

## MEMORANDUM

**TO:** NAIOP  
**FROM:** GrayRobinson  
**DATE:** October 20, 2019  
**SUBJECT:** 2020 Legislative Session – Committee Week 2 (October 14-18)

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In many ways, the 2020 Legislative Session is already underway, even though it officially does not open until January 14. That's because lawmakers just concluded the second of several committee weeks leading up to the Session's start. The highlight was on Tuesday, with the formal selection of state Senator Wilton Simpson, a Trilby Republican, as Senate President-designate for 2020-22. He's now officially set to succeed Bill Galvano as head of that chamber when the Bradenton Republican is term limited out after the 2020 elections.

Amidst this full committee week of hearings, the chatter started to turn towards next week's special Senate session on the suspension of Broward Sheriff Scott Israel. As stated, in many ways, session is well underway. These and other items, as well as your issues are more fully discussed below.

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

#### **Key Issues for 2020 As Determined at the NAIOP Summit**

- 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

**Mark Your Calendar** – NAIOP Legislative Days will take place on Tuesday, January 21 through Wednesday, January 22.

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**Business Rent Tax** – The Senate and House have both filed bills to enforce the internet sales tax (bills summarized below). The Senate began moving this week, passing unanimously through its first committee. 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 out of drafting in the Senate and expected to be out of drafting in the House shortly.

**Lease Signatory Changes** – Legislation to eliminate the witness requirement for commercial leases is currently in drafting. Representative Wyman Duggan has agreed to file the House bill and we are presently securing the Senate sponsor.

**Florida Building Commission** – Legislation been filed yet that addresses the Florida Building Commission, and as expected, the commercial real estate representative is NOT removed. This is a kudos to last year's strong effort by NAIOP. We are working with DBPR Secretary Halsey Beshears to suggest actual NAIOP members to serve on the FBC.

**Fire Code** – Your GR team met with House Commerce Chair Mike La Rosa this week to discuss the state fire code changes. He is very interested in correcting this problem in the 2020 session, by pushing the deadlines out further.

**Linkage Fees** – In the same meeting with Chair La Rosa, he agreed to address linkage fees in a committee bill this session.

## **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**

#### **Nonservice Animals – HB 243 (Antone)**

##### Key Take Away

If passed, would prohibit nonservice animals from entering specified public food service establishments or places of business; require DBPR to create & maintain publicly accessible website for complaints; provides penalties.

**House Approval Milestones** – Bill filed on September 30.  
Business & Professions Subcommittee – Awaiting Hearing  
Government Operations & Technology Appropriations – N/A

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Commerce – N/A

**Senate Approval Milestones** – No senate companion yet.

**Weekly Roundup:** N/A.

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

### **Deregulation of Professions and Occupations – SB 474 (Albritton)**

#### Key Take Away

If passed, would significantly revise the Florida Building Commission membership, however, it would not remove the commercial real estate representative. Additionally, this 77 page bill would, among other things, delete the requirement that a yacht broker maintain a separate license for each branch office; specify that the failure to repay certain student loans is not considered a failure to perform a statutory or legal obligation for which certain disciplinary action can be taken; revise licensure requirements for engineers who hold specified licenses in another state; provide that certain cosmetology services may be performed in a location other than a licensed salon under certain circumstances, etc.

**House Approval Milestones** – No house bill filed yet.

**Senate Approval Milestones** – Bill filed October 7. There are no committee references yet.

**Weekly Roundup:** N/A.

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

### **Stormwater Management Systems – HB 405 (Good)**

#### Key Take Away

If passed, would direct water management districts, with DEP oversight, to adopt rules for standards relating to new development & redevelopment projects specifically focusing on removal of nutrients from stormwater discharges; directs DEP to incorporate such rules for district use; directs DEP & districts to amend such rules into applicant's handbook; provides rebuttable presumption relating to water quality standards for certain systems; revises requirements for construction of certain systems; requires specified staff training; directs DEP & districts to initiate rulemaking..

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**House Approval Milestones** – Bill filed on October 18. No committee references yet.

**Senate Approval Milestones** – No senate companion yet.

**Weekly Roundup:** N/A.

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

### Promote Feasible Sustainability Initiatives

#### Clean Energy Programs – HB 225 (Zika)

Key Take Away

If passed, would authorize property owner to apply to approved PACE administrator for loan; authorize local governments to enter into agreements with PACE administrators; provides requirements for PACE loan contracts; provides certain prohibitions; provides remedies.

**House Approval Milestones** – Bill filed on September 25.

Energy & Utilities – Awaiting Hearing

Ways & Means – N/A

State Affairs – N/A

**Senate Approval Milestones** – No senate companion yet.

**Weekly Roundup:** N/A.

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

#### Renewable Energy – SB 446 (Brandes)

Key Take Away

If passed, would authorize owners of commercial or industrial businesses, or third parties contracted by such owners, to install, maintain, and operate a renewable energy source device on or about the structure in which the business operates or on a property the business owns or leases; authorizes owners or contracted third parties to sell electricity generated from the device to certain businesses regardless of whether the device is located in a utility's service territory, etc.

**House Approval Milestones** – No house bill filed yet.

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**Senate Approval Milestones** – Bill filed October 4.  
Innovation, Industry and Technology – Awaiting Hearing.  
Commerce and Tourism – N/A  
Rules – N/A

**Weekly Roundup:** N/A.

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

### 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.  
Ways & Means Committee – Awaiting Hearing  
Commerce – N/A  
Appropriations – N/A

**Senate Approval Milestones** – Bill filed on August 14.  
Commerce and Tourism – Passed unanimously on Wednesday, October 16.  
Finance and Tax – Awaiting Hearing.  
Appropriations – N/A

**Weekly Roundup:** The Senate bill passed unanimously in Commerce and Tourism. Many trade groups, including NAIOP, strongly supported this bill.

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

### Collaborative Growth Management

#### Affordable Housing Trust Fund – SB 306 (Mayfield) and **HB 381 (Silvers)**

Key Take Away

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

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**House Approval Milestones – Filed on October 16.**

**Senate Approval Milestones – Bill Filed September 17.**

Infrastructure and Security – Awaiting Hearing

Appropriations Subcommittee on Transportation, Tourism and Economic Dev: N/A

Appropriations – N/A

**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.**

Commerce – Awaiting hearing.

Judiciary – Awaiting hearing.

State Affairs – Awaiting hearing.

**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) and SB 410 (Perry)**

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 – Filed on September 19.**

Local, Federal & Veterans Affairs – Scheduled for October 23 hearing.

Commerce – N/A

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State Affairs – N/A

**Senate Approval Milestones** – Filed on October 1.  
Community Affairs – Awaiting hearing.  
Judiciary – N/A  
Rules – N/A

**Weekly Roundup:** On Wednesday, the House bill was placed on the agenda for Local, Federal & Veterans Affairs on Wednesday, October 23.

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

**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.**

Transportation & Tourism Appropriations Subcommittee – Awaiting hearing  
Education Committee – N/A  
Appropriations – N/A

##### **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.

#### Florida Tourism Marketing – SB 362 (Hooper) and HB 213 (Ponder)

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Key Take Away

Would revise the scheduled repeal of the Florida Tourism Industry Marketing Corporation direct-support organization (aka Visit Florida) to the year 2028.

**House Approval Milestones – Filed on September 23.**

Workforce Development & Tourism – Awaiting hearing  
Transportation & Tourism Appropriations Subcommittee – N/A  
Commerce Committee – N/A

**Senate Approval Milestones – Filed on September 23**

Commerce and Tourism Committee: Awaiting hearing.  
Appropriations Subcommittee on Transportation, Tourism and Economic Dev: N/A.  
Appropriations Committee: N/A.

**Weekly Roundup:** N/A.

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

**Summary of Committee Week Two (October 14-18)**

**Governor Wants Better Water**

Governor Ron DeSantis Wednesday said he will push legislation to strengthen regulation of sewage treatment plants, septic tanks, stormwater quality and agricultural runoff. The legislation will build on recommendations from the state Blue-Green Algae Task Force, which he appointed in January after taking office. The panel made its initial recommendations last week.

DeSantis said his legislation will allow the Department of Environmental Protection to inspect sewage treatment plants rather than react to spills only after they occur. It would ratify department recommendations to regulate sewage plant sludge, or biosolids, transfer authority for septic tank inspections from the Department of Health to the Department of Environmental Protection, require improved waterway cleanup plans, known as basin management action plans, and require stricter standards for stormwater runoff and agricultural best-management practices.

DeSantis said the legislation is step two, following his announcement in September that he will seek \$625 million in recurring revenue for water programs, including Everglades restoration. He said more legislation might be proposed as the task force issues more recommendations.

**Florida House of Representatives**



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House members began mulling teacher compensation in light of Governor Ron DeSantis' proposal to raise the pay of rookie educators to the second highest rate in the nation. The Governor wants to raise the new teacher starting salary to \$47,500 statewide. Chris Latvala, the Clearwater Republican who chairs the PreK-12 Appropriations Subcommittee, said that "when it comes to rewarding our teachers, everything's on the table."

### **Florida Senate**

The words "climate change" weren't uttered often in Tallahassee this past decade. That doesn't mean no one thought about it. The Senate Infrastructure and Security Committee met to discuss the impact of changing climate and ways Florida can better adapt. Speakers included the state's new Chief Resilience Officer, Julia Nesheiwat. Said committee chair Tom Lee, a Thonotosassa Republican: "I'm elated you all have been thinking about this."

### **King Me (With Wine)**

Nebuchadnezzar may yet come to Florida — the wine bottle size, not the king of ancient Babylon. State Senator Travis Hutson, a Palm Coast Republican, will try again this Session to repeal the state's bottle-size law. Current law generally makes it illegal to sell wine in an individual container holding more than 1 gallon unless in a reusable 5.16 gallon container. A typical bottle is 750 milliliters, roughly a fifth of a gallon. The bill for 2020 (SB 138) would allow wine bottles of all sizes. That includes the "Nebuchadnezzar," which holds 15 liters — the volume of 20 standard wine bottles. The bill also includes positive changes for craft distilleries and their consumers, including revised language which will make it easier for craft distilleries to sell their branded products to consumers from the gift shop.

If passed, the bill goes into effect next July 1. The measure also repeals a legal provision requiring restaurant-goers to order and consume a full meal before they can take home an opened bottle of wine. That would extend the "merlot to go" legacy of the late Senate President Jim King's 2005 measure that first legalized carryout wine.

### **E-Fairness Tax Moving**

The Senate Commerce & Tourism Committee Tuesday unanimously approved a proposed "e-fairness" bill that would require online sellers to collect sales tax from Floridians and remit it to the state. Senate Bill 126, by Senator Joe Gruters, R-Sarasota, and six fellow Republican senators, secured its 5-0 panel endorsement with little discussion.

SB 126 seeks to revise and rename several definitions in the state's tax statutes, such as replacing the term "mail order sale" with "remote sale," and to legally mandate online retailers that sell at least 200 items or \$100,000 worth of items to collect and remit the state's 6 percent sales taxes.

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Gruters said requiring the collection of an owed tax is not raising taxes, nor creating a new tax, calling SB 126 an “e-fairness” bill that will balance the playing field for brick-and-mortar businesses who pay sales taxes and online retailers that don’t.

Florida is one of seven states that do not require remote retailers to collect and remit sales taxes from online purchases, placing the burden on residents who are supposed to pay the state’s 6 percent sales tax when they make an online purchase.

It is also the only state that has not changed online sales tax collection laws in the wake of the landmark June 2018 U.S. Supreme Court ruling in *South Dakota v. Wayfair*, which allows states to compel out-of-state remote sellers to collect and remit sales taxes.

### **Federal Spotlight**

GrayRobinson's Washington, DC office releases a newsletter each week entitled The Golden Apple, reporting on the "latest discord on Capitol Hill." This week's newsletter discussed Senator Ron Wyden's (D-OR) introduction of sweeping privacy legislation. The Mind Your Own Business Act would impose fines and prison terms on executives who misuse customers’ personal information and lie about that to Congress.

In announcing the bill, Wyden named Facebook’s Mark Zuckerberg as someone who hadn’t suffered enough consequences for violations of privacy and lying to the government. The bill expands on legislation Wyden circulated as a discussion draft last year; it would grant the Federal Trade Commission sweeping new powers to set privacy and cybersecurity standards, levy fines of up to 4% of a company’s annual revenue, create a national Do Not Track system that lets consumers opt out of sharing their data online, and give consumers a way to review and challenge the personal information companies have collected about them. Wyden said that his bill would provide the most comprehensive privacy protections ever introduced, going further than the European Union’s General Data Protection Regulation (GDPR).

Read The Golden Apple in its entirety [here](#)

### **Looking Ahead**

The second of back-to-back committee weeks this month begins Monday. But the Senate will be doing double duty as it also convenes in Special Session to consider the fate of Broward Sheriff Scott Israel. Governor DeSantis suspended him over his handling of the shootings at Marjory Stoneman Douglas High School and Fort Lauderdale-Hollywood International Airport. Now, the Senate is constitutionally tasked with reviewing the suspension and deciding whether to remove or reinstate Israel to office. Special Master Dudley Goodlette, a lawyer and Republican former

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lawmaker, has already heard evidence in the matter and recommended that Israel be returned to office.

Senators will convene briefly at 9 a.m. Monday in the chamber to formally organize the Special Session, then the Rules Committee meets at 10:30 a.m. to review Goodlette's advisory report and recommendation that Israel be returned to the job. Lawyers for Gov. DeSantis, who wants Israel gone, will give a presentation, as will Israel's lawyer, and public testimony will be taken. The Rules Committee will then come up with its own recommendation. By Wednesday, the full Senate meets again to consider the Rules recommendation and may vote.

### **Current Bill Statistics**

Total Bills Filed: 657 (369 House; 288 Senate)

Appropriations Bills Filed: 152

### **Preview of 2020 Legislative Session**

#### **Key Dates**

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

- 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

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- Deadline for filing bills for introduction