



WEEKLY UPDATE

For the 2019 Legislative Session

From April 12, 2019

ENVIRONMENTAL

SB 816 – Relating to Environmental Regulation

On Tuesday, April 9, **SB 816** by Senator Keith Perry (R-Gainesville) was heard in the Senate Community Affairs Committee and was reported favorably with 5 yeas and 0 nays. **AIF stood in support of this legislation.**

This bill requires local governments to work with residential recycling collectors and material recovery facilities to reduce contamination of curbside recycling. As Florida continues to move toward the statewide 75% recycling goal, this legislation is specifically designed to improve the capture rate of clean recyclable material.

SB 816 will now move to the Senate Appropriations Committee.

AIF supports legislative efforts to achieve the statewide 75% recycling goal which helps keep Florida clean, creates jobs, and maintains our strong tourism industry.

ENERGY

SB 796 – Relating to Public Utility Storm Protection Plans

On Thursday, April 11, SB 796 by Senator Joe Gruters (R-Sarasota) was heard in the Senate Appropriations Committee and was reported favorably with 19 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.

SB 796 will now move to the Senate floor.

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.

TAXATION

SB 1000 – Relating to Communication Services

On Tuesday, April 9, **SB 1000** by Senator Travis Hutson (R-Palm Coast) was heard before the Senate Finance and Tax Committee and was reported favorably with 5 yeas 2 nays. **AIF stood in support of this legislation.**

This bill changes the way the use of public rights-of-way by providers of communications services are governed. Specifically:

- Prohibiting a local government from instituting permits for collocation of small wireless facilities or related poles.
- Deleting the authority for a local government to require performance bonds and security funds.
 - Instead, the bill allows them to require a construction bond limited to no more than 1 year after the construction is completed;
- Requiring a local government to accept a letter of credit or similar instrument issued by any financial institution authorized to do business within the U.S.;
- Allowing a provider of communications services to add a local government to any existing bond, insurance policy, or other financial instrument, and requiring the local government to accept such coverage;
- Prohibiting a local government from requiring a permit applicant to provide inventories, maps, or locations of communication facilities in the rights-of-way, unless it is necessary to avoid interference with existing facilities
- Providing additional requirements for a local government's permit registration and application process for communications services providers' use of public rights-of-way

SB 1000 will now move to the Senate Appropriations Committee.

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

Proposed Committee Bill WMC 19-02 – Relating to Taxation

On Thursday, April 11, PCB WMC 19-02, sponsored and heard by the House Ways and Means Committee, 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.**

The bill provides for several tax reductions and other tax-related modifications designed to directly impact both families and businesses. Specifically, this bill provides:

- A reduction in the tax rate for commercial property rentals from 5.7% to 5.35%,
- A three-day “back-to-school” holiday for certain clothing, school supplies, and personal computers, and
- A seven-day “disaster preparedness” holiday for specified disaster preparedness items. Regarding property taxes, the bill includes the following:
- The timing of payments to local governments in fiscally constrained counties and Monroe County to offset property tax refunds granted to homeowners due to hurricanes in 2016 and 2017 would be slightly delayed in fiscal year 2019-20 to allow for the related state appropriation to be based on actual data, instead of an estimate.

SB 1000 will now move to the Senate Appropriations Committee.

AIF supports legislative actions that reduce taxes on businesses which allows further growth and employment opportunities.

HEALTH CARE

HB 831 & SB 1192 - Relating to Electronic Prescribing

On Thursday, April 11, **HB 831** by Representative Amber Mariano (R-Port Richey) was read a third time on the House floor and passed with a vote of 111 yeas and 4 nays.

On Monday, April 8, **SB 1192** by Senator Aaron Bean (R-Jacksonville) was heard in the Senate Health Policy Committee 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.**

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 and SB 1192 require prescribers to generate and transmit all prescriptions electronically, unless in the instance of technological failure. While requires prescribers to generate and transmit all prescriptions electronically.

HB 831 is now in Senate messages.

SB 1192 will now move to the Senate Appropriations Subcommittee on Health and Human Services.

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.

SB 1180 – Relating to Consumer Protections from Nonmedical Prescription Drug Formularies

On Monday, April 8, **SB 1180** by Senator Debbie Mayfield (R-Melbourne) was heard before the Senate Health Policy Committee and was reported favorably with 8 yeas and 1 nay. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition to this legislation.**

A major driver of health care costs is the rising cost of medicines. Drug companies raise the prices of both new and old medicines at will. No government body—not the Federal Trade Commission, not the Food and Drug Administration, and not the Centers for Medicare & Medicaid Services—have rules or laws that dictate or restrict the price a pharmaceutical company can set for a drug - and in most cases, there's nothing that restricts how much a drug company can raise that price.

This bill would eliminate the only current force to counter the price increases on pharmaceuticals – the threat of losing insurance coverage, which helps push back on arbitrary price hikes. Handcuffing the negotiators who work hard to make sure drugs are affordable is bad public policy and will help make health insurance even more unaffordable.

SB 1180 will now move to the Senate Rules Committee.

AIF opposes legislation that removes cost controls and increases healthcare costs for Florida businesses.

HB 23 – Relating to Telehealth

On Thursday, April 11, HB 23 by Representative Clay Yarborough (R-Jacksonville) was read a third time on the House floor and passed with a vote of 102 yeas and 14 nays.

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 is now in Senate messages.

AIF supports legislation that permits an unfettered role for telehealth services that will help Floridians access better quality care at lower costs.

INSURANCE

SB 714 – Relating to Insurance

On Monday, April 8, **SB 714** by Senator Jeff Brandes (R-Saint Petersburg) was heard in the Senate Banking and Insurance Committee and was reported favorably with 7 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill amends several insurance-related statutes, specifically:

- Requires the Florida Hurricane Catastrophe Fund (FHCF) to reimburse a covered insurer’s loss adjustment expenses at 10 percent of the insurer’s loss reimbursement, instead of 5 percent as under current law;
- Authorizes insurers to transfer title of totaled motor vehicles or mobile homes to the Department of Highway Safety and Motor Vehicles electronically as well as through regular mail;
- Provides that workers compensation insurance applicants and their agents are no longer required to have their sworn statements notarized;
- Allows an insurer to offer and give insureds goods or services of any value for the purposes of loss control or loss mitigation related to covered risks. Currently it is an unfair insurance trade practice to provide items or services to an insured valued at more than \$100 per year;
- Allows a property, casualty, or surety insurer to offer a premium discount for a policy if another policy has been purchased from a different insurer that:
 - Has a joint marketing arrangement with the insurer offering the discount;
 - Issued the policy pursuant to the Citizens clearinghouse program if the same agent is servicing both policies; or
 - Has its policy serviced by the same agent who is servicing the discounted policy.
- Requires a premium discount offered by a property, casualty, or surety insurer to be actuarially sound.

SB 714 will now move to the Senate Rules Committee.

AIF supports legislative efforts to reduce insurance rates to maintain Florida’s business friendly climate.

HB 1113 – Relating to Health Insurance Savings Program

On Thursday, April 11, HB 1113 by Representative Paul Renner (R-Palm Coast) was read a third time on the House floor and passed with a vote of 114 yeas and 0 nays.

This bill creates the Patient Savings Act, which allows health insurers to create a voluntary shared savings incentive program to encourage insured individuals to shop for high quality, lower cost health care services. The bill directs health insurers who choose to offer the program to develop a website outlining the range of shoppable health care services available to insureds. This website must provide insureds with an inventory of participating health care providers and an accounting of the shared savings incentives available for each shoppable service. When an insured obtains a shoppable health care service for less than the average price for the service, the bill requires the savings to be shared by the health insurer and the insured. An insured is entitled to a financial incentive that is no less than 25 percent of the savings that accrue to the insurer as a result of the insured’s participation.

HB 1113 is now in Senate messages.

AIF supports legislation that provides high quality healthcare at a lower cost to Floridians and businesses that operate in our state.

HB 7065 – Relating to Insurance Assignment Agreements

On Thursday, April 11, HB 7065, sponsored by the House Civil Justice Subcommittee, was read a third time on the House floor and passed with a vote of 96 yeas and 20 nays.

Unfortunately, auto glass was removed from legislation on the House floor.

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 is now in Senate messages.

AIF supports reforms to the AOB process to protect consumers against these abuses that drive up insurance costs.

LEGAL & JUDICIAL

HB 57 – Relating to Percentage of Elector Votes Required to Approve an Amendment or a Revision

On Monday, April 8, **HB 57** by Representative Rick Roth (R-Palm Beach Gardens) was heard in the House State Affairs Committee and was reported favorably with 15 yeas and 6 nays. **AIF stood in support of this legislation.**

This bill changes the vote threshold for amendments and revisions to Florida’s constitution from the current 60% of elector votes to 66 and 2/3%.

HB 57 will now move to the House Judiciary Committee.

AIF supports the measures contained in this bill to prevent interest groups’ circumvention of the legislature in revising Florida’s constitution.

SB 772 – Relating to Liens Against Motor Vehicles and Vessels

On Monday, April 8, **SB 772** by Senator Kelli Stargel (R-Lakeland) was heard in the Senate Judiciary Committee and was reported favorably with 6 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.

SB 772 will now move to the Senate Rules Committee.

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 862 – Relating to Lessor Liability Under Special Mobile Equipment Leases

On Monday, April 8, **SB 862** by Senator Kelli Stargel (R-Lakeland) was heard before the Senate Judiciary Committee and was reported favorably with 5 yeas and 1 nay. **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 the lessee to maintain insurance with limits of at least \$100,000/\$300,000 for bodily injury liability and \$50,000 for property damage liability, or at least \$500,000 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 ditch digging apparatus, well-boring apparatus, road construction and maintenance machinery, drag-lines, self-propelled cranes, and earthmoving equipment.

SB 862 will now move to the Senate Rules Committee.

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

SB 1730 – Relating to Community Development and Housing

On Tuesday, April 9, **SB 1730** by Senator Tom Lee (R-Brandon) was heard in the Senate Infrastructure and Security Committee and was reported favorably with 7 yeas and 1 nay. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill amends various statutes relating to growth management, restricts the ability of a county or municipality to adopt and enforce inclusionary housing ordinances or regulations, and sets timeframe parameters for building application approval or denial. After receiving a development permit application, the county and municipality must review the application for completeness and issue a response within 30 days. The bill also requires the collection of impact fees, which are an important source of revenue for local governments to fund infrastructure projects. Additionally, the bill prohibits a local government from charging an impact fee for the development or construction of affordable housing but provides an exception under certain circumstances.

SB 1730 will now move to the Senate Rules Committee.

AIF supports legislative efforts to maintain our state's infrastructure and assist Florida's workforce with access to affordable housing.

HB 17 – Relating to Damages

On Tuesday, April 9, **HB 17** by Representative Tom Leek (R-Daytona Beach) was heard in the House Judiciary Committee and was reported favorably with 12 yeas and 6 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 floor.

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.

SB 7096 – Relating to Constitutional Amendments

On Tuesday, April 9, **SB 7096**, sponsored by the Senate Judiciary Committee, was heard in the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development

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.**

This bill changes the process for amending the constitution by citizen initiative by:

- Requiring petition gatherers to be Florida residents and registered with the Secretary of State;
- Disqualifying petitions collected by unregistered petition gatherers from counting toward the number of petitions required for an initiative amendment to appear on the ballot;
- Prohibiting compensation to petition-gatherers on a per-signature basis; and
- Requiring the ballot for an initiative amendment include:
 - A bold-font, capitalized statement regarding the financial impact to the state if the Financial Impact Estimating Conference determines that the measure will increase costs, decrease revenue, or have an indeterminate fiscal impact;
- A “yes” or “no” determination by the Florida Supreme Court as to whether the policy in the amendment could instead be accomplished by the Legislature instead of through the initiative amendment; and
- The name of the amendment’s sponsor and the percentage of contributions received by the sponsor from in-state contributors.

SB 7096 will now move to the Senate Appropriations Committee.

AIF supports legislation that adds transparency and accountability to amending the Florida constitution by citizen imitative.

HB 7103 – Relating to Property Development

On Wednesday, April 10, **HB 7103** by the House Judiciary Committee, was heard in the House State Affairs Committee and was reported favorably with 14 yeas and 8 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Property development in Florida is governed in part by both the Community Planning Act and the Florida Building Code. The Community Planning Act governs how local governments create and adopt local comprehensive plans, implement land development regulations, and issue development orders and permits. Every local government must enforce the Building Code and issue building permits. Local governments impose impact fees to fund local infrastructure needed to expand local services to meet the demands of population growth caused by development.

This bill changes property development regulations by:

- Restricting counties and municipalities from adopting or imposing certain mandatory affordable housing ordinances;

- Imposing time limits for a county or municipality to review a development order or permit application;
- Reducing the time period building departments have to review a permit application when a private provider approves the plans;
- Prohibiting a building official from replicating plan reviews or inspections performed by a private provider;
- Amending how a local government may impose impact fees.

HB 7103 will now move to the House floor.

AIF supports legislative efforts to remove onerous regulations imposed on any part of Florida's business community.

HB 3 – Relating to Preemption of Local Regulations

On Thursday, April 11, HB 3 by Representative Michael Grant (R-Port Charlotte) was read a third time on the House floor and passed with a vote of 88 yeas and 24 nays.

This bill aims to preempt authority to the state and away from local governments when it comes to business regulations. Both big and small businesses must abide by the rules and regulations set in place by their local governments, regardless of if that rule or regulation differs from city to city, or county to county. This circumstance causes those who conduct business in multiple cities or counties throughout the state to abide by a myriad of rules that are inconsistent and must be complied with in order to continue their business. AIF believes that preempting business regulation to the state will allow for a streamlined system that businesses, (old and new, small and large) can easily follow when conducting business across the State of Florida.

HB 3 is now in Senate messages.

AIF supports legislation that will streamline business regulation throughout the state.

TRANSPORTATION

HB 905 – Relating to the Department of Transportation (DOT)

On Wednesday, April 10, **HB 905** by Representative Alex Andrade (R-Pensacola) was heard in the House State Affairs Committee and was voted favorably with 23 yeas and 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill:

- Prohibits local governments from adopting standards or specifications for the permissible use of aggregates that are contrary to DOT's standards or specifications;
- Requires any contractor desiring to bid on DOT contracts in excess of \$50 million to have satisfactorily completed two, \$15 million projects prior to being eligible to bid;
- Increases the dollar threshold for certain contract claims that may go before the State Arbitration Board.

HB 905 will now move to the House floor.

AIF supports legislation that streamlines DOT regulations and provides quality infrastructure for the businesses operating on our roads.

SB 7068 – Relating to Transportation

On Thursday, April 11, SB 7068, sponsored by the Senate Infrastructure and Security Committee, was heard in the Senate Appropriations Committee and was reported favorably with 20 yeas and 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

This bill creates the Multi-use Corridors of Regional Economic Significance Program within the Florida Department of Transportation. The program is designed to advance construction of regional corridors that will accommodate multiple modes of transportation and multiple types of infrastructure. The specific purpose of the program is to revitalize rural communities, encourage job creation in those communities, and provide regional connectivity while leveraging technology, enhancing quality of life and public safety, and protecting the environment and natural resources.

SB 7068 will now move to the Senate floor.

AIF supports legislation that revitalizes rural communities and allows Florida businesses to create jobs and enhance the quality of life in the state.

ECONOMIC DEVELOPMENT

SB 770 – Relating to Education

On Wednesday, April 10, **SB 770** by Senator Travis Hutson (R-Palm Coast) was heard in the Senate Innovation, Industry, and Technology Committee 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 promotes career education and readiness opportunities for students in public schools by creating an alternative pathway, namely the career and technical education (CTE) graduation pathway option, for students to earn a standard high school diploma, and specifies related requirements. Specifically, the bill:

- Requires students to successfully complete at least 18 credits to receive a standard high school diploma under the CTE graduation pathway option;
- Modifies the 24-credit pathway for earning a standard high school diploma by revising computer science credit substitution for mathematics or science credits;
- Revises the acceleration mechanism component for the school grade calculation for high schools by specifying that dual enrollment courses include career clock-hour dual enrollment courses;
- Creates the Florida Pathways to Career Opportunities Grant Program to enable high school and Florida College System institutions to offer applied learning opportunities for students in high-demand career pathways linked to occupations that will provide students with mid-level and high-level wages;
- Requires district school boards to declare a “College and Career Decision Day” to recognize high school seniors and encourage them to prepare for college and pursue advanced career pathways.

SB 770 will now move to the Senate Appropriations Committee.

AIF supports efforts to grow the talent pipeline to maintain the competitive edge Florida businesses have come to expect in the state.