



DAILY BRIEF

For the 2020 Legislative Session

From February 27, 2020

ENVIRONMENT

HB 1343 – Relating to Water Quality Improvements

On Thursday, February 27, [HB 1343](#), co-sponsored by Representative Blaise Ingoglia (R-Spring Hill) and Representative Bobby Payne (R-Palatka) was heard by the House State Affairs Committee and was reported favorable with 15 yeas and 7 nays. **AIF stood in support of this legislation.**

States are required by the Clean Water Act to maintain the quality of their waters. In Florida, water quality is addressed through water quality standards, total maximum daily loads (TMDLs), basin management action plans (BMAPs), and permits.

The bill addresses water quality impacts by:

- Transferring the Onsite Sewage Program from the Department of Health to the Department of Environmental Protection (DEP);
- Repealing certain onsite sewage treatment and disposal system (OSTDS) advisory committees;
- Creating an OSTDS technical advisory committee to make recommendations that increase the availability of nutrient-reducing OSTDSs;
- Requiring OSTDS remediation plans;
- Requiring DEP staff training to include field inspections of stormwater structural controls;
- Requiring DEP and the water management districts (WMDs) to update the stormwater regulations using the most recent science;
- Requiring local governments to create wastewater treatment plans;
- Requiring sanitary sewage facilities to take steps to prevent sanitary sewer overflows;
- Requiring DEP to establish real-time water quality monitoring;
- Requiring advanced wastewater treatment for domestic wastewater discharges to the Indian River Lagoon;
- Prohibiting the land application of biosolids on certain sites;
- Requiring the Department of Agriculture and Consumer Services (DACCS) to conduct inspections of producers enrolled in best management practices (BMPs);
- Requiring the University of Florida to develop research plans for developing new BMPs; and
- Creating grant programs for the funding of water quality projects.

The also bill prohibits a local government regulation from recognizing or granting any legal right to a plant, animal, body of water, or any other part of the natural environment that is not a person or political subdivision; or from granting a person or political subdivision any specific rights relating to the natural environment.

HB 1343 will now move to the House floor.

AIF supports legislation that protects Florida businesses from lawsuits by defining that people cannot sue on behalf of inanimate objects, i.e. rivers, lakes, streams etc.

ECONOMIC DEVELOPMENT

SB 922 – Relating to Economic Development

On Thursday, February 27, [SB 922](#) by Senator Joe Gruters (R-Sarasota) was heard by the Senate Appropriations Committee and was reported favorable with 19 yeas and 0 nays. **AIF stood in support of this legislation.**

The bill makes changes to the Qualified Target Industry Tax Refund Program. Specifically, the bill provides that certain businesses that relocate to, or expand into, a county affected by Hurricane Michael are eligible to receive an increased tax refund and authorizes certain businesses located in a county affected by Hurricane Michael to apply for an economic recovery extension. The bill also removes the scheduled repeal date for the tax refund program.

SB 922 will now move to the Senate floor.

AIF supports legislation, funding and other assistance from the federal and state governments to help Florida’s panhandle recover from the impacts of Hurricane Michael.

HEALTH CARE

SB 714 – Relating to Testing for and Treatment of Influenza

On Thursday, February 27, [SB 714](#) by Senator Travis Hutson (R-Palm Coast) was heard by the Senate Appropriations Committee and was reported favorable with 15 yeas and 4 nays. **AIF stood in support of this legislation.**

Pharmacy is the third largest health profession behind nursing and medicine and the Board of Pharmacy, in conjunction with the Department of Health, regulates the practice of pharmacists and pharmacies.

The bill amends the definition of the “practice of the profession of pharmacy” to include the testing for and treatment of influenza (flu) by a pharmacist.

SB 714 will now move to the Senate floor.

AIF supports increased access to care which keeps healthcare and insurance costs low for businesses while providing a healthy workforce.

INSURANCE

HB 895 – Relating to Insurance

On Thursday, February 27, [HB 895](#) by Representative David Santiago (R-Deltona) was heard by the House Commerce Committee and was reported favorable with 15 yeas and 9 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida law imposes a duty of good faith on an insurer in negotiating the settlement of a claim with the insured or a third party; meaning, the insurer must attempt in good faith to settle a claim when, under the circumstances, it can settle if it acts fairly and honestly toward its insured and with due regard to his or her interest. An insurer acting in bad faith may harm the insured party, by failing to settle a third party's claim against the insured, exposing the insured to greater liability. It could also harm a third party to the insurance contract by failing to settle its claim against the insured. Either an insured or a third party to the insurance contract can sue the insurer for bad faith. A jury decides whether the insurer acted in bad faith and determines the amount of damages.

- **Claimant's Good Faith Requirement** – The bill creates a statutory good faith obligation on the insured, claimant, and the representative of the insured or claimant. In an action alleging insurer bad faith, the jury (or judge, in a bench trial) must consider whether the plaintiff and their representative acted in good faith and if they failed to so act, make a reasonable reduction in the damages awarded, if any.
- **Bar to Civil Remedy** – The bill prohibits a third-party lawsuit for insurer bad faith in a liability claim, if there is a single claimant and the insurer paid the lesser of the claimant's demand or policy limits or if there are multiple claimants and the insurer submits the matter at policy limits to the court for resolution of the claimant's percentage share of the policy limit amount either within 90 days following the second notice of claim or during the 60-day cure period following receipt of the required pre-suit notice.
- **Filing of Pre-Suit Notice and Tolling of Statute of Limitation** – Florida law requires a pre-suit notice to the Department of Financial Services (DFS) and the insurer 60 days prior to suing on a bad faith claim, but no particular insurer address is specified. The bill requires the insurer to designate an email address for delivery of the notice and mandates that DFS forward notices to that email. It starts the 60 days from the day the insurer receives the forwarded notice. Also, it extends the statute of limitation for 60 days, if the property appraisal process is invoked in the claim.

HB 895 will now move to the House floor.

AIF supports smart, targeted reforms that help keep the insurance markets up to date while protecting Florida policyholders.

LEGAL & JUDICIAL

HB 7041 – Relating to Litigation Financing Consumer Protection

On Thursday, February 27, [HB 7041](#), sponsored by the House Civil Justice Subcommittee, was heard by the House Commerce Committee and was reported favorable with 20 yeas and 3 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Litigation financing is a non-recourse transaction in which a third party (“litigation financier”) provides funds to a person bringing a civil action or claim in exchange for an assignment of the person’s contingent right to receive an amount of the civil action or claim’s potential proceeds

The bill establishes various requirements, such as registering with the Department of State and posting a bond, on litigation financiers. The bill also establishes requirements regarding the contracts, disclosure to consumers, and prohibited conduct. Specifically, the bill caps the fees for any civil action or claim, regardless of the number of contracts of a litigation financier. Lastly, it provides that violation of the Act is a violation of the Florida Deceptive and Unfair Trade Practices Act.

HB 7041 will now move to the House floor.

AIF supports efforts that create transparency and accountability to prevent malevolent litigation financiers from driving up litigation costs, and; therefore, driving up the cost to do business in Florida.

HB 1165 – Relating to Beverage Law

On Thursday, February 27, [HB 1165](#) by Representative Holly Raschein (R-Key Largo) was heard by the House Commerce Committee and was reported favorable with 12 yeas and 11 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

In Florida, the Beverage Law regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors. Since the repeal of Prohibition, regulation of alcohol in the United States has traditionally been based upon what is termed the “three-tier system.” The system requires separation of the manufacture, distribution, and sale of alcoholic beverages. The manufacturer creates the beverages, and the distributor obtains the beverages from the manufacturer to deliver to the vendor. The vendor makes the ultimate sale to the consumer. Generally, only licensed vendors are permitted to sell alcoholic beverages directly to consumers at retail, and manufacturers, distributors, and exporters are generally prohibited from holding a vendor’s license.

The bill provides that a manufacturer or importer of malt beverages and a vendor may enter into a written agreement for brand-naming rights and associated cooperative advertising if negotiated at arm’s length and only at specified venues in the state such as theme parks.

HB 1165 will now move to the House floor.

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 alcoholic beverages.

TAXATION

SB 524 – Relating to Sales Tax Holiday for Disaster Preparedness Supplies

On Thursday, February 27, [SB 524](#) by Senator Joe Gruters (R-Sarasota) was heard by the Senate Appropriations Committee and was reported favorable with 19 yeas and 0 nays. **AIF stood in support of this legislation.**

Florida levies a 6% sales and use tax on the sale or rental of most tangible personal property, admissions, transient rentals, rental of commercial real estate, and a limited number of services.

The bill establishes an 18-day “disaster preparedness” sales tax holiday, from May 29, 2020 through June 15, 2020, during which time certain items purchased for disaster preparedness and protection are exempt from the sales and use tax and local discretionary sales surtaxes. The bill allows the Department of Revenue to adopt emergency rules in order to implement the sales tax holiday.

SB 524 will now move to the Senate floor.

AIF supports legislation that reduces taxes and provides Floridians with a preparedness tax exemption encouraging them to protect their assets against potential destruction.

SB 542 – Relating to Back-to-School Sales Tax Holiday

On Thursday, February 27, [SB 542](#) by Senator Keith Perry (R-Gainesville) was heard by the Senate Appropriations Committee and was reported favorable with 19 yeas and 0 nays. **AIF stood in support of this legislation.**

Florida levies a 6% sales and use tax on the sale or rental of most tangible personal property, admissions, transient rentals, rental of commercial real estate, and a limited number of services.

The bill establishes a 10-day “back-to-school” sales tax holiday, from Friday, July 31, 2020 to Sunday, August 9, 2020, for certain clothing, school supplies, personal computers, and personal computer-related accessories.

SB 542 will now move to the Senate floor.

AIF supports tax cuts for Florida’s consumers and businesses.

SB 7058 – Relating to Internal Revenue Code

On Thursday, February 27, [SB 7058](#), sponsored by the Senate Finance and Tax Committee, was heard by the Senate Appropriations Committee and was reported favorable with 18 yeas and 0 nays. **AIF stood in support of this legislation.**

Florida imposes a 5.5% tax on the taxable income of corporations and financial institutions doing business in Florida. The determination of taxable income for Florida tax purposes begins with the taxable income used for federal income tax purposes. Additional adjustments are then made to determine Florida's taxable income. By starting with federal taxable income, Florida eases the administrative burden on Florida taxpayers because they receive the same treatment in Florida as is allowed in determining their federal taxable income. Florida maintains this relationship with the federal Internal Revenue Code (IRC) each year by adopting the IRC as it exists on January 1 of the year. By doing this, Florida adopts any changes that were made in the previous year to the determination of federal taxable income.

The bill updates Florida's corporate Income Tax Code by adopting the federal Internal Revenue Code in effect on January 1, 2020.

SB 7058 will now move to the Senate floor.

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