

## MEMORANDUM

**TO:** NAIOP  
**FROM:** GrayRobinson  
**DATE:** September 22, 2019  
**SUBJECT:** 2020 Legislative Session – Committee Week 1 (September 16-19)

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In Tallahassee last week, the 2020 Legislative Session got off to an official start with the first committee week. The September interim committee week functioned primarily for the purpose of setting future meeting agendas, and perhaps the most notable highlight of last week's events was recognition of state Representative Chris Sprowls as Speaker-Designate.

The Palm Harbor Republican is in line to preside over the House chamber for the 2021 and 2022 Legislative Sessions. A speech delivered last week to his colleagues indicated some of what Sprowls has planned for his leadership role. His remarks generally expressed a need to reduce legislative spending, facilitate transparency in how state dollars are spent at the local level, encourage school choice, and continue efforts to protect Florida's environment. Sprowls left few stones unturned in his speech. While he did not dive deeply into health care issues or criminal justice concerns, he encouraged members to not "read into that oversight." What Sprowls did address, however, is indicative of the general direction he believes the Legislature — or at least the House — should pursue.

The Speaker-Designate discussed how the state "budget is growing faster than our reserves." He added, "We need to increase our reserves and create a new fund for disaster recovery. There is no excuse not to be prepared for the next storm or the next recession." Sprowls also described an initiative he thinks could curb misuse of tax dollars. "We need an Inspector General with the power to investigate these organizations, recover misspent funds, impose civil fines, and, in extreme cases, refer matters to our State Attorneys for criminal prosecution," he said.

And following a record-breaking year in environmental spending, Sprowls suggested the environment will remain among his top priorities. "We don't live in Iowa," Sprowls said. "We live on a peninsula. We cannot afford to put our head in the sand and hope the beach doesn't disappear under a permanent rising tide."

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These early signs of what Sprowls values could become manifest in this year's Session, which formally begins January 14. And for those looking more than a few months down the line, the remarks help predict what's to come from Tallahassee in 2021 and beyond.

### **Activities and Bills related to NAIOP – Summary List**

**Annual Summit Review** – Last week, representatives from all five of NAIOP's chapters in the Florida -- South Florida, Northwest Florida, Northeast Florida, Central Florida and Tampa Bay -- participated in a state summit to discuss legislative priorities for the coming year. The meeting highlighted NAIOP's influence in Florida, and it drew two leading members of the state legislature to Orlando to speak.

Attendees heard presentations by State Senator David Simmons, Pro Tempore of the upper house, and House Representative Mike La Rosa, Chairman of the Commerce Committee. NAIOP members also discussed in-depth the issues they will prioritize in 2020. These include:

- Enacting the FAST Act;
- Phasing out the Business Rent Tax;
- Removing the Witness Requirement for Commercial Leases;
- Maintaining a Commercial Building Representative on Florida Building Commission;
- Improving the State Fire Code; and
- Reining in Excessive Linkage Fees

**Business Rent Tax** – The Senate and House have both filed bills to enforce the internet sales tax (bills summarized below). It is early, but both chambers are fully expected to propose a further reduction in the business rent tax.

**FAST Act** – The GR lobbying team met with both Senator Perry and Representative Plakon to seek their sponsorship of the legislation for the 2020 session. The bill is presently in drafting and once released, we expect both to file this legislation again.

**Lease Signatory Changes** – Legislation to eliminate the witness requirement for commercial leases is currently in drafting. We are working with both the House and Senate to secure sponsors.

**Florida Building Commission** – No legislation has been filed yet that addresses the Florida Building Commission. We are working with DBPR Secretary Halsey Beshears to preserve the CRE representative on the commission and ensure that NAIOP is better represented.

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## **Detailed Activities and Bills related to NAIOPFL**

The following are bills filed that impact (positively and/or negatively) the commercial real estate industry.

### **Promoting Business Friendly CRE Regulations**

**No relevant bills filed yet.**

### **Promote Feasible Sustainability Initiatives**

**No relevant bills filed yet.**

### **Promote Fair Taxation**

#### **Internet Sales Tax Enforcement – SB 126 (Gruters) and HB 159 (Clemons)**

##### Key Take Away

If passed, would revise definitions for “retail sale” and “mail order sale” to capture internet sales, and thus enforce the sales tax on internet sales.

**House Approval Milestones** – Bill filed on September 12. No Committee Assignments yet.

**Senate Approval Milestones** – Bill filed on August 14.

Commerce and Tourism – Awaiting a hearing

Finance and Tax – N/A

Appropriations – N/A

**Weekly Roundup:** N/A

**Current Call to Action:** No action needed at moment.

### **Collaborative Growth Management**

#### **Affordable Housing Trust Fund – SB 306 (Mayfield)**

##### Key Take Away

If passed, there would no longer be trust fund “sweeps” of the Sadowski Fund.

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**House Approval Milestones – No bill filed yet.**  
**Senate Approval Milestones – Bill Filed September 17. No Committee References yet.**

**Weekly Roundup: N/A.**

**Current Call to Action: N/A**

**Development Order Attorney Fees – SB 250 (Berman) and HB 6019 (Casello) -**

Key Take Away

If passed, would delete the entitlement for prevailing party to recover reasonable attorney fees and costs in challenge or defense of development order.

**House Approval Milestones – Filed September 10. No Committee Assignments yet.**

**Senate Approval Milestones – Filed September 10.**

Community Affairs Committee: Awaiting Hearing

Judiciary: N/A

Rules: N/A

**Weekly Roundup: N/A.**

**Current Call to Action: N/A. Both bills are filed by Democrats and are an attack on the Republican-led legislation of 2019. It is unexpected this bill will move.**

**Property Rights Inserted into Growth Management – HB 203 (McClain) – filed on September 19**

Key Take Away

Would make clear that a property owner's rights to develop his/her/its property must be honored by a local government.

**House Approval Milestones – No Committee References Yet**

**Senate Approval Milestones - No Committee References Yet**

**Weekly Roundup: N/A.**

**Current Call to Action: N/A.**

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**Hurdles:** None yet. Although, it is worth noting that this same bill died in the House and Senate during 2019 session.

### Promote Economic Prosperity

#### Job Growth Grant Fund Revisions – SB 130 (Hutson) and HB 71 (Santiago)

##### Key Take Away

Would authorize the Governor to approve workforce training grants to certain charter schools under the Florida Job Growth Grant Fund.

**House Approval Milestones – Filed on August 20. No Committee references yet.**

##### **Senate Approval Milestones**

Commerce and Tourism Committee: Awaiting hearing.

Education: N/A.

Appropriations Committee: N/A.

**Weekly Roundup:** N/A.

**Current Call to Action:** N/A.

#### Summary of Committee Week One (September 16-19)

##### **On Budgeting**

The House Appropriations Committee — and the state coffers as a whole — were met last week with some less-than-ideal news from the Legislature’s Office of Economic and Demographic Research chief Amy Baker. Baker informed lawmakers that the long-range economic outlook currently projects \$867 million fewer in revenue collections than previously forecasted. That’s significantly less money than the members had previously planned to have for spending over the next two years.

Taking Baker’s presentation and Sprowls’ urging to increase reserves spending, lawmakers could be looking at a tight budget year. Adding credence to this idea are remarks from House Appropriations Chair Travis Cummings to reporters afterward. Cummings, who told the media that hurricane resiliency and preparation is top of mind, suggested “it probably would be a good idea ... to try to increase reserves or try to allocate some dollars and have a [hurricane] plan

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moving forward,” meaning that less money could potentially be available for funding other parts of the budget.

### **Issue Roundup**

Well ahead of bill-filing deadlines, lawmakers already are looking at legislation and hearing from agencies on how they think Florida can improve its government services.

**CRC targeted:** After failing to catch traction last year, Florida senators are again pushing a proposal to abolish the Constitution Revision Commission (CRC), an appointed body of members that meets every 20 years to vet and put forward to voters constitutional changes. Critics of the CRC have, among other things, taken umbrage with its practice of “bundling,” or looping together seemingly unrelated provisions into individual ballot items. Meanwhile, proponents of the CRC practice have argued it’s necessary to prevent ballot fatigue and to minimize ballot length. The Senate Judiciary Committee unanimously approved the proposal (SJR 142) last week.

**Public Safety:** Widely covered by news media this past week, lawmakers received lengthy testimony from experts from across the state on mass violence. The Legislature has publicly noted that it will pursue actions this year that would help prevent shootings and other forms of large-scale violence. More extensive gun background checks could be on the table this year, according to state Sen. Tom Lee, who chaired the meeting.

**Under the Radar:** Lawmakers and stakeholders are taking action toward some of the niche issues they’d like to see tackled this Session. One bill (SB 276), for example, would require cancer-awareness instruction in high schools to educate students on the dangers of prostate and breast cancer. A group of lawmakers this week also held a press conference to express the need to financially aid the storm-battered Bahamas. Meanwhile, in the criminal justice sphere, Department of Corrections Secretary Mark Inch informed lawmakers that he’d be asking for an additional \$89 million in his legislative budget request to help cover the cost of potentially scaling back the length of prison guard shifts.

### **Current Bill Statistics**

Total Bills Filed: 324 (152 House; 172 Senate)

Appropriations Bills Filed: 40

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## **Preview of 2020 Legislative Session**

### **Key Dates**

The 2020 Legislative Session gavels-in on January 14, 2020. Below is the schedule of committee weeks.

- October 14-18 – Interim Committee Week 2
- October 21-25 – Interim Committee Week 3
- November 4-8 – Interim Committee Week 4
- November 12-15 – Interim Committee Week 5
- December 9-13 – Interim Committee Week 6

### **Other Key Dates**

- November 15, 5:00pm
  - House Appropriations Project request form deadline
  - House Member Bill Draft Deadline
- November 22, 5:00pm
  - Senate deadline for submitting bill drafts
- November 26, 5:00pm
  - House Early Member bill filing deadline – at least 2 of member's bills must be filed
- January 10, 5:00pm
  - Deadline for approval of final bill drafts
- January 14, 12:00pm
  - Deadline for filing bills for introduction