



# WEEKLY UPDATE

For the 2020 Legislative Session

## From January 17, 2020

Welcome back for the 2020 Legislative Session! Below is a brief synopsis of this week's legislative action important to the business community. Additionally, you may view opening day remarks from the Governor and Speaker of the House.

### **Governor Ron DeSantis's Opening Day Remarks**

<https://youtu.be/NDZZjaMPbzE>

### **Speaker Jose Oliva's Opening Day Remarks**

<https://youtu.be/7QreTckEta4>

## **ECONOMIC DEVELOPMENT**

### **SB 848 – Relating to Rural Communities**

On Tuesday, January 14, **SB 848** by Senator Bill Montford (D-Quincy) was heard in the Senate Commerce & Tourism Committee and was reported favorably with 5 yeas and 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

The U.S. Census Bureau defines urban areas as areas of 50,000 or more population and urban clusters of at least 2,500 and less than 50,000 population. Additionally, the Bureau considers anything that is not an urban area to be rural. Geographically, 86.2% of Florida's land lies in rural areas but only 8.8% of Florida's population lives in those rural areas.

The bill creates the "Florida Rural Job and Business Recovery Act." The bill uses tax credits against the state insurance premium tax to incentivize investors to give funds to certified growth fund entities that, in turn, will make capital or equity investments, or loans with a maturity date of at least one year, in growth businesses (businesses that, among other qualifications, employee less than 200) located in non-urbanized areas of the state.

SB 848 will now move to the Senate Finance & Tax Committee.

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

## **SB 356 and HB 115– Keep Our Graduates Working Act**

On Wednesday, January 15, **SB 356** by Senator Travis Hutson (R-Palm Coast) was heard in the Senate Rules Committee and was reported favorably with 16 yeas and 0 nays. **AIF stood in support of this legislation.**

On Thursday, January 16, **HB 115** by Representative Nicholas Duran (D-Miami) was heard in the House Commerce Committee and was reported favorable with 22 yeas and 0 nays.

These bills remove the state authority to take disciplinary action against a healthcare practitioner who defaults on a student loan or who fails to comply with the terms of a service scholarship. Under the bills, a healthcare practitioner may not have his or her license suspended or revoked by the Department of Health (DOH) solely because of a loan default or failure to complete service scholarship obligations.

Additionally, the bills specify that a state authority may not suspend or revoke a license that it has issued to a person who is in default on or delinquent in the payment of his or her student loans solely on the basis of such default or delinquency. The bills define the term “state authority” to mean any department, board, or agency with the authority to grant a license to any person in this state.

SB 356 will now move to the Senate floor.

HB 115 will now move to the House floor.

**AIF supports efforts to protect Florida’s workforce from professional license revocation exclusively due to loan default.**

## **TAXATION**

### **SB 1192 – Relating to Tax on Aviation Fuel**

On Tuesday, January 14, **SB 1192** by Senator Joe Gruters (R-Sarasota) was heard in the Senate Commerce & Tourism Committee and was reported favorable with 4 yeas and 1 nay. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida statute imposes an excise tax of 4.27 cents per gallon on aviation fuel, aviation gasoline, and kerosene sold in or brought into the state. This repeals the excise tax imposed on aviation fuel, aviation gasoline, and kerosene sold or brought into the state.

SB 1192 will now move to the Senate Finance & Tax Committee.

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

## LEGAL & JUDICIAL

### HB 7 – Relating to Legal Notices

On Wednesday, January 15, **HB 7** by Representative Randy Fine (R-Palm Bay) was heard in the House Local, Federal and Veterans Affairs Subcommittee and was reported favorable with 7 yeas and 5 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in opposition of this legislation.**

All meetings of a county, municipality, school board, or special district at which official acts are to be taken or at which public business is to be discussed or transacted must be open to the public and notice must be given. All legal notices and publications must be made in a newspaper that meets the following qualifications:

- Published at least once a week;
- At least 25 percent of its words are in English;
- Considered a periodical by the post office;
- For sale to the general public; and
- Contains information of interest or value to the general public in the affected area

The bill would allow a governmental agency the option to deviate from print and publish legally required advertisements and notices on a publicly accessible website.

HB 7 will now move to the House Judiciary Committee.

**AIF opposes internet-only public notice, as it eliminates the wide net created by print media and the internet combined, Web pages are present one day and gone the next, the internet is an inherently unreliable platform for critical information.**

### HB 305 – Relating to Preemption of Conditions of Employment

On Wednesday, January 15, **HB 305** by Representative Bob Rommel (R-Naples) was heard in the House Workforce Development & Tourism Committee and was reported favorable with 9 yeas and 5 nays. **AIF stood in support of this legislation.**

Local governments have broad authority to legislate on any matter that is not inconsistent with federal or state law. A local government enactment may be inconsistent with state law if (1) the Legislature "has preempted a particular subject area" or (2) the local enactment conflicts with a state statute. Where state preemption applies it precludes a local government from exercising authority in that area.

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 305 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 519 – Relating to Private Property Rights Protection**

On Thursday, January 16, **HB 519** by Representative James Grant (R-Tampa) was heard in the House Civil Justice Subcommittee and was reported favorable with 10 yeas and 5 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

The Takings Clause of the U.S. Constitution prohibits the government from depriving a person of his or her private property for public use "without just compensation." However, not every government action burdening private property amounts to an illegal "taking" under the Takings Clause. Florida law provides legal remedies when a local government burdens property rights in a manner that does not amount to a "taking".

The bill requires a local government, when settling property rights claims, to treat similar properties similarly. If the government settles or the property owner secures a judgment declaring an inordinate burden, there is a presumption that similarly situated parcels are also inordinately burdened and entitled to the same settlement terms or judicial determination. The bill also makes it easier for a private property owner to challenge a local regulation burdening his or her property by:

- Allowing a jury or the court to consider business damages in making its damages calculation;
- Removing a provision allowing the government to seek attorney fees and costs when a property owner refuses a bona fide offer which reasonably would have resolved the property claim fairly.

Additionally, when a local government is poised to impose an exaction upon private property, the bill allows the property owner to sue without having to wait for written notice of the exaction.

HB 519 will now move to the House Commerce Committee.

**AIF supports private property rights which create a prosperous business climate in Florida.**

## HB 741 – Asbestos Trust Claims

On Thursday, January 16, **HB 741** by Representative Tom Leek (R-Daytona Beach) was heard in the House Civil Justice Subcommittee and was reported favorable with 10 yeas and 5 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Asbestos is the name given to six naturally occurring fibrous minerals resistant to chemical, thermal, and electricity damage historically used in construction, manufacturing, and fireproofing. When handled, asbestos separates into microscopic particles, exposure to which causes cancer and other diseases, including lung cancer, mesothelioma, and asbestosis, which can take 20 to 40 years to develop following initial exposure.

Workers exposed to asbestos began falling ill and in turn sued the corporations responsible for their exposure. As the suits against these corporations piled up, many filed for reorganization under Chapter 11 of the United States Bankruptcy Code, which in turn stayed all current suits against the respective corporation.

The bankruptcy court faced a unique scenario, where corporations were able to reorganize while shielded from future suits. These suits would instead be filed against a trust fund formed by the company seeking bankruptcy reorganization.

Presently, where liability for an asbestos injury comes from both a trust and a solvent corporation, an injured person may sue the solvent corporation to recover its share of the harm, and a court may offset the judgment by the amount of trust payments the plaintiff received for the same injury. However, where a plaintiff files a trust claim after obtaining a judgment in a civil action alleging the same injury, a court loses its ability to offset the judgment against the solvent defendant. Plaintiffs use this loophole to increase their compensation for a single injury, essentially double-dipping.

This bill:

- Requires a plaintiff to:
  - Provide a sworn statement verifying that he or she conducted an investigation of all asbestos trust claims and filed all asbestos trust claims he or she is eligible to file.
  - Identify all asbestos trust claims the plaintiff filed and provide all trust claim material.
- Allows a court stay an asbestos action if the plaintiff did not file an asbestos trust claim he or she was eligible to file.
- Allows a defendant to seek discovery directly from an asbestos trust and requires the plaintiff to provide all necessary permissions for the release of trust claim material and governance documents.
- Allows a trial court to adjust the judgment in an asbestos action by the amount of any subsequent asbestos trust payments made to the plaintiff if the plaintiff makes an asbestos trust claim after obtaining a judgment in the asbestos action.

HB 741 will now move to the House Justice Appropriations Subcommittee.

**AIF supports legislation that curbs “double dipping” of the asbestos trust fund which ensures that all Floridians affected may be adequately compensated.**

## **JDC1 – Relating to Constitutional Amendments Proposed by Initiative**

On Thursday, January 16, **JDC1** by the House Judiciary Committee was heard in the House Judiciary Committee and was reported favorable with 12 yeas and 6 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

The Florida Constitution is the charter of the liberties of Floridians. It may be amended only if the voters approve an amendment originating from the Legislature, the Constitution Revision Commission, the Taxation and Budget Reform Commission, a constitutional convention, or a citizen initiative.

The PCB modifies several aspects of the citizen initiative process to increase transparency, strengthen the integrity of the ballot, and reduce costs for the supervisors of elections. Specifically, the PCB changes the deadline for gathering signatures, the Fiscal Impact Estimating Conference (FIEC) analysis process, the ballot language requirements, and the requirements for supervisors of elections.

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

## **INSURANCE**

### **HB 359 – Relating to Insurance**

On Wednesday, January 15, **HB 359** by Representative David Santiago (R-Deltona) was heard in the House Insurance & Banking Subcommittee and was reported favorable with 15 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

The bill provides needed reforms to the insurance industry by:

- Requiring the Legislature to appropriate money from the Florida Hurricane Catastrophe Fund to the Office of Insurance Regulation (OIR);
- Providing revised requirements for certain audits;
- Revising timeframe during which statute of limitations for certain civil remedy actions;
- Authorizing releases of trade secret information obtained by the Department of Financial Services & OIR;
- Prohibiting OIR from disapproving rates for homeowner's insurance under certain circumstances;
- Providing claims under property insurance policy, rather than claims for specified loss or damage, are barred unless notice is given to insurer within specified timeframe.

HB 359 will now move to the House Government Operations & Technology Appropriations Subcommittee.

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