



# WEEKLY UPDATE

For the 2020 Legislative Session

**From February 14, 2020**

## **ECONOMIC DEVELOPMENT**

### **HB 1139 – Relating to Regional Rural Development Grants**

On Monday, February 10, **HB 1139** by Representative Chuck Clemons (R-Jonesville) was heard by the House Transportation & Tourism Appropriations Subcommittee and was reported favorable with 11 yeas and 0 nays. **AIF stood in support of this legislation.**

Three regional economic development organizations operate in Florida. Each coincides respectively with one of the state's three Rural Areas of Opportunity (RAO). A RAO is a rural community, or a region comprised of rural communities, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster, or that presents a unique economic development opportunity of regional impact.

The bill amends the Regional Rural Development Grants Program to clarify how regional economic development organizations may build their professional capacity and expand grant use for technical assistance. The bill also increases the total annual grant award available to the three regional economic development organizations recognized by the DEO as serving an entire RAO, decreases the annual grant award available to other organizations located in or contracted to serve an RAO, and eliminates grant eligibility for organizations representing rural counties or communities that are not located in a RAO. Additionally, the bill reduces the percentage of grant funds that must be matched with non-state funds from 100 percent to 25 percent of the state's contribution and increases the maximum amount of funds that DEO may expend for the program, from \$750,000 to \$1 million annually.

Finally, the amends the Rural Infrastructure Fund by increasing the percentage of total infrastructure costs that may be funded by a grant award, expanding eligible projects and uses to include broadband internet service.

HB 1139 will now move to the House Commerce Committee.

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

### **HB 115 – Keep Our Graduates Working Act**

On Wednesday, February 12, **HB 115** by Representative Nicholas Duran (D-Miami) was read a third time on the Senate floor and passed with a vote of 35 yeas and 1 nay.

The bill removes 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 bill, 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 bill specifies 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 bill defines the term “state authority” to mean any department, board, or agency with the authority to grant a license to any person in this state.

HB 115, having passed both chambers, will now go to the Governor.

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

### **SB 922 – Relating to Economic Development**

On Thursday, February 13, **SB 922** by Senator Joe Gruters (R-Sarasota) was heard by the Senate Appropriations Subcommittee on Health and Human Services and was reported favorable with 9 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

**Senator Joe Gruters on SB 922 - <https://youtu.be/ql6TD9sAB5I>**

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 Appropriations Committee.

**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.**

### **SB 362 – Relating to Florida Tourism Marketing**

On Thursday, February 13, **SB 362** by Senator Ed Hooper (R-Palm Harbor) was read a third time on the Senate floor and passed with a vote of 36 yeas and 0 nays.

The bill extends the scheduled repeal date for the Florida Tourism Industry Marketing Corporation, doing business as VISIT FLORIDA, until October 1, 2028, and removes the scheduled repeal date for the Division of Tourism Marketing within Enterprise Florida, Inc. Without the bill, the statutory provisions for these entities will be repealed on July 1, 2020.

SB 362 will now go to the House for consideration.

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

## ENERGY

### **SB 1464 – Relating to Underground Facility Damage Prevention and Safety**

On Tuesday, February 11, **SB 1464** by Senator Anitere Flores (R-Miami) was heard by the Senate Banking and Insurance Committee and was reported favorable with 7 yeas and 0 nays. **AIF stood in support of this legislation.**

Chapter 556, F.S., is the “Underground Facility Damage Prevention and Safety Act” (Act). The stated purpose of the Act is to identify and locate underground facilities prior to an excavation or demolition to prevent injury to persons or property or interruption of services resulting from damage to those facilities. To accomplish this, the Act creates a not-for-profit corporation (Sunshine 811) to administer a free-access notification system.

The bill amends the Florida statute to:

- Expand the list of entities that may issue citations for violations to include the State Fire Marshal and local fire chiefs.
- Increase the maximum civil penalty (not exceeding \$50,000) for certain violations that involve an underground pipe or facility transporting hazardous materials;
- Require each clerk of court to submit an annual report to the State Fire Marshal listing each violation notice;
- Require the reporting of incidents that involve high-priority subsurface installations (HPSI) to the State Fire Marshal for investigation; and
- Direct Sunshine State One-Call to review complaints of alleged violations.

SB 1464 will now move to the Senate Rules Committee.

**AIF supports legislation that enhances the 811 program and penalties to curb detrimental practices which lead to damaged infrastructure that causes unnecessary service interruptions, safety issues and increasing repair costs.**

## ENVIRONMENT

### **HB 715 – Relating to Reclaimed Water**

On Tuesday, February 11, **HB 715** by Representative Randy Maggard (R-Zephyrhills) was heard by the House Agriculture & Natural Resources Appropriations Subcommittee and was reported favorable with 7 yeas and 0 nays. **AIF stood in support of this legislation.**

The bill, which is based off the recommendations of the Potable Reuse Commission, recognizes reclaimed water as a potential source of drinking water, recognizes potable reuse water as an alternative active water supply, establishes specific water quality criteria for potable reuse, and prohibits certain utilities from discharging reuse, effluent, or reclaimed water via surface water discharges.

HB 715 will now move to the House State Affairs Committee.

**AIF supports legislation which increases Florida's water supply by encouraging greater utilization of reclaimed water, direct and indirect potable technology, and other alternative water supplies that are both technologically and economically feasible. States with an adequate water supply will have a head start on future economic development and job creation.**

### **HB 1343 – Relating to Water Quality Improvements**

On Tuesday, February 11, **HB 1343**, co-sponsored by Representative Blaise Ingoglia (R-Spring Hill) and Representative Bobby Payne (R-Palatka) was heard by the House Appropriations Committee and was reported favorable with 28 yeas and 0 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. Specifically, the bill addresses water quality issues resulting from onsite sewage treatment and disposal systems (OSTDSs) by:

- Transferring the Onsite Sewage Program from the Department of Health to the Department of Environmental Protection (DEP);
- Requiring the departments to submit recommendations to the Governor and Legislature regarding the transfer of the Onsite Sewage Program;
- Creating an OSTDS technical advisory; and
- Requiring OSTDS remediation plans.

The bill addresses the water quality issues resulting from stormwater by:

- Requiring DEP staff training to include field inspections of stormwater structural controls;
- Requiring DEP and the water management districts to update the stormwater regulations using the most up to date science; and
- Requiring the model stormwater management program to contain model ordinances targeting nutrient reduction.

The bill addresses water quality issues resulting from domestic wastewater facilities by requiring:

- Local governments to create wastewater treatment plans;
- Sanitary sewage facilities to take steps to prevent sanitary sewer overflows;
- DEP to establish real-time water quality monitoring; and
- Advanced wastewater treatment for domestic wastewater discharges to the Indian River Lagoon.

The bill also creates a wastewater grant program that requires DEP to provide grants for projects that will reduce excess nutrient pollution. Additionally, the bill requires the Florida Department of Agriculture and Consumer Services to conduct inspections of producers enrolled in best management practices.

HB 1343 will now move to the House State Affairs Committee.

**AIF supports legislation that addresses the existing water quality issues as Florida's businesses and citizens alike rely on access to clean, uncontaminated water.**

## **HB 1199 – Relating to Environmental Protection Act**

On Wednesday, February 12, **HB 1199** by Representative Blaise Ingoglia (R-Spring Hill) was heard by the House Judiciary Committee and was reported favorable with 13 yeas and 2 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida authorizes a citizen to assert standing to stop activity that will affect his or her use or enjoyment of air, water, or natural resources. However, court rulings and legislation in the U.S. and worldwide have suggested specific legal rights of nature may exist authorizing a person to assert standing on behalf of natural resources.

While the U.S. Supreme Court precedent clearly limits standing for environmental claims to only an action causing injury to a human, dissenting opinions suggesting otherwise have recently caught the attention of environmental activists attempting to assert standing on behalf of the environment, often resulting in lengthy yet unsuccessful litigation.

The bill amends the Florida Environmental Protection Act to prohibit a local government regulation, ordinance, code, rule, comprehensive plan, charter, or any other provision of law:

- 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
- Granting a person or political subdivision any specific rights relating to the natural environment.

The bill provides that the prohibition on granting rights to nonpersons may not limit the:

- Ability of an aggrieved or adversely affected party to appeal and challenge the consistency of a development order with a comprehensive plan, or to file an action for injunctive relief to enforce the terms of a development agreement or to challenge compliance of the agreement with the Florida Local Government Development Agreement Act; or
- Standing to maintain an action for injunctive relief as otherwise provided by the EPA for:
  - Department of Legal Affairs;
  - Any political subdivision of the state; or
  - A resident of the state.

The bill may prevent costly litigation related to granting rights to natural resources, when current legal precedent suggests such rights may not be granted at the state or local level.

HB 1199 will now move to the House floor for consideration.

**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.**

## **INFORMATION TECHNOLOGY**

### **SB 1870 – Relating to Technological Development**

On Monday, February 10, **SB 1870** by Senator Travis Hutson (R-Palm Coast) was heard by the Senate Innovation, Industry, and Technology Committee and was reported favorable with 6 yeas and 4 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

The Department of Management Services (DMS) oversees information technology governance and security for the executive branch of state government. The Division of State Technology (DST), a subdivision of DMS subject to its control and supervision, implements DMS's duties and policies in this area.

The bill:

- Renames DST to Division of Telecommunications and establishes the Florida Digital Service (FDS) under DMS.
- Places new duties and responsibilities under FDS and expands the duties and responsibilities currently assigned to DMS and DST.
- Tasks FDS with procuring a credential service provider for the purpose of creating digital driver licenses or identification cards.
- Creates the Enterprise Architecture Advisory Council as a 13-member advisory council within DMS.
- Creates the Division of Telecommunications within DMS, removes DST as the head of the E911 system in Florida, and places the Division of Telecommunications as its new head.

The Office of Financial Regulation (OFR) regulates money services businesses, which include money transmitters and payment instrument sellers. The bill creates the Financial Technology Sandbox within the OFR to allow a person to make an innovative financial product or service available to consumers as a money transmitter or payment instrument seller during a sandbox period that is not longer than 24 months. The sandbox provides regulatory flexibility by permitting the OFR to waive specified statutes and corresponding rule requirements.

SB 1870 will now move to the Senate Banking and Insurance Committee.

**AIF supports stronger investments in IT and the modernization of Florida's outdated systems and processes that will greatly benefit the government and business relationship in the state.**

## LEGAL & JUDICIAL

### SB 1766 – Relating to Growth Management

On Monday, February 10, **SB 1766** by Senator Tom Lee (R-Brandon) was heard by the Senate Community Affairs Committee and was reported favorable 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 Bert J. Harris, Jr., Private Property Rights Protection Act provides a cause of action for relief or compensation when a law, rule, regulation, or ordinance inordinately burdens real property without amounting to a taking. An action of a governmental entity is an inordinate burden if it directly restricts or limits the use of real property in a way that permanently prevents the owner from attaining the reasonable, investment-backed expectation for the existing use of the property or to a specific use of the property.

The bill makes these changes to the Bert Harris Act:

- Entitles property owners to compensation or other relief when an owner of a similarly situated residential property has become entitled to relief due to the same regulation or ordinance.
- Shortens the pre-suit process that is a prerequisite to a lawsuit under the Bert Harris Act from 150 to 90 days.
- Establishes a presumption that a settlement offer made by a governmental entity during the pre-suit process protects the public interest.
- Gives a property owner the option of having compensation for an inordinate burden determined by a judge, instead of a jury as under current law.
- Allows a property owner to forgo an application for a permit or other relief as a prerequisite to making a Bert Harris claim if a governmental entity acknowledges that a law or regulation limits the uses of the property.

SB 1870 will now move to the Senate Banking and Insurance Committee.

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

### **HB 377 – Relating to Motor Vehicle Rentals**

On Tuesday, February 11, **HB 377** by Representative Chris Latvala (R-Clearwater) was heard by the House Ways & Means Committee and was reported favorable with 11 yeas and 6 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Currently, rental car companies levee a daily surcharge of \$2 per day that is paid by individuals renting cars. Peer-to-peer vehicle sharing programs are typically app-based platforms where owners can list and lease their personal vehicles for a pre-determined time and rate. Presently, these car sharing services are exempt from the rental car surcharge. The proceeds from the rental car surcharge paid by consumers who rent vehicles goes to build and maintain the state's infrastructure, which is very important to Florida businesses statewide.

The bill amends current Florida statute which establishes a surcharge on the lease or rental of a motor vehicle, to extend the surcharge to peer-to-peer vehicle sharing programs. The fee amounts to \$2 per day on rentals over 24 hours and drops to \$1 for rentals of less than 24 hours. The bill also establishes operational requirements for peer-to-peer vehicle sharing programs, such as insurance requirements to prevent a lapse in insurance coverage should an accident occur.

HB 377 will now move to the House State Affairs Committee.

**AIF supports the proposed measures in this bill to hold all rental car services accountable, regardless of how the vehicle is accessed.**

### **SB 1668 – Relating to Damages**

On Tuesday, February 11, **SB 1668** by Senator David Simmons (R-Longwood) was heard by the Senate Health Policy Committee and was reported favorable with 5 yeas and 4 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

A tort is a civil wrong for which the law provides a remedy. The purpose of tort law is to fairly compensate a person harmed by another person's wrongful acts, whether intentional or negligent. In a

negligence action in Florida, the compensation a plaintiff recovers is reduced to the extent the plaintiff or a third party contributed to the injury.

A healthy tort liability system benefits society by compensating injured parties fairly, resolving disputes, and discouraging undesirable behavior. 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.

The bill requires evidence of medical expenses in personal injury claims to be based on the usual and customary charges in the community where the expenses are incurred. The bill states that the amounts paid or to be paid through any public or private health insurance coverage on behalf of the claimant are presumed to be usual and customary medical charges.

SB 1668 will now move to the Senate Banking and Insurance.

**AIF supports legislation that creates transparency and ensures accuracy in damages, thereby reducing the cost of insurance premiums for Florida businesses.**

#### **SB 1794 – Relating to Constitutional Amendments Proposed by Initiative**

On Tuesday, February 11, **SB 1794** by Senator Travis Hutson (R-Palm Coast) was heard by the Senate Judiciary Committee and was reported favorable with 4 yeas and 2 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 bill 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 bill 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.

SB 1794 will now move to the Senate Rules Committee.

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

#### **HB 7071 – Relating to Contingency Risk Multipliers**

On Thursday, February 13, **HB 7071**, sponsored by the House Judiciary Committee, was heard by the House Commerce Committee and was reported favorable with 16 yeas and 7 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

In certain situations, after the resolution of a court case, the court may require one party to pay the opposing party's attorney fees. Several Florida and federal statutes, known as "fee-shifting statutes,"

entitle the prevailing party to a "reasonable" attorney fee as a matter of right. When a fee-shifting statute applies, the court must determine what constitutes a "reasonable" attorney fee.

Florida courts calculate reasonable attorney fees under the "lodestar amount." The lodestar amount, in this context, is the number of hours reasonably expended on the litigation multiplied by a reasonable hourly rate for the attorney's services on behalf of the insured or beneficiary.

Federal case law states that a contingency fee multiplier may only be used in rare and exceptional circumstances, and that the multiplier is completely unavailable under certain federal statutes. Contrary to Federal case law, the Florida Supreme Court in 2017 ruled that the contingency fee multiplier in Florida courts is not subject to the "rare and exceptional circumstances" requirement. Thus, there is now a difference between Florida and federal law with respect to this issue.

The bill prohibits a court from using a contingency fee multiplier when calculating an attorney fee award unless an applicable statute expressly allows use of the contingency fee multiplier.

HB 7071 will now move to the House floor for consideration.

**AIF supports legislative efforts that prevent unscrupulous actors from taking advantage of property insurance disputes which will keep insurance rates low and allow growth in Florida businesses.**

## **TAXATION**

### **SB 126 – Relating to Sales and Use Tax**

On Thursday, February 13, **SB 126** by Senator Joe Gruters (R-Sarasota) was heard by the Senate Finance and Tax Committee and was reported favorable with 8 yeas and 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida levies a 6 percent 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 requires marketplace providers and out-of-state retailers with no physical presence in Florida (such as online retailers) to collect Florida's sales tax on sales of taxable items delivered to purchasers in Florida if the marketplace provider or out-of-state retailer makes a substantial number of sales into Florida. A substantial number of remote sales means conducting 200 or more retail sales during the previous calendar year or conducting any number of retail sales in an amount exceeding \$100,000 during the previous calendar year.

The Revenue Estimating Conference determined that the bill will increase General Revenue Fund receipts by \$320.8 million (\$479 million recurring) in Fiscal Year 2020-2021. Local government revenues are estimated to increase by \$100.1 million (\$132.9 million recurring) in Fiscal Year 2020-2021.

SB 126 will now move to the Senate Appropriations Committee.

**AIF supports legislation that provides a level playing field for Florida's brick and mortar stores and online retailers.**

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

On Thursday, February 13, **SB 524** by Senator Joe Gruters (R-Sarasota) was heard by the Senate Finance and Tax Committee and was reported favorable with 8 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida levies a 6 percent 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 Friday, May 29 to Monday, 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 Appropriations Committee.

**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 13, **SB 542** by Senator Keith Perry (R-Gainesville) was heard by the Senate Finance and Tax Committee and was reported favorable with 8 yeas and 0 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this legislation.**

Florida levies a 6 percent 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.

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