "bad actors" in Florida have been abusing our current system by:

- Manipulating the time period for sending the notice of lien and notice of sale to eliminate the owner or finance company's ability to pay the charges and recover the auto;

- Sending empty envelopes to the entity that has lien on the auto for providing the financing of the auto;
- Imposing very high administrative fees for perfecting the lien and enforcing the lien;
- Adding unreasonable or fraudulent charges to the towing or repair bill to justify the sale of the auto and keeping all proceeds of the sale.

HB 431 will now move to the House Transportation & Infrastructure Subcommittee.

AIF supports legislation that prevents the increase in insurance rates. When ‘bad actor’ companies take advantage of the current lien laws, insurance rates become improperly inflated and has a harmful effect on many sectors of the business community.

SB 180 – Relating to Lost or Abandoned Personal Property

On Thursday, March 7, **SB 180** by Senator Kelli Stargel (R-Lakeland) was read for a third time on the Senate floor and passed by a vote of 38 yeas and 0 nays.

This bill allows an owner or operator of a theme park, entertainment complex, zoo, museum, aquarium, public food service establishment, or public lodging establishment to elect to dispose of or donate lost or abandoned property found on its premises. Under the bill, an owner or operator who elects to dispose of or donate lost or abandoned property must first take charge of the property, maintain a record of the property, and hold the property for at least 30 days. The bill prohibits the owner or operator from selling the property. If the property remains unclaimed after 30 days, the owner or operator must dispose of or donate the property to a charitable institution. If a charitable institution accepts certain electronic devices, the bill requires the charitable institution to make a reasonable effort to delete all personal data from the device before its sale or disposal. The bill also provides that the rightful owner of the property may reclaim the property at any time before its disposal or donation.

SB 180 is in House messages.

HB 423 – Relating to Lost or Abandoned Personal Property

On Wednesday, March 6, **HB 423** by Representative Spencer Roach (R-North Fort Myers) was heard in the House Civil Justice Subcommittee and was voted favorably with 14 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

The bill creates an alternate disposal process for lost or abandoned property for owners and operators of theme parks, entertainment complexes, zoos, museums, aquariums, public food service establishments, and public lodging establishments. The alternative process would require these types of facilities to hold the property for at least 30 days. Any property not claimed within 30 days must be donated to a charitable institution.

HB 423 will now move to the House Commerce Committee.

AIF supports the right of property owners to hold and donate lost or abandoned property thereby eliminating the burden of contacting law enforcement for lost personal belongings.

ECONOMIC DEVELOPMENT

Proposed Committee Bill PKI 19-01 – Relating to Career Education

On Wednesday, March 6, **PCB PKI 19-01**, sponsored and heard by the PreK-12 Innovation Subcommittee, was voted 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.**

Florida's growing labor market will need to fill an additional 1.7 million vacancies by 2030. In order to meet this demand, Florida's PreK-20 education system must have the capacity to produce graduates who are ready to fill high-growth, high-demand careers.

To help meet the growing workforce demand, this bill:

- Revises the school grades formula to recognize career certificate clock hour dual enrollment and establishes formal career dual enrollment agreements between high schools and career centers;
- Requires the Department of Education to aid in increasing public awareness of apprenticeship and pre-apprenticeship opportunities; and
- Requires the elimination of industry certifications that are not aligned to industry needs.

AIF supports adopting the PreK-to-Job model of the future to improve the organic talent pipeline and create a strategy that addresses these gaps, including training the talent required for the future in our PreK-to-Job system today.

HB 671 – Relating to Regional Rural Development Grants

On Thursday, March 7, **HB 671** by Representative Chuck Clemons (R-Jonesville) was heard in the House Workforce Development & Tourism Subcommittee and was voted favorably with 13 yeas and 2 nays. **AIF stood in support of this legislation.**

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.

HB 671 will now move to the House Transportation & Tourism Appropriations Subcommittee.

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

TRANSPORTATION

HB 311 – Relating to Autonomous Vehicles

On Wednesday, March 6, **HB 311** by Representative Jason Fischer (R-Jacksonville) was heard in the House Transportation & Infrastructure Subcommittee and was voted favorably with 14 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 Transportation & Tourism Appropriations Subcommittee.

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

SB 796 – Relating to Public Utility Storm Protection Plans

On Wednesday, March 6, **SB 796** by Senator Joe Gruters (R-Sarasota) was heard in the Senate Innovation, Industry, and Technology Committee and was voted favorably with 10 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. To maintain reasonable electric rates, public utilities may not underground more than 4% of distribution lines per year.

SB 796 will now move to the Senate Infrastructure and Security Committee.

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

SB 122 – Relating to Attorney Fee Awards Under Insurance Policies and Contracts

On Monday, March 4, **SB 122** by Senator Doug Broxson (R-Pensacola) was heard before the Senate Banking and Insurance Committee and was reported favorably with 5 yeas and 3 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Currently, assignment of benefit legal abuse is perpetrated by a handful of plaintiff’s 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 full and informed consent. This bill would limit

the assignees of post-loss benefits that may recover attorney fees to a named insured, named beneficiary, or omnibus insured. Assignees of post-loss benefits such as contractors, motor vehicle repair shops, and medical providers would no longer be able to recover attorney fees.

SB 122 will now move to the Senate Judiciary Committee.

Proposed Committee Bill CJS 19-01 – Relating to Insurance Assignment Agreements

On Wednesday, March 6, **PCB CJS 19-01**, sponsored and heard by the House Civil Justice Subcommittee, and was voted favorably with 13 yeas and 2 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, 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.

AIF supports reforms to the assignment of benefits process to protect consumers against these abuses.

HEALTH CARE

HB 23 – Relating to Telehealth

On Tuesday, March 5, **HB 23** by Representative Clay Yarborough (R-Jacksonville) was heard in the House Health Quality Subcommittee and was reported favorably with 11 yeas and 2 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Telehealth is the remote delivery of health care services using technology. This bill authorizes Florida licensed health care professionals to use telehealth, simultaneous audio and video, to deliver health care services within their scopes of practice. The bill also authorizes out-of-state health care professionals to use telehealth to deliver health care services to Florida patients if they register with the Department of Health or the applicable board, meet certain eligibility requirements, and pay a fee. While an out of state registered provider may use telehealth to provide health care services to Florida patients, they are prohibited from opening an office or providing in person services in Florida. For tax years beginning on or after January 1, 2018, the bill creates a tax credit for health insurers and health maintenance organizations (HMOs) that cover services provided by telehealth.

HB 23 will now move to the House Ways and Means Committee.

AIF supports legislation that permits an unfettered role for telehealth services that will allow our citizens access to better quality care at lower costs.

HB 831- Relating to Electronic Prescribing

On Tuesday, March 5, **HB 831** by Representative Amber Mariano (R-Port Richey) was heard in the House Health Quality Subcommittee and was reported favorably with 12 yeas and 1 nay. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Electronic prescribing (e-prescribing) is a method by which an authorized health care practitioner electronically transmits a prescription to a pharmacy using a secure software system. Efforts have been made by states, as well as the federal government, to increase the use of e-prescribing software. Beginning January 1, 2020, HB 831 requires prescribers to generate and transmit all prescriptions electronically.

HB 831 will now move to the House Health Care Appropriations Subcommittee.

AIF supports legislation that provides for improved prescription accuracy, increased patient safety, reduced opportunities for fraud and abuse and reduced overall costs. Improving the overall functionality and cost will further enable Florida employers to provide health care coverage for our citizens.