

2019 Legislative Report

“Whatever the mind of man can conceive and believe, it can achieve. –Napoleon Hill”

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Pictured on the cover: Senate President Bill Galvano and Speaker of the House Jose Oliva

Dear Florida Bankers:

If given the difficult task of summing up the 2019 Florida Legislative Session in simply one word, that word would have to be historic. For the first time in history, Florida elected an entire Cabinet of persons under the age of 50, signaling that the torch has been passed to the next generation of leaders. The 2019 Florida Legislative Session was also one for the history books after several major initiatives in the areas of insurance, healthcare, transportation, education, and environmental issues were approved by a Senate and House leadership that worked, largely, in harmony with one another. The session concluded nearly on time, with a record high \$91.1 billion dollar budget having passed.

Roughly 1,861 bills were filed this session; of those bills, only 197 passed both chambers. One of the 1,664 bills that did not pass and continues to be a legislative focus for our industry, dealt with Public Deposits for Credit Unions (HB 335/SB 378). The FBA will continue to oppose credit union efforts to take in and lend public dollars for profit, without fully paying into the tax base, as banks do.

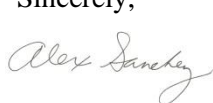
Of the 197 bills passed by both the House and Senate chambers, the following three were major FBA priorities:

- House Bill 409—Electronic Legal Documents
- House Bill 7065—Assignment of Benefits
- House Bill 7071—Financial Literacy

This was another successful year of moving forward our key legislative priorities and stopping several bills/amendments which would negatively impact the banking industry. We were able to achieve this success through doing the hard work of advocacy. Whether you served on FBA's Government Relations Council, reviewed and commented on legislation, attended Capitol Day, or made a phone call to a local representative, the collective efforts of our industry made a difference.

Special thanks goes to: Lauren Abraham, Capital One; Kelly Beazley, Bank of America; Aprill Springfield Blanco, Wells Fargo; Mike Carlson, BBVA; Jim Daughton, Metz Husband & Daughton, PA (representing Regions Bank); Dan Donohoe, Comerica Bank; Russ Hale and Carrie Ann Wozniak, Akerman LLP; Jon Johnson, Travis Blanton and Diane Carr, Johnson & Blanton (representing Bank of America); Robert Kottler, IBERIABANK; Tom Lamb, PNC; Rick Mahler, JP Morgan Chase; Tom Pennekamp, SunTrust Bank; Jeff Rabren, Regions Financial Corporation; Erin Smith, TD Bank; Sean Stafford, McGuireWoods Consulting, LLC (representing Capital One); Monte Stevens and Clark Smith (representing Wells Fargo) and Alan West, CitiBank, N.A.

Sincerely,



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My Fellow Bankers:

On the 28th day of February in 1888, seventeen banks met in Orlando, Fla. and set out on a course to create an organization that would be the voice for Florida's banking industry. Shortly thereafter, bankers from around the state held the first annual meeting of the organization on February 26, 1889 in Jacksonville, Fla. to discuss how they could help to stem the tides of regulation coming from Washington, D.C. and Tallahassee. Throughout the years, the FBA has weathered political, economic and regulatory storms. And still, today, our association is as dedicated as ever to the mission upon which we were founded.

Advocacy continues to be the guide with which we hope to make significant change for our industry. During the past year that I served as your FBA chairman, I have had the benefit of traveling throughout our state and our country serving as an advocate by telling our story. Whether it be scheduling special meetings about regulatory reform, spending hours working in the hallways of Tallahassee and Washington, or listening to officials from each of the various regulatory bodies speak about the state of our industry, the FBA continues to be there to represent our industry.

This 2019 Legislative Report outlines many of the advocacy successes we achieved this past year. Our advocacy team in Tallahassee helped to usher in legislative initiatives that will impact meaningful changes to the way each of us do business every day in our banks. In Washington, we achieved a great deal, including much needed regulatory relief for our industry in the form of the Economic Growth, Regulatory Relief and Consumer Protection Act (s.2155) that will help to ease the heavy regulatory burden carried by our industry. And, the FBA continues a proud tradition of fostering key relationships among the legislative leaderships in our state and country. As you can see, the FBA is continuing the grand institution of being a change agent in banking and is poised to carry on that tradition into the next century.

It has been an honor to have had the opportunity to lead this great organization during its 131st year of existence and help bring about truly historical change on many levels. And, even though we continue to make great strides, many of our challenges still remain. Our work must and will continue. Although some of those same challenges from 1888 still remain with us, this report is evidence that the state of our association is stronger than ever.

Sincerely,



Emory Mayfield

Chair, Florida Bankers Association

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MAJOR LEGISLATION

Electronic Legal Documents (HB 409)

Description: House Bill 409 allows for the notarization of legal documents electronically, as well as electronic wills. The bill establishes procedures, standards, and requirements that must be followed to complete notarization, as well as minimum technology requirements. The bill also establishes guidelines for self-proving, storing, and filing an electronic will.

Impact: This legislation helps to update Florida's notarial law and probate law by incorporating today's virtual technology. The legislation does not require banks and trust companies to adopt this technology but gives them the option to do so.

Reference: House Bill 409 by Representative Danny Perez (R-Miami) and Senate Bill 548 by Senator Jeff Brandes (R-St. Petersburg)

Senate Bill 548 was substituted for House Bill 409, which passed both the

House and Senate Chambers. House Bill 409 was approved by the Governor. Please see Chapter No. 2019 - 71, Laws of Florida. The law takes effect January 1, 2020.

Workforce Education (HB 7071)

Description: This legislation promotes career education and readiness opportunities for students in public schools. Specifically, this legislation revises the Next Generation Sunshine State Standards to remove financial literacy from the economics curriculum and include financial literacy as a standalone elective course. Beginning with the 2019-2020 school year, all school districts must offer a financial literacy course consisting of at least one-half credit as an elective.

Impact: The legislation aims to create financially responsible young adults and prepares them to make important financial decisions, as well as provide students with the preparation needed for workforce opportunities upon graduation.

Reference: House Bill 73 by Representative Elizabeth Fetterhoff (R-Deland) and Senate Bill 114 by Senator Travis Hutson (R-Palm Coast); House Bill 7071 by Representative Amber Mariano (R-Port Richey) and Senate Bill 114 by Senator Travis Hutson (R-Palm Coast)

House Bill 73 died in the House Pre-K-12 Appropriations Subcommittee and Senate Bill 114 died on the Special Order Calendar. The substance of the House and Senate bills were amended onto House Bill 7071 and Senate Bill 770. Senate Bill 770 was substituted for House Bill 7071, which passed both the House and Senate Chambers and is awaiting approval by the Governor. The effective date of the bill is July 1, 2019.

**Public Depositories
(HB 335/SB 378)**

Description: House Bill 335 and Senate Bill 378 are the credit union’s annual public deposits bills. This legislation would make credit unions “qualified public depositories,” meaning credit unions would be

allowed to hold public funds. Currently banks are the only financial institutions that can hold public funds. Additionally, the bill creates a separate pool that would pay for a credit union if it were to fail.

Impact: Because credit unions do not pay state income taxes, state sales taxes, or state intangible taxes, allowing credit unions to hold public deposits would further uneven the playing field among financial institutions.

Reference: House Bill 335 by Representative Randy Fine (R-Palm Bay) and Senate Bill 378 by Senator Travis Hutson (R-Palm Coast)

The FBA Government Relations Team diligently worked to educate members of the legislature about concerns relating to public deposits. The credit union industry pushed to have the bill heard, but due to FBA’s hard work the bill was not heard in any of the committees of reference.

**Property-Assessed Clean
Environment
(HB 63/SB 282)**

Description: Currently, some local governments may authorize property-assessed clean energy (P.A.C.E) loans for home improvement through a citizen's property tax bill. Under current law, P.A.C.E. loans can be utilized for solar energy products and hurricane wind hardening. However, when a residence has a P.A.C.E. loan on the property, the loan jumps the bank's original mortgage, even though the bank's loan was first in time. Furthermore, Fannie Mae and Freddie Mac have both indicated that they will not purchase loans, or refinance a loan with a P.A.C.E. loan attached.

Impact: This legislation would expand the P.A.C.E. program to include septic tank remediation as a qualifying improvement. Without changing the current lien priority, the FBA would have to stop the expansion of this program.

Reference: House Bill 63 by Representative Ray Rodriguez (R-Fort Myers) and Senate Bill 282 by Senator Ben Albritton (R-Bartow).

House Bill 63 died in House Local, Federal, and Veterans Affairs. Senate Bill 282 died in Senate Community Affairs.

**Payments to Surviving Successors
(HB 837/SB 1184)**

Description: Under Florida law, there is no mechanism that allows a bank to distribute bank account funds to surviving family members where there are no pay on death instructions or beneficiaries listed. Because of the high costs that come with probating bank accounts, banks often have to sign many small accounts over to unclaimed property with the state of Florida after five years. This legislation would establish an affidavit process for accounts up to \$10,000 that would allow heirs to apply for the money two years after the death of the accountholder without having to go through the formal probate process. The affiant must certify that there are not any probate proceedings open or anticipated and there are no unpaid creditors. The legislation also establishes criminal penalties for submitting fraudulent affidavits.

Impact: This legislation creates a way for banks to distribute funds from small accounts to the rightful heirs when the account does not have pay on death instructions. This will also allow banks to remove dormant accounts from their books.

Reference: House Bill 837 by Colleen Burton (R-Lakeland) and Senate Bill 1184 by Senator Dennis Baxley (R-Ocala)

House Bill 837 passed the House but died in Senate Messages. Senate Bill 1184 died in Senate Judiciary. This legislation will likely return for the 2020 Session.

"The way to get started
is to quit talking and
begin doing."
– Walt Disney

BANKING

Towing-storage Operating Liens (HB 347/SB 826)

Description: A towing- storage operator is currently required to give notice by certified mail within seven business days that they are claiming a lien for recovery of towing and storage fees. This legislation requires that the notice be sent through a third party notification service that is approved by the Department of Highway Safety and Motor Vehicles (DHSMV). The legislation also allows a vehicle or vessel owner to remove any personal property and recover a vehicle or vessel that has been towed and stored.

Impact: House Bill 347 and Senate Bill 826 establish a standardized method of communication between towing-storage operators and vehicle or vessel owners when a lien is being claimed.

Reference: House Bill 347 by Representative Ana Maria Rodriguez (R-Doral) and Senate Bill 826 by Senator Darryl Rouson (D-St. Petersburg)

House Bill 347 passed the House, but died in Messages. Senate Bill 826 died in Senate Appropriations.

**Liens Against Motor Vehicles and Vessels
(HB 431)**

Description: Under current law, notices of claims of lien are required to be sent to the owner or customer within seven business days after the date that storage charges begin to accrue on the vehicle. Additionally, House Bill 431 requires that the notice be sent at least 30 days before the date of the sale and allows repair shops to provide the notice. The bill also amends the content and mailing requirements for a claim of lien notice and requires lienors to file documentation with the Department of Highway Safety and Motor Vehicles (DHSMV) prior to transferring title to a vehicle or vessel sold to satisfy a lien for repairs, towing, or storage.

Impact: This legislation helps to eliminate fraudulent delivery of notice of lien documents and fraudulent or inflated notice charges. This will help to ensure that lienors receive proper notification.

Reference: House Bill 431 by Representative Jason Fischer (R-Jacksonville) and Senate Bill 772 by Senator Kelli Stargel (R-Lakeland)

Senate Bill 772 was substituted for House Bill 431, which passed both the House and Senate Chambers. House Bill 431 was approved by the Governor. Please see Chapter No. 2019 - 73, Laws of Florida. The law takes effect January 1, 2020.

**Notice to Homeowners in Mortgage Foreclosure Actions
(HB 495)**

Description: House Bill 495 requires a foreclosing mortgagee to provide a notice to a mortgagor if the action relates to real property. The notice must be delivered with the summons and complaint and on colored paper with 20-point font. The legislation puts into statute the language which must be present on the notice, including a warning that they are in danger of losing the home.

Impact: House Bill 495 creates an additional notice requirement that a mortgagee must provide during the foreclosure process.

Reference: House Bill 495 by Representative Fentrice Driskell (D-Tampa)

House Bill 495 did not have a Senate companion and was not heard in any committees of reference.

Aircraft Liens (HB 975)

Description: Currently a publicly owned and operated airport may claim a lien upon an aircraft landing at the airport for unpaid fees and charges for the use of the facility after demanding and not receiving payment. Additionally, a person who provides fuel for an aircraft may claim a lien on the aircraft for unpaid fuel charges. Both liens are possessory liens, which mean that the lienor must retain possession of the aircraft for the lien to be enforced. House Bill 975 clarifies current law and states that liens claimed for labor, services, fuel, or material for an aircraft are not possessory liens.

Impact: House Bill 975 provides clarification and allows a lienor to enforce a lien for certain aircraft

services even if the lienor releases the aircraft to the owner or operator.

Reference: House Bill 975 by Representative Thad Altman (R-Indian Harbour Beach) and Senate Bill 1208 by Senator Dennis Baxley (R-Ocala)

Senate Bill 1208 was substituted for House Bill 975, which passed both the House and Senate Chambers. House Bill 975 was approved by the Governor. Please see Chapter No. 2019 - 88, Laws of Florida. The law takes effect July 1, 2019.

Assignment of Consumer Debts (HB 1039/SB 1034)

Description: This legislation aims to clarify what “action” means when it relates to collection of debt from a third party collection agency. Under current law, once an assignee has provided written notice that they have been assigned the debt, the assignee is prohibited from taking any “action” to collect the debt for at least 30 days. This helps to curb harassing collection tactics like robo calls, text, and emails. The bill adds clarification as to what an assignee may do during the 30-day waiting period, including

communicating with the debtor if the debtor initiates the communication. The bill also states that legal action to collect a debt within the 30-day waiting period is prohibited, which is contrary to current Florida case law.

Impact: House Bill 1039 and Senate Bill 1034 amends current law to clarify what an assignee may do after providing written notice to a debtor.

Reference: House Bill 1039 by Representative Chris Latvala (R-Clearwater) and Senate Bill 1034 by Senator Joe Gruters (R-Sarasota)

House Bill 1039 died on the House Special Order Calendar. Senate Bill 1034 died in Senate Rules.

Banking Services for Medical Marijuana Treatment Centers (HB 1191/SB 1116)

Description: House Bill 1191 and Senate Bill 1116 create a new bank and credit union charter under the definition of “financial institution” called a medical marijuana limited charter bank or credit union (MLCB), as well as an MLCB Advisory Board under the Office of Financial Regulation. The legislation specifies

that the board must consist of persons designated by the CFO, the Surgeon General, and the Agriculture Commissioner. The MLCB must comply with all current state statutes and regulations, and would serve as the only bank that is to accept deposits for medical marijuana treatment centers.

The MLCB is prohibited from engaging with traditional financial institutions and are issued special purpose checks which can only be used for specified circumstances.

Impact: House Bill 1191 and Senate Bill 1116 create a state run financial institution where medical marijuana treatment centers can bank. This aims to allow the state to better regulate and make the financial side of the medical marijuana industry safer. However, this regulatory framework would only create a closed system that would not solve the marijuana business’ banking needs at large.

Reference: House Bill 1191 by Representative David Silvers (D-West Palm Beach) and Senate Bill 1116 by Senator Annette Taddeo (D-Miami) *Neither House Bill 1191 nor Senate Bill 1116 was heard in any committees of reference.*

REAL PROPERTY

Condominium Associations (HB 1259/SB 610)

Description: This legislation amends current condominium association law requirements related to the maintenance of official records and a unit owner or tenant's rights to access the records. The legislation also expands the application requirement to provide digital copies of specific documents on the association's website from associations with 25 units to associations with 150 units (excluding time share units). This legislation also establishes additional criminal prohibitions and penalties for violations relating to the management of a condominium association, and amends the prohibitions related to the use of a condominium association's credit card. Additionally, the legislation provides penalties for fraudulently casting a vote or preventing a vote in an election.

Impact: The legislation amends current official record requirements for a condominium association, and

establishes prohibitions of certain management activity, financial obligations, and election conduct.

Reference: House Bill 1259 by Representative Javier Fernandez (D-Coral Gables) and Senate Bill 610 by Senator Jason Pizzo (D-Miami)

House Bill 1259 was not heard in any committees of reference. Senate Bill 610 died in the Senate Appropriations Subcommittee on Criminal and Civil Justice.

Community Development and Housing (HB 7103)

Description: The bill amends multiple statutes relating to growth management. Specifically, FBA monitored House Bill 7103's amendments pertaining to fire sprinkler system retrofitting requirements and how they are to be financed. The legislation allows condominium associations to vote to waive fire sprinkler system retrofitting requirements, and extends the date that local authorities may require a condominium association to retrofit fire sprinkler systems or an

engineered life safety system until January 1, 2024. The bill also deletes the requirement that condominium associations must accept a certificate of compliance as evidence that a unit has been retrofitted in accordance to fire code. This legislation does not apply to timeshare associations.

Impact: House Bill 7103 makes substantial amendments to Florida’s current community development and housing regulations.

Reference: House Bill 7103 by Representative Jason Fischer (R-Jacksonville) and Senate Bill 1730 by Senator Tom Lee (R-Brandon)

Senate Bill 1730 was substituted for House Bill 7103, which passed both the House and Senate Chambers and is awaiting approval by the Governor. The bill takes effect upon becoming law.

Residential Swimming Pool Safety (HB 805/ SB 724)

Description: House Bill 805 and Senate Bill 724 require that in order to pass final inspection, new residential swimming pools must have at least two required safety feature options. Current law requires that residential swimming pools only have one safety feature to receive a certificate of completion. Additionally, the legislation expands pool safety features to existing residential swimming pools, and requires that home inspectors include pool safety features in written home inspection reports.

Impact: House Bill 805 and Senate Bill 724 create “The Kacen’s Cause Act,” which establishes and enforces stricter requirements for swimming pool safety features.

Reference: House Bill 805 by Representative Jennifer Webb (D-St. Petersburg) and Senate Bill 724 by Senator Ed Hooper (R-Palm Harbor)

House Bill 805 was not heard in any committees of reference. Senate Bill 724 died in Senate Rules Committee.

Community Associations (HB 1075/SB 1362)

Description: House Bill 1075 and Senate Bill 1362 amend the regulation of condominium, cooperative, and homeowner's associations including:

Condominium associations:

- A unit owner's insurance policy may not include rights of subrogation against the association.
- Allows associations to make digital copies of certain documents available to members through an application
- Allows an association to charge a buyer or renter for background checks
- Allows unit owners to install electric car charging stations on a designated parking area
- Removes the requirement that the condominium ombudsman maintain an office in Leon County
- Broadens the types of disputes subject to mandatory arbitration by the Divisions of Florida Condominiums, Timeshares, and Mobile Homes

Cooperatives:

- Establishes that an interest in a cooperative is an interest in real property
- Allows members of the board or committee to vote by a specified means of technology
- Amends recall election processes

Homeowners Associations:

- Associations with a pool that serve less than 32 people are exempt from permitting and inspection requirements
- Requires that specified documents related to voting be maintained as an official record
- Allows for meeting notices to be delivered electronically
- Amends certain requirements for mandatory pre-suit mediation when an action may be filed involving a dispute between an association and member
- Establishes what disputes are and are not subject to mandatory pre-suit mediation

The legislation also provides clarification for due dates of fines issued, and allows for associations to

inspect official records without providing reasoning to an owner.

Impact: House Bill 1075 and Senate Bill 1362 make necessary amendments for proper oversight and modern business model updates including electronic communication in specified circumstances.

Reference: House Bill 1075 by Representative Anthony Rodriguez (R-Miami) and Senate Bill 1362 by Senator Joe Gruters (R-Sarasota)

House Bill 1075 died on the House Special Order Calendar. Senate Bill 1362 died in Senate Community Affairs.

Decedent's Property (HB 1307/SB 1154)

Description: This legislation amends current probate laws and creates a new section of law that provides that joint tenancies with rights to survivorship and tenancies by the entireties can be created in personal property without regard to the common law unities of time and title requirements.

Impact: House Bill 1307 and Senate Bill 1154 will bring greater uniformity, predictability, and reduce litigation regarding the creation of tenancies by the entireties in Florida's probate law.

Reference: House Bill 1307 by Representative Fentrice Driskell (D-Tampa) and Senate Bill 1154 by Senator Lori Berman (D-Boynton Beach)

House Bill 1307 passed out of the House but died in Messages. Senate Bill 1154 died in Senate Rules.

CONSUMER FINANCE

Consumer Finance Loans (HB 469/SB 874)

Description: House Bill 469 and Senate Bill 874 create the Access to Responsible Credit Pilot Program. Under the proposed pilot program, unsecured loans ranging from \$300-\$7,500 may be made with a maximum interest rate of 36%. Pilot program licensees would be required to be

licensed with the Office of Financial Regulation, who would be responsible for regulating their activity. The bill would permit program licensees to contract with and use the services of one or more “access partners,” which is not currently allowed for consumer finance lenders under Florida law.

Impact: House Bill 469 and Senate Bill 874 would allow for an additional small dollar consumer loan product in Florida. Purportedly, this product would help lower income and unbanked citizens to establish a responsible line of credit.

Reference: House Bill 469 by Representative Juan Fernandez-Barquin (R-Miami) and Senate Bill 874 by Senator Darryl Rouson (D-St. Petersburg)

House Bill 469 died on the House Special Order Calendar. Senate Bill 874 passed the Senate, but ultimately died in Messages.

“We may encounter many defeats but we must not be defeated.”

– Maya Angelou

CONSUMER PROTECTIONS

Protection of Vulnerable Investors (HB 143 / SB 1466)

Description: House Bill 143 and Senate Bill 1466 allow a broker dealer or investment advisor to delay a transaction or disbursement of funds from the account of a vulnerable adult, or an account where the vulnerable adult is the beneficiary, if the dealer or advisor believes there is financial exploitation.

The act is modeled after the FINRA rule, which broker dealers are subject to already. A vulnerable adult is someone who is 65 years or older, and meets the additional definition of “vulnerable adult” under the Adult

Protective Services Act. The bill requires that suspected exploitation must be immediately reported to the Florida Abuse Hotline, as well as any designated trusted contacts. The bill adds dealers, investment advisors, and associated persons to the list of specified mandatory reporters.

A transaction or disbursement may be delayed for 15 business days, and may be extended an additional 10 business days. The bill requires dealers and investment advisors to notify the Office of Financial Regulation (OFR) of the delay and provide a rationale for the additional delay within three business days. Additionally, the bill requires training to educate employees on exploitation of specified adults, and requires that broker dealers must maintain written procedures regarding suspected exploitation.

Impact: House Bill 143 and Senate Bill 1466 allow a way for dealers and advisors to protect their clients that they believe are being financially exploited.

Reference: House Bill 143 by Representative Byron Donalds (R-Naples) and Senate Bill 1466 by

Senator Audrey Gibson (D-Jacksonville)

*House Bill 143 died in Messages.
Senate Bill 1466 died in Senate Rules.*

“The only limit to our realization of tomorrow will be our doubts of today.” –Franklin D. Roosevelt

INSURANCE

Insurance Assignment of Benefits Agreements (HB 7065)

Description: Currently, assignment of benefit (AOB) agreements allow property insurance policy holders to sign over their benefits in an insurance policy to service providers. The intent of these contracts is to take away the responsibility of the home owner and transfer it to a repair/

renovation company. The Office of Insurance Regulation reported that higher litigation trends were related to more assignment agreements and projected annual rate increases.

In an effort to curb AOB abuse in Florida, the legislation addresses the abuse of post-loss AOB's for residential or commercial properties, as well as motor vehicle glass claims. The legislation also limits one-way attorney's fees related to AOB agreements. The bill does allow a policy holder to recover his or her own attorney fees if the policy holder prevails in a lawsuit.

Impact: This legislation will help control the abuse of the AOB process, and ensure the execution, validity, and effectiveness of the job done, and help stop property insurance increases.

Reference: House Bill 7065 by Representative Bob Rommel (R-Naples) and Senate Bill 122 by Senator Doug Broxson (R-Pensacola)

Senate Bill 122 was substituted for House Bill 7065, which passed both the House and Senate Chambers. House Bill 7065 was approved by the Governor. Please see Chapter No.

2019 - 57, Laws of Florida. The law takes effect July 1, 2019.

Sinkhole and Catastrophic Ground Cover Collapse Insurance (HB 541 / SB 566)

Description: House Bill 541 and Senate Bill 566 amend current definitions under Florida law in situations of catastrophic ground coverage collapse of sinkhole losses. This bill adds to the definition that a location declared dangerous by a professional engineer licensed in Florida must be covered under the definition, and that content coverage applies.

Impact: House Bill 541 and Senate Bill 566 revise the definition of the term "catastrophic ground cover collapse" for insurance coverage purposes.

Reference: House Bill 541 by Representative Ardian Zika (R-Land O'Lakes) and Senate Bill 566 by Senator Ed Hooper (R-Palm Harbor)

Neither House Bill 541 nor Senate Bill 566 were heard in any committees of reference.

Health Plans (SB 322)

Description: Senate Bill 322 revises provisions of the Florida Insurance Code relating to preexisting conditions, essential health benefits, association health plans, and short-term limited duration policies. In detail, this legislation does the following:

- Allows employers of disparate trades or industries to establish association health plans
- Allows for an association to be established for the purpose of providing health benefits as long as it serves at least one other professional purpose
- Provides more flexibility for short-term health insurance
- Requires that the Office of Insurance Regulation evaluate the state's essential health benefits benchmark plan required by the Patient Protection and Affordable Care Act.
- Addresses preexisting conditions in health insurance contracts

Impact: Senate Bill 322 puts in place appropriate insurance standards in the

event of a repeal of the Affordable Care Act. The bill amends the Florida Insurance Code to allow association health care plans to pool together employers of disparate trades or industries under revised federal regulations. The bill also allows associations to be established for the primary purpose of providing health benefits to employees of member employers.

Reference: House Bill 997 by Representative Tommy Gregory (R-Bradenton) and Senate Bill 322 by Senator Wilton Simpson (R-Spring Hill)

House Bill 997 was substituted for Senate Bill 322, which passed both the House and Senate Chambers and is awaiting approval by the Governor. The bill takes effect upon becoming law.

“I attribute my success
to this: I never gave or
took any excuse. “

–Florence Nightingale

**Insurance Proceeds Held by
Mortgagees or Assignees
(SB 1392)**

Description: This legislation amends the timeframe in which a mortgagee receives insurance proceeds on a residential property. The bill says that a mortgagee must pay one-third of the claim to the insured 14 days after the claim has been received. Additionally, the bill provides that a second one-third must be paid to the insured 14 days following a satisfactory inspection of the work being 50% complete and the final one-third distributed 14 days following a satisfactory inspection of the work being 90% complete. The bill also states that the insured or borrower is entitled to any interest accrued in the account containing the insurance proceeds.

Impact: The legislation aims to protect homeowners in the event of a disaster by getting them their insurance proceeds sooner so that recovery work can begin. However, the bill would violate Freddie Mac and Fannie Mae's servicing contracts with financial institutions.

Reference: Senate Bill 1392 by Senator George Gainer (R-Panama City)

Senate Bill 1392 did not have a House companion and was not heard by any committees of reference.

**OTHER IMPACTFUL
LEGISLATION**

**Registration and Titling of Vehicles
and Vessels
(HB 87)**

Description: Under current law, the surviving spouse of a deceased registered owner of a motor vehicle must submit an application and present the decedent's death certificate to the Department of Highway Safety and Motor Vehicles (DHSMV) or a tax collector's office to transfer the registration license plate from the decedent's possession to the surviving spouse. Similarly, a death certificate is required in order to transfer a vessel title from a deceased title owner, in the event there is not a probated will.

Impact: This legislation allows the DHSMV and tax collectors to verify the information through the electronic file of death records, maintained by the Department of Health, prior to transferring the title.

Reference: House Bill 87 by Representative Mel Ponder (R-Fort Walton Beach) and Senate Bill 234 by Senator Dennis Baxley (R-Ocala)

Senate Bill 234 was substituted for House Bill 87, which passed both the House and Senate Chambers. House Bill 87 was approved by the Governor. Please see Chapter No. 2019 - 66, Laws of Florida. The law takes effect July 1, 2019.

**Judicial Process
(HB 91)**

Description: This legislation provides that in a foreclosure proceeding, a valid recorded notice of lis pendens, meaning “pending lawsuit”, remains in effect through the transfer of title to the property pursuant to judgement unless it expires, is withdrawn, or is discharged.

Impact: The legislation codifies case law regarding a valid recorded notice of lis pendens in a proceeding regarding a judicial sale. The legislation also makes changes, due to advances in technology, which allows for some transactions, like signing a return-of-service and providing a receipt, to be conducted electronically.

Reference: House Bill 91 by Representative Thad Altman (R-Indian Harbour Beach) and Senate Bill 462 by Senator Bobby Powell (D-West Palm Beach)

Senate Bill 462 was substituted for House Bill 91, which passed both the House and Senate Chambers. House Bill 91 was approved by the Governor. Please see Chapter No. 2019 - 67, Laws of Florida. The law took effect upon the Governor’s approval.

**Public Records for Civilian
Personnel Employed by a Law
Enforcement Agency
(SB 248)**

Description: This legislation creates a new public records exemption for

civilian personnel that are employed by a law enforcement agency, as well as their spouses and children. The exemption includes their home address, date of birth, and telephone numbers.

Impact: This legislation helps to protect employees of law enforcement agencies, along with their immediate family, from danger by removing their home addresses from public record.

Reference: House Bill 203 by Representative Ardian Zika (R-Land O'Lakes) and Senate Bill 248 by Senator Ed Hooper (R-Palm Harbor)

House Bill 203 was substituted for Senate Bill 248, which passed both the House and Senate Chambers. Senate Bill 248 was approved by the Governor. Please see Chapter No. 2019 - 012, Laws of Florida. The law takes effect July 1, 2019.

State Hemp Program (SB 1020)

Description: Senate Bill 1020 authorizes the Florida Department of Agriculture and Consumer Services

(DACs) to create a state industrial hemp program to administer and oversee the cultivation, handling, processing and sale of hemp. The legislation provides a specific framework of operation and certain requirements that must be followed, along with inspection from DACs. To comply with the 2018 Farm Bill, DACs must begin a rule-making process and submit its plan for overseeing Florida's hemp program to the U.S. Secretary of Agriculture for approval.

Impact: The legislation legalizes hemp, its extracts and derivatives. The bill also provides the circumstances under which hemp may be sold in Florida.

Reference: House Bill 333 by Representative Ralph Massullo, Jr. (R-Beverly Hills) and Senate Bill 1020 by Senator Rob Bradley (R-Orange Park)

House Bill 333 was substituted for Senate Bill 1020, which passed both the House and Senate Chambers and is awaiting approval by the Governor. The bill takes effect upon becoming law.

**Certificates of Title for Vessels
(HB 475)**

Description: House Bill 475 amends the title application requirements and the duties and responsibilities of the Department of Highway Safety and Motor Vehicles (DHSMV) pertaining to vessel titling. The bill provides new requirements for the contents of a certificate of title, and specifies that a possession of a certificate of title does not by itself provide a right to obtain possession of a vessel. The legislation also provides requirements for transferring ownership of a vessel.

Impact: House Bill 475 creates the Uniform Certificate of Title for Vessels Act and incorporates it into Florida's existing vessel titling law.

Reference: House Bill 475 by Representative Jayer Williamson (R-Pace) and Senate Bill 676 Senator Ed Hooper (R-Palm Harbor)

Senate Bill 676 was substituted for House Bill 475, which passed both the House and Senate Chambers. House Bill 475 was approved by the Governor. Please see Chapter No. 2019 - 76, Laws of Florida. The law takes effect July 1, 2023.

**Public Nuisances
(HB 551/SB 668)**

Description: Currently Florida law has certain requirements to deem certain places as public nuisances where groups engage in certain activities, including criminal and gang-related activity. House Bill 551 and Senate Bill 668 amend the current requirements and allow for a place where such activity occurs to be deemed a public nuisance after one criminal occurrence when a site is used for certain offenses such as assault and battery, burglary, theft, robbery by sudden snatching, and dealing in stolen property. Additionally, the bill limits the liability of rental property owners and increases the public notice requirements required by law.

Impact: House Bill 551 and Senate Bill 668 amend the process to declare a property a public nuisance, while also protecting property owners that are not involved in the criminal acts listed in this legislation.

Reference: House Bill 551 by Representative Stan McClain (R-Ocala) and Senate Bill 668 by Senator Keith Perry (R-Gainesville)

House Bill 551 passed the House but died in Messages. Senate Bill 668 died in Senate Rules.

**Furloughed Government
Employees
(HB 663)**

Description: House Bill 663 creates a program to assist local, state, and federal employees living and working in Florida who are furloughed or suspended due to a government closure or shut down. In the event of a shutdown, an employee must request in writing for assistance. Once verified, the employer may issue a Letter to Creditors to the employee which the employee may mail to creditors. This may include utility companies, landlords, and mortgage companies. The moratorium may last no longer than six months from the date the Letter to Creditors was mailed.

Impact: House Bill 663 creates the “Florida Emergency Moratorium on Repayment of Debts for Furloughed Employees Act.”

Reference: House Bill 663 by Representative James Bush III (R-Opa Locka)

House Bill 663 did not have a Senate companion. House Bill 663 was not heard in any committees of reference.

**Motor Vehicles
(HB 1057)**

Description: House Bill 1057 authorizes the display of certain lights underneath a motor vehicle and allows the use of red and whites lights on vehicles operated by the fire department, fire patrol, and volunteer firefighters. The legislation also amends laws related to the notification requirements for the storage and sale of damaged or dismantled vehicles and establishes specific requirements for entities facilitating the disposal of total-loss vehicles.

Impact: House Bill 1057 improves the efficiency and noticeability of emergency vehicles and improves the notification requirements for damaged and dismantled vehicles.

Reference: House Bill 1057 by Representative Lawrence McClure

(R-Plant City) and Senate Bill 974 by Senator Keith Perry (R-Gainesville)

Senate Bill 974 was substituted for House Bill 1057, which passed both the House and Senate Chambers. House Bill 1057 was approved by the Governor. Please see Chapter No. 2019 - 92, Laws of Florida. The law takes effect October 1, 2019.

"There are no secrets to success. It is the result of preparation, hard work, and learning from failure."

– Colin Powell

Department of Financial Services (HB 1393)

Description: This legislation includes policies for cancer prevention, requirements for funeral directors in charge and other funeral home activities, and business relating to the State Fire Marshall. The bill also creates the Florida Blockchain Taskforce within DFS to research and

develop a plan for fostering the expansion of the blockchain industry in Florida.

Impact: House Bill 1393 restructures and streamlines existing elements of statutes and creates new elements of statutes within the Department of Financial Services.

Reference: House Bill 1393 by Representative Chuck Clemons (R-Gainesville) and Senate Bill 1704 by Senator Tom Wright (R-Port Orange)

Senate Bill 1704 was substituted for House Bill 1393, which passed both the House and Senate Chambers and is awaiting approval by the Governor. The bill takes effect upon becoming law. The effective date of the bill is July 1, 2019.

Corporate Income Tax (SB 1692)

Description: This legislation requires all members of a unitary business (water's edge group) to file a combined corporate income tax return and to allocate income to Florida using a single apportionment computation. The legislation also provides that any funds recollectd by

the operation of the bill’s provisions must be appropriated in the General Appropriations Act to various school districts.

Impact: The legislation aims to prohibit specified tax deductions, limit certain carryovers, and requires subtractions of certain dividends paid and received within the water’s edge group. The legislation would increase some FBA member’s state tax liability.

Reference: Senate Bill 1692 by Senator Jose Javier Rodriguez (D-Miami)

Senate Bill 1692 was heard in the Senate Commerce and Tourism Committee and failed.

Taxation (HB 7123)

Description: House Bill 7123 is the comprehensive tax package from the 2019 Session.

This legislation includes reductions related to sales tax such as:

- A reduction to the tax rate for commercial property rentals

- A five-day “back-to-school” tax holiday from August 2-6, 2019
- A seven-day “disaster preparedness” tax holiday from May 31-June 6, 2019
- Sales tax refunds for purchased agriculture supplies damaged from Hurricane Michael

This legislation includes reductions related to property tax such as:

- Tax relief for agriculture equipment damaged by Hurricane Michael
- School district voted discretionary operating levies are to apply proportionately to charter schools in the levying district
- Removes a limitation on the exemption from documentary stamp tax for transfers of homestead property between spouses
- Increases discounts on traffic fines if the driver attends driving school
- Creates a refund for fuel taxes paid for shipment and debris removal from Hurricane Michael
- Provides insurance premium taxpayers additional flexibility when applying for, earning, and

using tax credits under the Florida Scholarship Tax Credit Program

Impact: House Bill 7123 allows for tax reductions and other tax related modifications designed to directly impact Florida families and businesses.

Reference: House Bill 7123 by Representative Bryan Avila (R-Hialeah) and Senate Bill 1412 by Senator Joe Gruters (R-Sarasota)

Senate Bill 1412 was substituted for House Bill 7123, which passed both the House and Senate Chambers. House Bill 7123 was approved by the Governor. Please see Chapter No. 2019 - 42, Laws of Florida. The law took effect upon the Governor's approval.
