



December 2022 Activity Report

Overview

This past month we officially kicked off the start of the Legislative Season in Tallahassee, as lawmakers formally returned for their first committee week and their first Special Session. After months of discussions with Governor Ron DeSantis, Speaker Renner, and President Passidomo <u>called</u> the legislature back to Tallahassee December 12-16, 2022, for the 2022A special session on property insurance. The call also includes tax and other financial relief relating to Hurricanes Ian and Nicole and the establishment of a statewide toll credit program.

Special Session was swift as policy was baked with little to no debate.

Joint Proclamation 12/6/22

House Memo: Special Session on Property Insurance, Hurricane Relief, and Toll Credit Program 12/6/22

Senate Memo: Information on Special Session A, Training Opportunities, Travel Authorization 12/6/22

Joint Memo: December Special Session Dates 11/22/22

If you did not know, according to Florida Constitution, Article III, Section 3(c)(1): The governor, by proclamation stating the purpose, may convene the legislature in special session during which only such legislative business may be transacted as is within the purview of the proclamation, or of a communication from the governor, or is introduced by consent of two-thirds of the membership of each house.

Special Session names have two components: a year and a letter. The year is designated by the calendar year the session is held. The letter is assigned based on the chronological order of special sessions within each new leadership administration or two-year legislative term. Therefore, special session A would be the first held under a particular leadership administration, B would be the second, etc.

This week President Passidomo also formally announced her committee chairs and assignments for the next two years. One thing is the sheer volume of freshmen lawmakers chairing committees, including Hillsborough's newly elected Senator Jay Collins, who will be Chairing the State's Agriculture committee.

THE FLORIDA SENATE SENATOR KATHLEEN PASSIDOMO President

Memorandum

TO: All Senators FROM: Kathleen Passidomo





SUBJECT: Committee Leadership and Committee Assignments DATE: December 5, 2022

Over the last few days, I enjoyed the opportunity to speak with each of you regarding committee assignments. As I mentioned in our personal conversations, within the constraints of a block schedule, I gave great deference to your stated areas of interest. I appreciate your positive feedback and the willingness of Senators to both take on new challenges and continue service in places where you have a wealth of experience.

As many Senators know, I have decided to create a Committee on Pre-K-12 Education and a Committee on Postsecondary Education. As Chair of the Appropriations Subcommittee on Pre-K-12 Education, I saw the benefit of bifurcating the responsibilities for Pre-K-12 and Postsecondary. The merits of this approach will be even more impactful by bifurcating the policy committee rather than the appropriations committee.

As we saw in our travels around the state this summer, the pandemic highlighted education-related issues like never before. From increasing school choice options to setting standards for curriculum, parents are demanding more involvement in elementary and high school education. Meanwhile, higher education institutions are adapting to the demands of a post-pandemic workforce. I see tremendous room for innovation in this area of public policy, and the Senate will benefit significantly from separate policy committees for Pre-K-12 and Postsecondary Education.

As we talked about before, I am also creating a Select Committee on Resiliency. The wide-ranging impacts of Hurricanes Ian and Nicole fall under the jurisdiction of several standing committees. While we will address some of these issues during the upcoming special session, I expect the select committee to continue reviewing recovery efforts and overall resiliency planning for our state.

Memo: Committee Leadership and Committee Assignments https://lobby.tools/3iAf2hY

Senate 2022-2024 Committee Assignments by Senator https://lobby.tools/3UsdoME

Senate 2022-2024 Committee Assignments by Committee https://lobby.tools/3VUFPUq

Senate bills 2A, 4A, and 6A were approved by the whole Florida House and Senate. The 2022A special session ended Sine Die formally at 11:59 p.m. on Friday, December 16, 2022. However, lawmakers did not meet for the rest of the week, kicking off things early for the holidays. Florida House Speaker Paul Renner and Senate President Kathleen Passidomo called it landmark legislation to stabilize the property insurance market and provide relief for Florida commuters and victims of Hurricanes Ian and Nicole. Below is a brief overview of the legislation.

Senate bill 2A Property Insurance

Includes:

• Eliminating AOB for property claims





• Eliminating the heavily abused one-way fee law for property claims

• Continuing to reform first-party bad faith law to require breach of the policy be proven before a bad faith claim can be made

- Reducing the initial claims filing period from two years to one year
- Permitting arbitration and other alternative dispute resolution to resolve disputes
- Permitting use of proposal for settlement for multiple claimants

Data gathered by the Florida Office of Insurance Regulation underscores the problem: In 2021, Florida represented 7% of property insurance claims and 76% of property insurance litigation nationwide.

SB 4A carried by Senator Travis Hutson and Rep. Stan McClain looked to provide relief from Hurricanes Ian and Nicole.

SB 4-A provides for several disaster relief efforts in the wake of the 2022 hurricane season, in which 2 disastrous hurricanes struck the state of Florida, resulting in widespread destruction of homes, infrastructure, agricultural lands, beaches, and more.

The bill provides the following provisions to further supplement hurricane relief efforts across the state:

 \cdot Extends the due dates for property taxes levied in 2022 for property owners whose property was destroyed or rendered uninhabitable by Hurricanes Ian or Nicole.

 \cdot Authorizes property tax refunds for residential properties that were made uninhabitable for at least 30 days by either hurricane for the portion of the year that the residence was unusable.

• Appropriates \$350 million from the General Revenue Fund to the Division of Emergency Management (DEM) to provide the full match requirement for FEMA Public Assistance grants to local governments affected by the two hurricanes.

• Appropriates \$150 million from the General Revenue Fund to the Florida Housing Finance Corporation, of which \$60 million shall be provided to local governments to assist persons with the repair or replacement of housing, relocation costs, housing reentry assistance, and insurance deductibles. \$90 million shall be used to fund the Rental Recovery Loan Program to promote development and rehabilitation of affordable housing in affected areas.

• Appropriates \$251.5 million from the General Revenue Fund to the Department of Environmental Protection (DEP) for:

- Beach erosion projects (\$100 million)
- Hurricane Reimbursement Grant Program (\$50 million)
- Hurricane Stormwater and Wastewater Assistance Grant Program (\$100 million)
- DEP administrative costs (\$1.5 million).

• Provides for the creation of a direct-support organization for the DEM to aid, funding, and support to DEM in its disaster response, recovery, and relief efforts for natural emergencies.

As we will want to watch the reimbursement grant program.

Finally, SB 6A Toll Relief by Sen. DiCeglie and Rep. Cabrera directs the Florida Turnpike Enterprise (FTE) to establish a toll relief program, effective from January 1, 2023, through December 31, 2023, for all Florida toll facilities that use a Florida-issued transponder or are interoperable with the Florida





Department of Transportation's (FDOT's) prepaid electronic transponder toll system (SunPass). The bill defines terms and provides that an account that records 35 or more transactions per eligible transponder per calendar month is eligible for an account credit equal to 50 percent of the amount paid for the qualifying transactions.

The bill appropriates for the 2022-2023 fiscal year the nonrecurring sum of \$500 million from the General Revenue Fund to the State Transportation Trust Fund for use by the FDOT to reimburse the FDOT, the FTE, and other Florida toll facility entities for account credits issued. The bill prohibits the use of such funds for administration, contracted services, or expenses. The bill requires the FDOT to provide reimbursements to support compliance with bond covenants made with bondholders.

The bill requires the FDOT to submit quarterly reports to the Executive Office of the Governor and the chairs of the legislative appropriations committees documenting reimbursements to the FDOT, the FTE, and other Florida toll facilities and toll facility entities for the credits, with specified supporting documentation. The FDOT must reconcile all disbursements and transfers for reimbursement by the end of the month following each quarter, transfer all interest earnings from the appropriated funds to the General Revenue Fund, and provide a reconciliation report.

Any unexpended balance of funds appropriated by the bill to the FDOT for toll relief as of June 30, 2023, reverts and is appropriated for the 2023-2024 Fiscal Year to the FDOT for the same purpose. Any unexpended balance of funds as of February 29, 2024, immediately reverts to the General Revenue Fund. See the "Fiscal Impact Statement" below for additional information.

Speaker Paul Renner (R-Palm Coast) said "I am proud of the work the House did striking a difficult but careful balance to stabilize Florida's property insurance market and the growth of Citizens Insurance. We have created more competition in the marketplace and have taken significant measures to reduce frivolous lawsuits, all while holding insurers accountable to consumers. The House also took important steps to provide disaster relief to Florida families recovering from Hurricanes Ian and Nicole and designed a toll relief program that saves Florida commuters money.

Articles

Below are some articles of interest we thought you would like to read.

DeSantis Announces \$60M for program to help with Hurricane Home Repair

Gov. Ron DeSantis on Monday, December 6th announced \$60 million in state dollars for a new program that will help cover home repair costs faced by residents who were impacted by Hurricane Ian. DeSantis said during a news conference in Punta Gorda that the program would also provide travel trailers and recreational vehicles. But the governor also said the Federal Emergency Management Agency has declined to pitch in any additional cash. He said FEMA determined that due to the federal agency's "limited authority," it would not be able to provide the extra cash. "But we're not going to just sit there and take no for an answer," DeSantis said. "We're going to figure out what we can do."





When asked about the funding request, FEMA spokesperson Jeremy M. Edwards told POLITICO was unable to confirm if the program brought to the agency by the state Division of Emergency Management would actually achieve the best outcome. "Sheltering Home for Recovery Continuation is not timely, nor tailored to specific needs or outcomes, and overall hasn't been proven successful in jumpstarting survivor recovery," Edwards wrote in an email. "That's why FEMA is focused on leveraging resources and approaches that yield results and are proven to be effective." Edwards added FEMA has already given \$792 million to people hit by Hurricane Ian to help cover costs such as permanent home repairs.

Freshman Senators to lead major panels as committee assignments handed out

One of Corey Simon's first tasks as a new member of the Legislature is to serve as one of the top drafters of education policy in the state's K-12 schools. He's one of several new faces in the Senate given big jobs by Senate President Passidomo, a Naples Republican, when she unveiled committee assignments for members. Sen. Clay Yarborough, a Jacksonville Republican, was placed as Chair of the Judiciary Committee. Sen. Jonathan Martin is now Chair of the Criminal Justice Committee. Several other GOP Senate newcomers were put in charge of major policy areas in the upper chamber, such as Bryan Ávila (Governmental Oversight and Accountability), Colleen Burton (Health Policy), Alexis Calatayud (Community Affairs), Jay Collins (Agriculture), Nick DiCeglie (Transportation), Erin Grall (Postsecondary Education), Blaise Ingoglia (Finance and Tax) and Jay Trumbull (Commerce and Tourism).

Fed Raises Rate by 0.5 Percentage Point, Signals More Increases Likely

Most officials penciled in plans to raise rates above 5% next year, higher than previously expected

Read in The Wall Street Journal: https://apple.news/AN3Ba8QUXRka3D1br-o87tQ

Florida jobless rate dips to 2.6% for November (floridapolitics.com)

According to the article, Florida added 28,100 jobs in November and its unemployment rate fell by 0.1 percentage point to 2.6%, a new <u>monthly jobs report released by the state</u> shows. The numbers put the state's job creation rate over the previous 12 months at 4.7% — or 1.4 points higher than the national rate — in that time.

What's in and what's out of Congress' \$1.7T spending bill

The year-end spending package that Congresses is rushing to pass this week does more than fund the government through September. It's also chock full of policy provisions that affect everything from the lobster industry to TikTok to professional sports.

The <u>\$1.7 trillion government funding measure</u> is the last major must-pass bill on the legislative docket before the start of the 118th Congress in January, when divided government and a looming 2024 presidential election will make legislating even harder than it currently is. That makes the spending bill a magnet for members trying to cram in their priorities just before the holidays.





There will be no shortage of political angst before the gargantuan bill, and its many policy adornments reach President Joe Biden's desk, with federal cash set to expire at midnight on Friday. The Senate is expected to act first on the measure, starting with a procedural vote as soon as Tuesday afternoon. Lawmakers in the upper chamber must also reach a critical time agreement to vote on the bill this week. Before that, any senator can hold up the agreement in exchange for concessions or votes on amendments.

Here's a look at what's in and what's out of the spending plan:

WHAT'S IN

Ukraine aid: Congressional leaders want to give the country about \$45 billion to help fend off Russian attacks, exceeding Biden's request for \$37 billion.

TikTok ban: Legislation pushed by Sen. Josh Hawley (R-Mo.) that would bar the download of the popular app on government devices made it into the final bill. The measure originally passed the Senate unanimously last week and comes as many states have enacted similar TikTok bans on government devices, heeding broad bipartisan concerns about the Chinese-owned app and its reach in the U.S.

Earlier end to Covid rules: The bill includes a bipartisan deal to end a Covid-era Medicaid policy that gave states more funding and barred them from kicking people off federally funded insurance, setting a new end date of April 1, 2023, instead of July 2023.

Telehealth extension: Tucked in the bill is an extension of HHS rules that made telehealth more accessible during the pandemic. But the provision, which extends the flexibility through the end of 2024, falls far short of a push from some lawmakers who wanted to make that flexibility permanent.

Preventing another Jan. 6: Senate Majority Leader <u>Chuck Schumer</u> noted earlier this month that the funding bill will include a bipartisan deal to revamp the century-old Electoral Count Act, which governs congressional certification of presidential ballots, after former President Donald Trump tested its limits on Jan. 6, 2021.

Lobster lifeline: Maine lawmakers successfully included a pause on new regulations they warned would cripple their state's lobster industry. The provision delays new rules by six years, which critics argue will allow fisheries to put off actions that would prevent fishing gear from harming and even killing endangered whales.

Tax items on the table: Included in the bigger spending bill is a measure aimed at curbing fraudulent tax breaks reaped from land conservation deals and legislation to boost retirement savings in tax-advantaged accounts. The additions of both provisions follow uncertainty over whether there would be any tax title in the government funding bill at all.

An FBI compromise: A contentious dispute between Maryland and Virginia Democrats <u>about the future</u> <u>location of the FBI headquarters delayed the release of the omnibus text on Monday night</u>. Lawmakers ultimately settled on a compromise, directing the federal government to meet with representatives from both states to hear their ideas before making a final decision about where to put the building.





Security boost for former speakers: Language in the bill directs the Capitol Police to determine whether to extend protective details for former House speakers for a year after they leave office. The protection could be further extended, if warranted. It comes months after Speaker <u>Nancy Pelosi</u>'s husband, Paul, was severely injured during an attack in their home in San Francisco.

Residential security program for senators: The bill includes \$2.5 million in funding for a "residential security system program" for senators. That funding comes as the U.S. Capitol Police grapple with unprecedented numbers of threats against sitting members of Congress.

Makeup regulatory revamp: Lawmakers included the first overhaul of how cosmetics are regulated in the U.S. since the 1930s, giving the FDA greater authority to ensure that myriad lotions and makeup products are safe for use.

Allowing military students to play ball: The spending package undoes a provision, recently tucked into annual defense policy legislation, that requires student athletes from military service academies to perform two years of active duty service before they can get a waiver to play professional sports. The spending bill allows student athletes to seek a waiver and defer that service.

Boost for NLRB: Lawmakers increased the budget for the National Labor Relations Board by \$25 million for the first time in nearly a decade — a top priority for unions amid a surge in union organizing across the country. Its funding now exceeds \$299 million.

WHAT'S OUT

Popular tax provisions tossed: An extension of the enhanced Child Tax Credit pushed by Democrats and a provision allowing businesses to immediately write off their research expenses, rather than over a period of five years, didn't make the final cut.

Pandemic aid: Biden had wanted \$9 billion to help combat the Covid pandemic and address emerging needs, but Republicans never wanted to provide any extra cash.

Cannabis banking legislation: The so-called SAFE Banking Act, which would give the cannabis industry increased access to financial services, remains on the cutting room floor amid opposition from Senate Minority Leader Mitch McConnell.

OAMA is axed: McConnell also objected to the inclusion of the Open App Markets Act, legislation aimed at promoting competition and reducing costs for consumers in the app market.

Drug sentencing deal: A bipartisan agreement to narrow the sentencing disparities between crack and powder cocaine was also booted from the bill after Attorney General Merrick Garland instructed federal prosecutors last week to eliminate the sentencing disparities. That sparked accusations from Sen. <u>Chuck</u> <u>Grassley</u> (R-Iowa) that Garland had torpedoed the Senate deal.

Helping pregnant workers: Legislation that would expand protections for pregnant workers, called the <u>Pregnant Workers Fairness Act</u>, got left out of the bill after being stalled in the Senate for months





despite support from groups like the U.S. Chamber of Commerce, the ACLU and the United States Conference of Catholic Bishops.

Energy permitting reforms: Sen. Joe Manchin's (D-W.Va.) hope to expedite energy projects through a permitting policy overhaul didn't make it into annual defense policy legislation — and it's officially out of the spending bill, too.

Defense attorneys' fees increased nearly 5.6% while plaintiff attorneys' fees dipped by 1.9%.

https://floridapolitics.com/archives/577217-report-its-insurers-not-injured-workers-driving-workerscompensation-legal-fees/

The amount of money injured workers spent on plaintiffs' attorneys during fiscal year 2021-2022 decreased by nearly 1.9% over the prior year, while insurance company defense fees increased by nearly 5.6%, according to the report released by the <u>Office of the Judges of Compensation Claims</u>. In all, \$504,243,763 was paid in legal fees in a system that is supposed to be self-executing. That's a 2% increase over the \$494,505,716 spent on plaintiffs' attorneys and defense attorneys in fiscal year 2020-21. Slightly more than 53% of the overall attorneys' fees that year were to defense attorneys.

Deadline for FEMA Disaster Assistance quickly approaching, officials urge residents to sign up

With 904,000 households registered for aid since Hurricane Ian's landfall on Sept. 28, the Federal Emergency Management Agency (FEMA) has made immense progress in post-Ian recovery. But time is running out for those who still need hurricane assistance. The deadline to apply for help through FEMA is on the horizon, with Florida residents having until Jan. 12 to complete their applications. Residents with a primary residence that incurred storm-related loss or damage caused by Hurricane Ian within one of the 26 counties named for federal disaster aid are encouraged to sign up.

Bills of Interest Filed

<u>HB 0085</u> - Causes of Action Based on Improvements to Real Property (Snyder) Causes of Action Based on Improvements to Real Property: Revises time in which action founded on the design, planning, or construction of an improvement to real property must be commenced; revises date on which statute of limitations period begins; provides for the calculation of the statute of limitations period for multi-dwelling buildings; defines "material violation." Effective Date: upon becoming a law

Date	Name	Purpose	Follow Up
11/31/22	Florida Surety Association Board	Update	None
	Meeting at Funky Buddha		
12/1/22	Sent out FAA Report on Economic	Provide update to	
	Value of Surety Bonding	elected	

The following events took place in December 2022.





December	Worked with Michael Moyer to secure	
2022	meeting space for august meeting	
12/6/22	FSA/RSA Monthly Meeting	

Future Meetings

Date	Name	Purpose
1/3	Sen. Grall	Discuss Liens and Bonds bill
1/10	Rep. Overdorf	Discuss Liens and Bonds bill
1/17	FSA Tallahassee Trip	Room and dinner secured
2/9	FSA Casa Monica Resort	
5/18	FSA Annual Meeting Swann Resort Orlando	

- Secured meetings with Rep. Overdorf and Sen. Grall on Liens and Bonds bill
- Coordinating Tallahassee trip on 1/17, by securing conference room.
- Provided info on Deland bonding information to Exec Committee
- Will be setting meetings with new committee chairs and also candidates for HD 24 Special Election