



# DAILY BRIEF

Legislative Session



**FROM APRIL 25, 2023**

## TAXATION

### SB 7062 - Relating to Taxation

On Tuesday, April 25, [SB 7062](#), a proposed committee bill by the Senate Finance & Tax Committee was heard by the Senate Appropriations Committee and was reported favorably with 17 yeas and 0 nays. **AIF stood in support of this legislation.**

SB 7062 is the Senate's tax package that has many pieces that are friendly to Florida businesses. SB 7062 draws inspiration from several bills relating to taxation that have been moving throughout the process this year as well as incorporating many consumer-friendly items contained in Governor DeSantis' tax cut proposal.

This bill creates several sales tax holidays for various products and events as well as permanent exemptions for items such as baby and toddler products, diapers and incontinence products, oral hygiene products and firearm safety devices.

SB 7062 incorporates provisions from other bills that AIF has already been supporting this session:

- SB 844/HB 867 - Providing a sales tax exemption for machinery and equipment used in the production of renewable natural gas. (This is also included in the House tax package.)
- SB 322/HB 529 - Extending sales tax exemptions on natural gas fuel taxes until January 1st, 2026, rather than the current deadline in 2024. (This is also included in the House tax package.)
- HB 1153/SB 1432 - Providing that no local communications services tax rates may be increased until 2026. (This is also included in the House tax package.)
- HB 1343/SB 1184 - Prohibiting local governments from applying special assessments on agricultural lands (This was NOT included in the House tax package.)

HB 7063 is the House tax package and was passed out of the House Ways and Means Committee on Wednesday, April 12.

Among other things, SB 7062 offers similar “sales tax holidays” with fairly minor differences related to “back to school”; “disaster preparedness”; “Freedom Summer”; “Tools used by skilled trade workers”; and “ENERGY STAR appliances”. There are some differences in each category regarding types of sales that are exempted along with various value limitations. Both bills include property tax relief for residential and commercial property owners in Southwest Florida impacted by Hurricane Ian.

One item in particular that was included in the House bill but not the Senate bill was the provision that would lower the business rent tax rate from 5.5% to 4.5%. AIF will be working to support the inclusion of this provision as the bills are negotiated between the chambers. Senator Ingoglia, who is quarterbacking the bill in the Senate, mentioned in committee that the inclusion of the business rent tax deduction is being actively negotiated with the House and could be included when the bill reaches the floor.

SB 7062 will now go to the Senate Floor for consideration. The House companion, HB 7063, has been placed on the House Calendar.

**AIF supports legislative efforts to provide tax relief on all businesses operating in Florida. These incentives drive future investment and create a well-rounded, vibrant economy that creates jobs and lowers costs for consumers.**

## EMPLOYMENT

### SB 1718- Relating to Unlawful Immigration

On Tuesday, April 25, [HB 1718](#) by Senator Blaise Ingoglia (R-Spring Hill) was heard by the Senate Fiscal Policy Committee and was reported favorably. **AIF stood in opposition to this legislation.**

HB 1617 requires any employer with over 25 employees to use the electronic (E-Verify) system to validate if an employee is lawfully present in the United States.

The E-Verify system continues to be a pilot program at the federal level and has been known to be unreliable and inconsistent. AIF believes the current I-9 process for verification of employment eligibility is sufficient and an E-Verify mandate is unnecessary.

The penalties for non-compliance are also significant and should be adjusted to be more proportionate. This law would take effect on July 1, 2023.

**AIF opposes legislation that creates undue, burdensome regulations on Florida employers that causes a negative economic reaction on businesses as small as 25 employees. E-Verify is costly to operate and serves no purpose as the Federally mandated I-9 system is just as effective.**

## TRANSPORTATION

### HB 1191- Relating to Use of Phosphogypsum

On Tuesday, April 25, [HB 1191](#) by Representative Lawrence McClure (R-Dover) was introduced on the House Floor and was debated and placed on final passage for Wednesday, April 26.

HB 1191 directs the Florida Department of Transportation (FDOT) to experiment the use of Phosphogypsum (PG) as a road construction aggregate material. Phosphate is produced at a rapid rate in Florida and PG is a byproduct of the manufacturing process. For every ton of phosphate manufactured, 5 tons of PG is made. PG is used primarily for agricultural purposes; however, it can also be used for roadway paving materials. HB 1191 would allow the first step to take place in determining PG's viability as an aggregate to be used on Florida's roadways.

HB 1191 will be placed on final passage on Wednesday, April 26. The Senate counterpart, SB 1258, awaits further approval on the Senate Floor.

**AIF supports efforts to utilize manufacturing byproducts for beneficial purposes. Expanding the use of Phosphogypsum will directly address critical infrastructure needs and will create jobs.**

### HB 637 - Relating to Motor Vehicle Sales

On Tuesday, April 25, [HB 637](#) by Representative Jason Shoaf (R-Port St. Joe) was introduced on the House Floor and was debated and placed on final passage for Wednesday, April 26.

HB 637 amends the Florida Automobile Dealers Act, which primarily regulates the contractual business relationship between franchised motor vehicle dealers (dealers), and manufacturers, factory branches, distributors, and importers (manufacturers) and provides for the licensure of

manufacturers. One provision of particular concern legislatively sets a profit-sharing arrangement for over-the-air updates. **AIF stood in opposition to the bill** during the committee hearings because arrangements like these should be negotiated between private entities, not the legislature.

HB 637 will be placed on final passage on Wednesday, April 26. The Senate counterpart, SB 712, was reported favorably by the Senate Rules Committee on Monday, April 24. SB 712 awaits further consideration on the Senate Floor.

**AIF OPPOSES legislation that would intervene in any contractual agreement voluntarily entered into by a franchise and a manufacturer.**

## TELECOMMUNICATIONS

### HB 761 – Relating to Telephone Solicitation

On Tuesday, April 25, [HB 761](#) by Representative Tom Fabricio (R-Miami) was introduced on the House Floor and was debated, amended, and placed on final passage for Wednesday, April 26.

HB 761 seeks to close a loophole created by a 2021 consumer protection bill that limited unsolicited telephone sales calls. While the 2021 bill has increased consumer protection, it has allowed for increased litigation on businesses contacting their customers for legitimate reasons. By clarifying language and defining what is a solicited and unsolicited call, HB 761 will prevent crafty plaintiff's bar attorneys from suing businesses attempting to legitimately contact customers. This bill will not remove any consumer protections originally passed in 2021.

HB 761 will be placed on final passage on Wednesday, April 26. The Senate counterpart, SB 1308, was passed by the Senate Rules Committee on Monday, April 24, and awaits further consideration on the Senate Floor.

**AIF supports legislative efforts removing loopholes that help to enrich trial lawyers at the expense of businesses that produce goods and services on which all Floridians rely.**

## **AGRICULTURE**

### **HB 1279 – Relating to the Department of Agriculture and Consumer Services**

On Tuesday, April 25, [HB 1279](#) by Representative Danny Alvarez (R-Fishhawk) was introduced on the House Floor and was debated and placed on final passage for Wednesday, April 26.

HB 1279 primarily creates a program for sales tax exemptions for production materials used by agricultural producers. The program will allow farmers to apply for and use a Farm Tax Exempt Agricultural Materials (TEAM) card to receive the exemptions. This program works similarly in Georgia and is beneficial to the agriculture community there as well. HB 1279 requires state agencies, universities, and colleges to give preference to food commodities grown or produced in Florida under certain purchasing agreements. Among other mostly technical changes, HB 1279 also revises and eliminates several advisory councils under the Florida Department of Agriculture and Consumer Services.

HB 1279 will be placed on final passage on Wednesday, April 26. The Senate counterpart, SB 1164, will be heard on the Senate Floor on Wednesday, April 26.

**AIF supports sales tax exemptions for Florida’s agricultural producers and efforts to make these exemptions easier to access. “If you eat, you’re involved in agriculture.” Lowering costs for agricultural producers trickles down to lower prices for the consumer.**

### **HB 1343 - Relating to Agricultural Lands**

On Tuesday, April 25, [HB 1343](#) by Representative Kaylee Tuck (R-Lake Placid) was introduced on the House Floor and was debated and placed on final passage for Friday, April 28.

HB 1343 addresses several land issues facing Florida’s agriculture industry and the lands they use to operate on. On current statute, counties are permitted to administer a fire protection service assessment on agricultural land buildings with a minimum value of \$10,000. As initially drafted, this legislation would have raised the minimum value of issuing these assessments from \$10,000 to \$350,000 but was amended in both chambers to bar all special assessments on agricultural land. This bill also removes the authority of a local municipality from deleting agricultural classifications on property used for farmworker housing. Additionally, this bill would issue a credit on sales tax paid on the rental or purchase of housing for migrant farmworkers.

HB 1343 will be placed on final passage on Friday, April 28. The Senate counterpart, SB 1184, awaits further consideration by the Senate Appropriations Committee.

**AIF supports legislation which increases the just value of nonresidential farm buildings which are exempt from local fire assessments and also creates guidance which more fairly and equitably assesses agricultural land and nonresidential farm buildings for the purposes of Fire Tax Assessments.**