



FROM THE HALLS OF THE CAPITOL A REPORT FROM TALLAHASSEE



AGC Alabama Northwest Florida Section

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Week Four Legislative Report

Budget Balancing Act Begins

As Lawmakers enter the second half of the 2018 Legislative Session, balancing the state's spending plan becomes the priority. Overall, only \$100 million separates the two chambers in a state budget that will likely top \$87 billion. The trick will be working out policy differences. Areas that will likely become bargaining chips will be education, health care and gambling. The proposed budgets should go to the full House and Senate on Wednesday of this week, setting the stage for budget conferences to start.

Fading, Fading...

As mid-point on this year's session approaches, there are still some contentious pieces of legislation facing huge hurdles if they are going to survive the process.

The controversial "sanctuary city" bill is likely dead in the Senate. After much buildup on whether the Senate would take action on a measure that has been a hot political issue this year, and a priority of **House Speaker Richard Corcoran**, the bill hit a roadblock during week four in the Senate, about the same time Speaker Corcoran released a campaign ad promising that Florida will not be a sanctuary state on his watch. It was obvious from the start that **Senator Aaron Bean** did not have enough votes to pass the Senate bill in its first of three committee stops. He asked the Senate panel to temporarily postpone it...potentially indefinitely.

Bills to ban the breeding of Orcas and fracking in the state — two big money fights — have yet to be heard in committee. The fate of these bills does not look promising.

A pair of gun bills that would allow guns in religious institutions with schools attached are headed to the full floors of both Chambers for consideration. The bills have one glaring difference – the Senate wants to keep guns out of churches attached with schools if school-sponsored activities are going on, the House does not.

For six straight Legislative Sessions, one of the hottest issues on the Florida insurance agenda is reeling in assignment of benefit (AOB) abuse. AOB is a practice whereby lawyers and contractors convince homeowners to sign over their right to sue insurers for certain kinds of home damage — water and roofing, for example. Insurers typically settle these claims to avoid protracted and expensive court battles; and thanks to Florida law, they're on the hook for attorneys' fees too. The House quickly passed a bill that would impose a range of restrictions on AOB agreements between property owners and contractors. How the Senate responds, if it does so at all, remains the big question.

It will take an Act of Congress

Two bills that most thought would not go anywhere this session are on track to make it to the finish line. The bills would make daylight saving the year-round standard time of the entire state. The Senate version of the proposal would also move the state's Panhandle into the Eastern Time zone. The panhandle is currently part of the Central Time zone. The House bill passed its last committee of reference and will now head to the floor for final consideration. The House sponsor, **Representative Jeanette Nunez (the Speaker Pro Tem)**, made it clear to the House Accountability Committee that she has no intention of moving the panhandle into the Eastern Time zone and plans on discussing this with the Senate sponsor. The sponsor also made it clear that year-round daylight saving time would take an act of Congress, amending the Uniform Time Act of 1966, before it would take effect. Folks in the panhandle have been flooding lawmakers with calls and e-mails voicing their concerns about year-round DST. Citing that many of the cities and counties are only a few miles away from Alabama or Georgia . . . maybe an option is to let Alabama annex northwest Florida.

Looking Ahead to Week Five

Wednesday will mark the half-way point of the 2018 Legislative Session. With hundreds of bills dead or dying, focus will shift to watching amendments and the budget. As mentioned at the beginning of this report, gaming or gambling will most certainly take center stage along with the budget. Big money is involved. The House plan would include a new compact with the Seminole Tribe that could be worth more than \$350 million a year to the state for the next 20 years. The catch – the Senate wants slots included, and the House says no deal.

Bills Begin to Die

As week five of the nine-week legislative session begins, I can begin to see more clearly which bills have no chance of making it to the finish line. With the last of subcommittee meetings being held during week four in the House (except appropriations subcommittees), bills that did not receive hearings in subcommittees of reference are dead for session.

Of bills that I am tracking, the following bills/issues can be identified as “DEAD” having never

received a hearing in a subcommittee of reference:

Construction Bonds

(HB 723 by McClain/CS/SB 908 by Steube)

HB 723 by **Representative McClain** never received a hearing in the House Careers and Competition Subcommittee chaired by **Representative Halsey Beshears (R - Monticello)**. Although the companion, **CS/SB 908** by **Senator Steube**, received one hearing, I don't expect the bill to move again.

STATUS: **HB 723** has been referred to the House Careers & Competition Subcommittee; Civil Justice & Claims Subcommittee; and Commerce Committee. **CS/SB 908** has been referred to the Senate Judiciary Committee; Community Affairs Committee; and Rules Committee. The bill is in the Senate Community Affairs Committee. No movement on either of the bills during the fourth week of Session.

Direct Purchases of Tangible Personal Property by Contractors

(HB 715 by Leek/SB 1108 by Young)

Although this bill received several reviews by the Revenue Estimators and a workshop in the House, neither it nor **SB 1108** received a hearing due to the high annual estimated revenue impact of \$200-\$400 million.

STATUS: **HB 715** has been referred to the House Oversight, Transparency & Administration Subcommittee; Ways & Means Committee; and Government Accountability Committee. The bill remains in the House Oversight, Transparency & Administration Subcommittee. **SB 1108** has been referred to the Senate Community Affairs Committee; Appropriations Subcommittee on Finance and Tax; and Appropriations Committee. No movement on the Senate Bill during the fourth week of Session.

Actions Against Contractors without Required Insurance Coverage

(HB 89 by Spano/SB 604 by Steube)

Although **HB 89** received one hearing, it did not receive a second subcommittee meeting hearing. Its companion, **SB 604**, has also not been heard.

STATUS: **HB 89** has been referred to the House Civil Justice and Claims Subcommittee; Careers and Competition Subcommittee; and Judiciary Committee. The bill remains in the House Careers and Competition Subcommittee. **SB 604** has been referred to the Senate Regulated Industries Committee; Judiciary Committee; and Rules Committee. No movement on either of the bills during the fourth week of Session.

Electrical Contractors

(HB 295 by Mercado/SB 446 by Gibson)

This effort by labor unions to strengthen journeyman requirements was never heard.

STATUS: **HB 295** has been referred to the House Careers and Competition Subcommittee;

Local, Federal and Veterans Affairs Subcommittee; and Commerce Committee. **SB 446** has been referred to the Senate Regulated Industries Committee; Community Affairs Committee; and Rules Committee. No movement on either of the bills during the fourth week of Session.

Florida Building Commission

(HB 299 by McClain)

This bill would have pared down the number of building commission members.

STATUS: **HB 299** has been referred to the House Careers and Competition Subcommittee; and Commerce Committee. The bill remains in the House Commerce Committee, its last committee reference. No movement on the bill during the fourth week of Session.

Opened and Expired Building Permits

(HB 1077 by /SB 1322 by Powell)

This bill would have authorized the Construction Industry Licensing Board to take actions against any contractor, construction business or financially responsible officer if found guilty of failing to properly close any permit or satisfy any applicable permit requirement. It also required the Florida Building Commission to adopt rules and amend the applicable Florida Building Code to enact procedures designed to encourage property owners and contractors to close permits properly.

STATUS: **HB 1077** has been referred to the House Careers & Competition Subcommittee; Local, Federal & Veterans Affairs Subcommittee; and Commerce Committee. **SB 1322** has been referred to the Senate Regulated Industries Committee; Community Affairs Committee; and Rules Committee. No movement on either of the bills during the fourth week of Session.

Annual Business Organization Reports and Fees

(HB 373 by M. Grant/SB 1228 by Hukill)

This bill would have changed corporate annual reporting to bi-annual reporting.

STATUS: **HB 373** has been referred to the House Oversight, Transparency & Administration Subcommittee; Ways & Means Committee; and Government Accountability Committee. **SB 1228** has been referred to the Senate Commerce and Tourism Committee; Appropriations Subcommittee on Transportation, Tourism, and Economic Development; Appropriations Committee. The bill remains in the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development. No movement on either of the bills during the fourth week of Session.

Update on Other Bills in Play

Use of Wireless Communications Devices While Driving/Texting While Driving

(CS/HB 33 by Toledo/CS/CS/SB 90 by Perry)

As the bills stand now, they both make texting a primary offense and are similar but not identical.

The House bill has provisions not in the Senate bill that specify what actions by law enforcement would require a warrant. The Senate bill has language that requires deposit of fines into the Emergency Medical Services Trust Fund which is not in the House bill. Both bills now require law enforcement agencies to track the ethnicity of violators and report same to the Department of Highway Safety & Motor Vehicles who must make an annual report to the Governor, Senate President and House Speaker beginning February 2019. Obviously, the differences in the bills will have to be resolved for the bills to pass.

STATUS: **CS/HB 33** has been referred to the House Transportation and Infrastructure Subcommittee; Judiciary Committee; and Government Accountability Committee. The bill unanimously passed the House Government Accountability Committee, its last committee reference, on Thursday, February 1 on a vote of 20-0. The bill now goes to the House Calendar. **CS/CS/SB 90** has been referred to the by Senate Communications, Energy, and Public Utilities Committee; Transportation Committee; Appropriations Subcommittee on Transportation, Tourism, and Economic Development; and Appropriations Committee. The bill remains in the Senate Appropriations Committee, its last committee reference. No movement on Senate Bill during the fourth week of Session.

Impact Fees

(CS/CS/HB 697 by Young/CS/CS/SB 324 by Young)

These Florida Home Builders Association supported bills continue to inch along. They are an attempt to rein in the assessment and collection of impact fees.

STATUS: **CS/CS/HB 697** has been referred to the House Local, Federal and Veterans Affairs Subcommittee; Ways and Means Committee; and Government Accountability Committee. The bill remains in the House Government Accountability Committee, its last committee reference. **CS/CS/SB 324** has been referred to the Senate Community Affairs Committee; Appropriations Subcommittee on Finance and Tax; and Appropriations Committee. The bill unanimously passed the Senate Appropriations Subcommittee on Finance and Tax on Monday, January 29 on a vote of 6-0. The bill now goes to the Senate Appropriations Committee. No movement on the House Bill during the fourth week of Session.

Statute of Limitations for Actions Relating to Real Property Improvement

(CS/HB 875 by Leek/CS/SB 536 by Passidomo)

These ABC supported bills would make additional changes to the statute of limitation for latent defects and create time periods for commencement of counterclaims, cross-claims and third-party. If you have been reading this report carefully, you can begin to see that the House Judiciary Committee has a substantial number of bills waiting to be heard – another filter in the difficult and complex legislative process.

STATUS: **CS/HB 875** has been referred to the House Civil Justice & Claims Subcommittee; and Judiciary Committee. The bill remains in the House Judiciary Committee, its last committee reference. **CS/SB 536** has been referred to the Senate Judiciary Committee; Community Affairs Committee; and Rules Committee. The bill is scheduled to be heard by the Senate Community

Affairs Committee on Tuesday, February 6 at 11:00 a.m. No movement on either of the bills during the fourth week of Session.

Construction Defect Claims

(HB 759 by Trumbull/SB 680 by Passidomo)

As reported last week, these bills are in trouble with the Senate Bill not receiving a hearing thus far. They would be on the DEAD list except that the House Bill received a favorable subcommittee vote in January and only has the Judiciary committee to go. However, the bill was temporarily postponed in House Judiciary during week three, and the agenda for that committee has not yet been set for this week.

STATUS: **HB 759** has been referred to the House Civil Justice & Claims Subcommittee; and Judiciary Committee. The bill remains in the House Judiciary Committee, its last committee reference. **SB 680** has been referred to the Senate Judiciary Committee; Commerce and Tourism Committee; and Rules Committee. No movement on either of the bills during the fourth week of Session.

Regulatory Reform-Licensing

(CS/HB 1041 by Plakon/SB 1114 by Brandes)

These bills specify licenses that can be obtained after certain specified time periods have lapsed since the conviction or determination of guilt. The professions included are cosmetology and barbers, construction contractor in the subtrades and specialty contractors and nursing assistants. The bills allow a person to apply to the respective board for a declaratory statement as to whether they are eligible for licensure and create procedures and time periods.

STATUS: **CS/HB 1041** has been referred to the House Careers and Competition Subcommittee; Local, Federal and Veterans Affairs Subcommittee; and Commerce Committee. The bill unanimously passed the House Careers and Competition Subcommittee on Tuesday, January 30 on a vote of 15-0. The bill now goes to the House Local, Federal and Veterans Affairs Subcommittee. **SB 1114** has been referred to the Senate Regulated Industries Committee; Commerce and Tourism Committee; and Rules Committee. The bill is scheduled to be heard by the Senate Commerce and Tourism Committee on Tuesday, February 6 at 9:00 a.m. No movement on the Senate Bill during the fourth week of Session.

Regulatory Reform-Red Tape Reduction Act

(HB 791 by M. Diaz/SB 1268 by Perry)

These bills would create the Red Tape Reduction Advisory Council under the Executive Office of the Governor, consisting of members appointed by the Governor, House Speaker and Senate President. A baseline for the number of administrative rules in existence on January 1, 2019 would be established and an agency could not adopt an additional rule without repealing an existing rule. The council shall: (a) Annually review the Florida Administrative Code to determine whether any rules are duplicative or obsolete, are especially burdensome to businesses within the state, disproportionately affect businesses with fewer than 100 employees or disproportionately affect businesses with annual revenue below \$5 million. If the council

determines that a rule meets at least one of these criteria and can be repealed or amended with minimal impact on public health, safety and welfare, the council shall recommend repealing or amending the rule.

STATUS: **HB 791** has been referred to the House Oversight, Transparency & Administration Subcommittee; Appropriations Committee; and Government Accountability Committee. The bill passed the House Oversight, Transparency & Administration Subcommittee on Tuesday, January 30 on a vote of 7-3. The bill is scheduled to be heard by the House Appropriations Committee on Tuesday, February 6 at 3:00 p.m. **SB 1268** has been referred to the Senate Governmental Oversight and Accountability Committee; Appropriations Subcommittee on General Government; and Appropriations Committee. No movement on the Senate Bill during the fourth week of Session.

Business Filings

(CS/HB 661 by M. Miller/CS/SB 610 by Young)

They would require the Department of State to create a notification program by December 31, 2018 to combat fraudulent filings of business and corporate records.

Status: **CS/HB 661** has been referred to the House Oversight, Transparency and Administration Subcommittee; Transportation and Tourism Appropriations Subcommittee; and Government Accountability Committee. The bill remains in the House Transportation and Tourism Appropriations Subcommittee. **CS/SB 610** is on second reading on the Senate Calendar. No movement on either of the bills during the fourth week of Session.

Notaries Public

(CS/HB 771 by J. Grant/SB 1042 by Brandes)

These bills create new sections of statute with respect to electronic notarization. They allow an individual and witnesses to appear “in person” via computer audio-video communication technology and specify detail as to validations, forms and other requirements.

STATUS: **HB 771** has been referred to the House Civil Justice & Claims Subcommittee; Transportation & Tourism Appropriations Subcommittee; and Judiciary Committee. The bill remains in the House Transportation & Tourism Appropriations Subcommittee. **SB 1042** has been referred to the Senate Judiciary Committee; Governmental Oversight and Accountability Committee; and Rules Committee. The bill unanimously passed the Senate Judiciary Committee on Tuesday, January 30 on a vote of 10-0. The bill now goes to the Senate Governmental Oversight and Accountability Committee. No movement on the House Bill during the fourth week of Session.

Theft

(CS/HB 713 by Donalds and Alexander/CS/SB 928 by Bracy)

These bills raise the threshold for third degree felonies and make other changes to theft statutes.

STATUS: **CS/HB 713** has been referred to the House Criminal Justice Subcommittee; Justice

Appropriations Subcommittee; and Judiciary Committee. The bill passed the House Justice Appropriations Subcommittee on Tuesday, January 30 on a vote of 11-1. The bill now goes to the Senate Judiciary Committee, its last committee reference. **CS/SB 928** has been referred to the Senate Criminal Justice Committee; Judiciary Committee; and Rules Committee. The bill remains in the Senate Rules Committee, its last committee reference. No movement on the Senate Bill during the fourth week of Session.

Workers' Compensation

(HB 7009 by Commerce Committee and Burgess)

The business community and workers' compensation coalition do not believe the bill goes far enough to make a substantial difference in the anticipated rate hikes. The bill repeals caps put in place in 2003, requires the existing medical reimbursement panel to move to annual adoption of maximum reimbursement allowances, extends timeframes in which employees may receive certain workers' compensation benefits and in which a carrier must notify a treating doctor of certain requirements and revises provisions relating to retainer agreements and awarding attorney fees. It also allows the Judge of compensation claims to deny a claim if the claimant or claimant's attorney did not make a good faith effort to settle the claim out of court.

STATUS: **HB 7009** was received by the Senate and referred to the Senate Banking and Insurance Committee; Appropriations Committee and Rules Committee. No movement on the bill during the fourth week of Session.

Property Insurance (Assignment of Benefits (AOB))

(HB 7015 by Trumbull/SB 62 by Hukill/SB 256 by Farmer/SB 258 by Farmer/CS/SB 1168 by Steube)

Although some similar concepts are addressed in both bills, they are still substantially different and negotiation between the chambers will be necessary for anything to pass.

STATUS: **HB 7015** was received by the Senate and referred to the Senate Banking and Insurance Committee; Judiciary Committee; and Rules Committee. **SB 62** has been referred to the Senate Banking and Insurance Committee; Appropriations Committee; and Rules Committee. **SB 256** has been referred to the Senate Banking and Insurance Committee; Appropriations Committee; and Rules Committee. **SB 258** has been referred to the Senate Banking and Insurance Committee; Appropriations Committee; and Rules Committee. **CS/SB 1168** has been referred to the Senate Banking and Insurance Committee; Judiciary Committee; and Rules Committee. The bill is scheduled to be heard by the Senate Judiciary Committee on Tuesday, February 6 at 2:00 p.m. No movement on any of the bills during the fourth week of Session.

Small Business Participation in State Contracting

(SB 114 by Campbell)

This is the same legislation filed for several years by **Senator Campbell**. It would require state agencies to break contracts into smaller pieces to allow for smaller contractors to bid. It would require 35% of the agencies contracts to be awarded to small contractors, and it would prohibit requiring bonds for contracts under \$500,000. At present, there is no House companion bill.

STATUS: **SB 114** has been referred to the Senate Governmental Oversight and Accountability Committee; Appropriations Subcommittee on General Government; and Appropriations Committee. No movement on the bill during the fourth week of Session.

Permit Fees

(CS/CS/HB 725 by Williamson/CS/SB 1144 by Perry)

These bills require permitting and inspection fees to be published on the local government's website and require justification through specific reporting prior to raising the fees.

STATUS: **CS/CS/HB 725** has been referred to the House Local, Federal and Veterans Affairs Subcommittee; Careers and Competition Subcommittee; and Government Accountability Committee. The bill unanimously passed the House Government Accountability Committee, its last committee reference, on Thursday, February 1 on a vote of 19-0. The bill now goes to the House Calendar. **CS/SB 1144** has been referred to the Senate Community Affairs Committee; Appropriations Subcommittee on Finance and Tax; and Appropriations Committee. The bill is scheduled to be heard by the Senate Appropriations Subcommittee on Finance and Tax on Monday, February 5 at 4:30 p.m. No movement on the Senate Bill during the fourth week of Session.

To view and print the above bills from this week's Legislative Report, please go to either www.floridahouse.gov or www.flsenate.gov. Other legislative information can be found by going to www.leg.state.fl.us. If you have any questions or need additional information, please contact me at rbkershner@att.net.