



WEEKLY UPDATE

Legislative Session



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FROM MAY 5, 2023

The 2023 legislative session has come to a close as the legislature passed a tax package and the budget on the final day. This year's budget is the largest in history at nearly \$115 billion. The legislature has spent the final weeks of session negotiating the finer details but concluded their negotiations earlier this week. The legislature also passed a sweeping tax overhaul that included several AIF supported provisions. This package included multiple sales tax exemptions for renewable natural gas machinery and fuel. Additionally, it reduced the business rent tax rate, provided a reduction in communication services taxes until 2026, and prohibits local municipalities from applying assessments on agricultural lands.

The final week of the session contained a flurry of activity surrounding technology transparency. Last week's Senate amendments to SB 262 put the bill in a significantly improved posture. But this week saw the bill bounce back and forth between the chambers; being amended eight times before final passage. Unfortunately, these amendments largely reverted the bill back to a position that increases regulations and puts in place confusing standards regarding online child protection and targeted advertising.

On a positive note, HB 761, a bill designed to reduce frivolous litigation surrounding telephone solicitation is on its way to the Governor's desk. It passed through the Senate on Tuesday after an amendment that would have watered down the bill was withdrawn at the last minute.

For more information on the issues that were acted upon this week, read below.

In the coming days, we will have a complete session recap.

INFORMATION TECHNOLOGY

SB 262 – Technology Transparency

On Thursday, [SB 262](#) was reintroduced, debated, amended, and passed on the Senate Floor with 40 yeas and 0 nays. The bill was sent back to the House and was passed with 110 yeas and 2 nays.

On Wednesday, the House adopted 2 amendments that removed the business-friendly layers originally passed by the Senate. On Thursday, the Senate amended the House amendments. While it removed the most egregious provisions included by the House, significant concerns remain with the definition of “targeted advertising” and with ambiguous language concerning child protection. **AIF opposed these amendments.**

Because of the last minute changes to this bill, we are still analyzing the potential impacts and will be providing further information in the near future.

The effective date of this bill is July 1, 2024, so we are hopeful that fixes can be made before the bill comes into effect.

SB 262 will now go to the Governor for approval.

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

EMPLOYMENT

SB 1718- Relating to Unlawful Immigration

On Tuesday, [SB 1718](#) passed the House by a vote of 83 yeas and 36 nays.

SB 1718 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.

SB 1718 will now go to the Governor for approval.

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.

TAXATION

HB 7063 - Relating to Taxation

Today, [HB 7063](#), a proposed committee bill, was passed by the Senate with 38 yeas and 0 nays. The bill was returned to the House and was passed with 112 yeas and 0 nays.

HB 7063 is a comprehensive tax overall that has a multifaceted approach that is friendly to Florida businesses. HB 7063 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 and clothes, adult incontinence products, oral hygiene products and certain agricultural fencing. It also will reduce the business rent tax from 5.5% to 4.5% beginning in December 2023.

HB 7063 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.
- 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 a decrease in the tax rate on the retail sale of communication services and keeps the decreased rate until 2026.
- HB 1343/SB 1184 - Prohibiting local governments from applying special assessments on agricultural lands.

HB 7063 will now go to the Governor for approval.

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.

CIVIL JUSTICE

SB 1002 - Relating to Motor Vehicle Glass.

On Tuesday, [SB 1002](#) passed the House by a vote of 103 yeas and 16 nays.

This bill provides that a motor vehicle repair shop may not offer a customer a rebate, gift, gift card, cash, coupon, or other item of value in exchange for making an insurance claim for motor

vehicle glass replacement or repair. The bill also prohibits the assignment of benefits for auto glass repairs.

SB 1002 will now go to the Governor for approval.

AIF supports efforts by the legislature to bring more transparency and fairness in the auto repair market between insurance providers and policy holders. Litigation should not be auctioned off frivolously when the alternative is better for the policy holder in the long run.

For more information on AIF's efforts relating to Tort Reform, please visit [AIF | Tort Reform](#).

TELECOMMUNICATIONS

HB 761 – Relating to Telephone Solicitation

On Tuesday, [HB 761](#) passed the Senate by a vote of 29 yeas and 10 nays. Republican Senators Erin Grall and Jonathan Martin joined all but 1 Democrat in opposing the bill. The lone Democrat to support the bill was Senator Linda Stewart.

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, 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 now go to the Governor for approval.

See AIF President & CEO Brewster Bevis’s [Op-Ed in Florida Politics](#) today on the importance of passing HB 761.

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.

TRANSPORTATION

HB 1191- Relating to Use of Phosphogypsum

On Monday, [HB 1191](#) was introduced on the Senate Floor and was substituted for the Senate companion, SB 1258. HB 1191 was passed with 34 yeas and 4 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.

This bill will now go to the Governor for approval.

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 645- Unmanned Aircraft Systems Act of 2023

Today, [HB 645](#) was introduced on the Senate Floor and was substituted for the Senate companion, SB 908. HB 645 was passed with 36 yeas and 0 nays.

The bill amends the definition of "critical infrastructure facility" to include a deepwater port or a railroad switching yard.

This bill will now go to the Governor for approval.

AIF supports adding greater protection for Florida's deepwater ports and railyards by including them and their facilities as critical infrastructure in Florida law.

HB 637- Relating to Motor Vehicle Sales

On Tuesday, [HB 637](#) passed the Senate by a vote of 40 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 will now go to the Governor for approval.

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

GENERAL GOVERNMENT

SB 170- Relating to Local Ordinances

On Wednesday, [SB 170](#) was debated and passed by the House with 82 yeas and 33 nays. The bill was returned to the Senate and was passed with 37 yeas and 1 nay.

SB 170 is a bill that would require counties and cities to prepare business impact statements for official review before a proposed ordinance can take effect. This is vital to securing a more free-market, business friendly, environment so businesses are protected from unnecessary, burdensome regulations. Additionally, this legislation requires a county or city to suspend an ordinance that is pending authorization by a court of law.

SB 170 will now go to the Governor for approval.

AIF supports legislation which holds local governments accountable for the actions they take that can have a negative impact on businesses in their jurisdiction.

AGRICULTURE

HB 1343 - Relating to Agricultural Lands

Today, [HB 1343](#) was heard on the Senate Floor. The Senate did not concur with the House amendment and the bill died in messages.

On Thursday, HB 1343 was passed by the Senate with 39 yeas and 0 nays. The bill was reintroduced on the House Floor and was debated, amended, and passed with 115 yeas and 0 nays. The bill was sent back to the Senate.

HB 1343 originally contained several provisions regarding agricultural lands including a prohibition on local governments charging special assessments on agricultural lands as well as provisions that allow agricultural employee housing to be built on agricultural land.

Today, the House amended the bill and inserted additional guidelines for migrant housing and the zoning authority issued to local municipalities. Some of the main guidelines provide that migrant housing cannot be within 150 feet of a property line or have excess of 2,500 square feet of climate-controlled living quarters. The amendment also declared that if agricultural production is deemed to have been discontinued for more than 3 years, the agricultural classification of the land is no longer valid.

AIF supports legislation that provides protections for farmers against municipal regulations that are overbearing and impede the functionality of agricultural producers.

LEGAL & JUDICIAL

HB 376- Relating to Criminal History Information

On Thursday, [SB 376](#) was placed on final passage by the House and was reported favorably with 115 yeas and 1 nay.

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 will now go to the Governor for approval.

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.