



# WEEKLY UPDATE

*Legislative Session*



## FROM APRIL 28, 2023

The eighth week of the 2023 Legislative Session has come to a close. The House and Senate had an action-packed week of committee hearings, budget conferencing, and extended floor sessions to pass items on the agenda before session is scheduled to end next week.

The House and Senate are currently in the budget conferencing process for the FY 2023 budget. During this process, the House and Senate negotiate the funding for state-funded projects and initiatives while tailoring their priorities along with the Governor's priorities in his budget request. This year, Governor DeSantis requested a record \$114.8 billion for the 23-24 fiscal year. As negotiations continue, the House and Senate are getting closer to an agreement on funding for economic development, healthcare, and civil justice, which appear to be the main differences in the House and Senate proposals. Senate President Kathleen Passidomo mentioned that she is confident that the budget will be agreed upon by Saturday, April 29, allowing for an on-time adjournment of session on May 5th.

In addition to the budget negotiations, the House and Senate passed many policy-related bills including several AIF priority bills relating to agriculture, transportation, taxation, and criminal history records that will hopefully complete the final stage of the process next week.

Unfortunately, the Senate passed an immigration package on Friday, April 28, that would mandate employers use of E-Verify and could impose significant fines for noncompliance. The House Commerce Committee passed an identical bill on Monday. On Friday, the Senate also passed a bill dealing with technology transparency bill that underwent significant positive changes when it was heard in the Senate Rules Committee on Monday. The House passed its original version of the bill out of the Commerce Committee on Monday and is expected to consider the bills early next week.

For more information on these bills and the rest of the work the AIF Advocacy Team has done this week, please see below!

## INFORMATION TECHNOLOGY

### HB 1547/SB 262 – Technology Transparency

On Friday, the Senate passed an amended version of [SB 262](#) by Senator Jennifer Bradley (R-Orange Park) by a vote of 38 yeas and 0 nays. The bill was heard on Monday in the Rules Committee and **AIF stood in support** of a strike-all amendment that made significant changes to the bill.

As originally filed, the bill would have drastically impacted how businesses could use online advertising on large online platforms by allowing users to opt out of all targeted advertising. AIF has consistently opposed such legislation because it was modeled after a faulty California law, it put Florida out of sync with other states who are passing more business-friendly data privacy laws and it would harm businesses who utilize online advertising.

While not perfect, the strike-all amendment helped alleviate most of the concerns AIF has with the legislation. Most importantly, it will allow for targeted advertising, but only using data that a platform has gathered through a consumer's direct interaction with it. Platforms will not be allowed to buy, sell or share data from other online sources, but will be able to utilize data from how a consumer uses its own site. This was a significant improvement in the bill and helps align Florida with other states who have passed similar legislation.

There were several significant problems with the strike-all amendment, but two primary issues. First, the fines for noncompliance are up to 20 times higher than other similar laws. Second, the effective date of July 1, 2023 would create a very short window for businesses to comply.

When the bill was heard on the floor, the bill was amended again to push the effective date to December 31, 2023, but the penalty structure was not changed.

On Monday, [HB 1547](#) by Representative Fiona McFarland was heard by the House Commerce Committee and was reported favorably by a vote of 16 yeas and 3 nays. **AIF stood in opposition to this legislation.**

While the Senate version has made significant steps in the right direction, the House version remains in its original state. The House version of the bill seeks to allow consumers to protect their personal data by allowing them to opt out of targeted advertising and implementing regulations on only the largest of technology companies operating in Florida.

While the vast majority of Florida businesses are not covered by the regulation of the bill, the bill will have a large impact on how businesses can use targeted advertising to market their goods and services. Online advertising is obviously an important tool and in its current form, this bill will make it less effective and more costly.

This bill is based on a 2018 California law. Since the California law has been enacted, other states have enacted data privacy legislation that offers better consumer protection with a more common-sense regulatory approach.

SB 262 is in House Messages and HB 1547 is ready to be heard on the House floor.

**AIF opposes legislation that places onerous regulatory burdens on Florida businesses and reduces the ability for businesses to effectively utilize online advertising.**

## **EMPLOYMENT**

### **HB 1617/SB 1718- Relating to Unlawful Immigration**

On Friday, [SB 1718](#) by Senator Blaise Ingoglia (R-Spring Hill) was passed by the Senate with 27 yeas and 10 nays. The bill was previously heard on Tuesday by the Senate Fiscal Policy Committee and was reported favorably by a vote of 14 yeas and 6 nays.

On Monday, [HB 1617](#) by Representative Kiyon Michael (R-Jacksonville) was heard by the House Commerce Committee and was reported favorably by a vote of 13 yeas and 5 nays. **AIF stood in opposition to this legislation.** SB 1718 and HB 1617 are identical.

This bill 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 noncompliance are also significant and should be adjusted to be more proportionate. This law would take effect on July 1, 2023.

SB 1718 is in House Messages and HB 1617 is ready to be heard on the House floor.

**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.**

## TELECOMMUNICATIONS

### SB 1308/HB 761 – Relating to Telephone Solicitation

On Wednesday, [HB 761](#) by Representative Tom Fabricio (R-Miami) was heard on the House Floor and was reported favorably with 99 yeas and 14 nays. On Monday, [SB 1308](#) by Senator Clay Yarborough (R-Jacksonville) was heard by the Senate Rules Committee and was reported favorably with 17 yeas and 2 nays. **AIF stood in support of this legislation.**

After favorable amendments were made to both bills, they are substantially identical.

This legislation 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 creating a definition of “automatic telephone dialing system” and inserting some clarifying language, SB 1308 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 is in Senate Messages and SB 1308 is ready to be heard 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.**

## TAXATION

### SB 7062/SB 7063 - Relating to Taxation

On Thursday, [HB 7063](#), the House tax package was introduced onto the House Floor and was reported favorably with 114 yeas and 0 nays.

On Tuesday, [SB 7062](#), the Senate tax package was heard by the Senate Appropriations Committee and was reported favorably with 17 yeas and 0 nays. **AIF stood in support of this legislation.**

Although similar, the House and Senate versions are slightly different.

During the Senate Appropriations Committee meeting, Senator Blaise Ingoglia (R-Spring Hill) indicated that negotiations are underway to reshape the Senate bill to a version more similar to the House bill.

Both versions of the tax package have many pieces that are friendly to Florida businesses and draw inspiration from several bills relating to taxation that have been moving throughout the process this year. They also incorporate many consumer-friendly items contained in Governor DeSantis' tax cut proposal.

Both bills create 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.

They also incorporate 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.
- SB 322/HB 529 - Extending sales tax exemptions on natural gas fuel taxes until January 1st, 2026, rather than the current deadline in 2024.
- HB 1153/SB 1432 - Providing that no local communications services tax rates may be increased until 2026.

Both packages include 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.

There are only two significant differences in the tax packages that are of concern to AIF. The House version contains a provision that would lower the business rent tax from 5.5% to 4.5%. The Senate version contains a provision that would prohibit local governments from applying special assessments on agricultural lands. AIF will continue to work to include both provisions in the final version of the bill.

HB 7063 is now in Senate Messages and SB 7062 is ready to be heard on the Senate floor.

**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.**

## TRANSPORTATION

### **HB 1191- Relating to Use of Phosphogypsum.**

On Wednesday, [HB 1191](#) by Representative Lawrence McClure (R-Dover) was heard on the House Floor and was reported favorably with 81 yeas and 25 nays.

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 has no further action in the House. 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 could create jobs.**

### **HB 637/SB 712 - Relating to Motor Vehicle Sales**

On Wednesday, [HB 637](#) by Representative Jason Shoaf (R-Port St. Joe) was heard on the House Floor and was reported favorably with 113 yeas and 2 nays. On Monday, [SB 712](#) by Senator Bryan Avila (R-Miami) was heard by the Senate Rules Committee and was reported favorably with 19 yeas and 0 nays.

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 has no further action in the House. SB 712 will now go to the Senate Floor for consideration.

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

## AGRICULTURE

### **HB 1279/SB 1164 – Relating to the Department of Agriculture and Consumer Services**

On Wednesday, [HB 1279](#) by Representative Danny Alvarez (R-Fishhawk) was introduced on the House Floor and was reported favorably with 109 yeas and 0 nays. Also on Wednesday, [SB 1164](#) by Senator Jay Collins (R-Tampa), was introduced on the Senate Floor. Following the passage of HB 1279, the bill appeared in Senate messages and was placed on final passage. The Senate passed HB 1279 with 40 yeas and 0 nays.

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 now go to the Governor for approval.

**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 Friday, [HB 1343](#) by Representative Kaylee Tuck (R-Lake Placid) was debated, amended, and passed with 107 yeas and 0 nays. On Tuesday, HB 1343 was introduced on the House Floor.

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 has no further action in the House. The Senate counterpart, SB 1184, was not heard last week in the last Senate Appropriations Committee meeting. That means the bill will need special action to be heard on the floor.

**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.**

## LEGAL & JUDICIAL

### **SB 376 – Relating to Criminal History Information**

On Friday, [SB 376](#) by Senator Danny Burgess (R-Zephyrhills) was introduced on the Senate Floor and was passed with 39 yeas and 0 nays. On Monday, SB 376 was heard by the Senate Rules Committee and was reported favorably with 19 yeas and 0 nays. **AIF stood in support of this legislation.**

The bill revises the process for a court-ordered sealing of a criminal record to allow a person to petition a court to seal a criminal history record if the record has been automatically sealed by the State of Florida and the subject of the sealed record presents a certificate of sealing issued by the Florida Department of Law Enforcement.

SB 376 is in House Messages and its House companion, HB 593, awaits further consideration on the House Floor.

**In order to prevent confusion and difficulty for employers and employees, AIF supports legislative efforts that allows individuals with sealed records at the State level to petition local government be sealed at the local level as well.**