

WEEKLY TALLAHASSEE UPDATE



With the 60-day session scheduled to end Friday, May 2nd, it looks like the legislature will be going into overtime. On April 24th, Senate President Ben Albritton and House Speaker Danny Perez announced to their respective chambers that the two sides were at an impasse, citing the tax package as the biggest hurdle in agreeing on budget allocations to begin the budget negotiation process. Both sides announced legislators could return home to their districts over the weekend, and that they would have further details next week.

As the week progresses, the list of what the House is able to hear per House rules will narrow. There are still big differences between the House and Senate on key policy priorities, and while session may be extended, time is dwindling on bills crossing the finish line. Below is your week 8 update on what happened in Tallahassee.

First Florida Business Agenda Priority Headed to Governor

This week, a Florida Chamber-backed bill, HB 681, passed the legislature and is headed to the Governor. HB 681, by Representative Lauren Melo and Senator Nick DiCeglie, passed the Senate Floor by a vote of 37-0 after passing the House Floor last week by a vote of 117-0. The bill creates a structured and performance-based funding framework for Florida's apprenticeship ecosystem by tying funding to participation, performance, and high-demand occupations. The Florida Chamber Foundation Future of Work Florida initiative seeks to increase awareness and preparedness for high-demand and high-wage careers in Florida. Apprenticeships are a powerful way to grow talent and create real pathways to opportunity while fueling local workforce development.

Florida House Passes Bill That Reverses Course on Historic Lawsuit Abuse Reforms

Earlier today, the Florida House passed SB 832, opposed by the Florida Chamber, off the House Floor by a vote of 80-20. SB 832 originally included positive language that would allow former phosphate mining sites to be put into more productive uses, but after an amendment to include HB 947 and HB 1551, the bill will further deteriorate Florida's bottom-five legal climate and only serves to enrich billboard trial lawyers at the expense of Florida families and local businesses.

SB 832, as amended, reverses key provisions of the Florida Chamber-led insurance and lawsuit abuse reform packages passed in SB 2A in 2022 and HB 837 in 2023. The bill significantly weakens "Transparency in Damages" to allow inflated billed medical damages to once again be presented in court. It also hinders the ability of juries to receive accurate and transparent information about the actual costs of medical treatment in personal injury and wrongful death cases, and may only allow the inflated "sticker" price of medical care as opposed to the real amounts paid in certain cases. The bill also reverses the elimination of Florida's one-way attorney fee statute passed in SB 2A in December 2022, which would revive the gamesmanship in Florida's insurance market that incentivized frivolous litigation over small dollar amounts and led to fraud and abuse that drove up costs for all Floridians through higher insurance premiums and fewer insurance options.

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This effort hinders the progress toward the Florida 2030 Blueprint goal of becoming a top-quartile legal climate, makes Florida's bottom-five legal climate worse and increases costs to Florida families, who currently pay \$5,768 in lawsuit abuse "taxes" in the form of higher expenses on essentials like groceries, gasoline, and insurance. The fact is Florida's insurance market is finally stabilizing, as laid out in Mark Wilson's Miami Herald op-ed earlier this year, and this legislation puts that progress at risk.

SB 832 will now be sent back to the Senate, but to date, the Senate has not taken up "Transparency in Damages" nor "prevailing party" attorney fee bills.

Florida House Passes Second Tax Package off the Floor; Negotiations Remain Ongoing

Today, the Florida House advanced their second tax package proposal, HB 7033 by House Ways & Means Committee and Speaker Pro-Tempore Wyman Duggan, through the House Budget Committee by a vote of 20-8 and passed it off the House Floor by a vote of 78-29. This bill is already being negotiated with the Senate for a final tax package, which is often one of the last bills to pass each session. HB 7033 and the Senate's proposal, SB 7034, are billions of dollars apart and only a few items are included in both packages. As negotiations are ongoing, the Florida Chamber is actively working to ensure that meaningful business-friendly tax relief, such as a reduction of the Florida-only Business Rent Tax, is included in the final tax package.

The House tax proposal lowers both the state sales tax and the business rent tax by three-fourths of a percent. The bill also includes concerning language to the broader business community which would change how tourist development taxes are currently spent. Tourist development taxes would no longer be required to be spent on tourism promotion and marketing, beach renourishment, and public facilities related to tourism, but would be allowed to be used for general government purposes and could be used to offset local property taxes. The bill also eliminates the aviation fuel tax, delays the effective date of natural gas fuel taxes, extends the local communications services tax (CST) freeze until 2031, and requires CST revenues to be prioritized for their intended use – permitting processing.

The Senate proposal includes the permanent elimination of sales tax on clothing and shoes priced at \$75 or less, a study on the elimination of property taxes, and the renewal of sales tax holidays seen in previous years – including the Back-to-School Sales Tax Holiday, Disaster Preparedness Sales Tax Holiday, Freedom Month, Skilled Worker Tax Holiday on Tools, and a new Hunting Season Sales Tax Holiday. Additional provisions include continuing the freeze of local CST increases through 2031 and offering tax credits to Florida businesses that contribute to charitable organizations housing families of critically ill children. The bill also includes a \$50 million cap before counties can use tourist development taxes for public facilities, allowing certain high-tourism counties to redirect those funds to different uses, such as infrastructure or public safety. Finally, the bill includes a one-year, one-time credit for the annual license tag fee that Floridians pay on their vehicles.

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The differences in the two tax packages have been a large sticking point in budget negotiations. The House tax package includes approximately \$5.5 billion in tax cuts, whereas the Senate plan includes a more “modest” \$2.1 billion in tax savings.

Senator Colleen Burton’s SB 738, related to childcare and early learning providers, passed the Senate Floor by a vote of 37-0. This bill eases childcare regulations that don’t improve quality or safety to support lower childcare costs, increased access to early learning, and the ability of parents to re-enter the workforce. According to the Untapped Potential in FL report, childcare issues result in an estimated \$5.4 billion loss to Florida’s economy annually.

Speaking of childcare and early learning, the Florida House passed **HB 859, by Representative Chase Tramont, by 114-0**. The bill expands **Florida’s School Readiness program**, which provides early learning tuition assistance and addresses workforce challenges highlighted in the Florida Chamber Foundation’s Untapped Potential in FL report. The bill sets new income eligibility criteria to the greater of either 50 percent of the state median income or 150 percent of the federal poverty level. The bill will help more families access childcare and keep more parents in the workforce, while making necessary progress toward the Florida 2030 Blueprint goal of achieving 100% kindergarten readiness by 2030.

The House passed Florida Chamber-backed **HJR 1215, related to tangible personal property tax by Representative Danny Alvarez**, which would put a referendum on the 2026 general election ballot to eliminate tangible personal property tax for agriculture equipment used primarily on agricultural land. The bill supports Florida’s agriculture industry – essential to state and national food security – by advancing the Florida 2030 Blueprint goal of fostering the nation’s top business tax climate and double rural share of Florida GDP.

In a marathon committee hearing, the House Commerce Committee advanced **HB 1239, related to energy infrastructure investment, by Representative Jennifer Kincart Jonsson**, and the Senate passed its companion, **SB 1574 by Senator Nick DiCeglie**. HB 1239 & SB 1574 promote the development of renewable energy sources in Florida, which will increase energy independence, and incentivize the development of additional energy sources to support economic growth and sustainability.

The House Commerce Committee passed **HB 943, related to affordable housing, by Representative Vicki Lopez**. This bill strengthens the Live Local Act to create more affordable workforce housing options by limiting local government’s ability to impose and enforce regulations that would restrict the development of affordable housing and incentivize developers to build affordable housing for healthcare workers.

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The House Commerce Committee also advanced **HB 247, another affordable housing bill, by Representative Bill Conerly**. This bill is part of a larger solution to address the affordable housing crisis in Florida by requiring local governments to adopt ordinances that allow accessory dwelling units in areas zoned for single-family residential use. The bill also ensures that local governments do not discourage accessory dwelling units by increasing parking requirements.

Finally, the House Commerce Committee advanced **HB 561, related to manufacturing, by Representative Nan Cobb**, this week. The bill creates the Statewide Office of Manufacturing led by a Chief Manufacturing Officer, as recommended in the Florida Chamber Foundation's Trade & Logistics 2030 Study, to oversee Florida's manufacturing strategy. The bill also introduces a promotional campaign aimed at increasing consumer awareness and market exposure for products made in Florida. If you make or know of an innovative manufacturing product made in Florida, nominate it for the **"Coolest Thing Made in Florida"** campaign the Florida Chamber launched earlier this year.

SB 1080, related to local government land regulation, by Senator Stan McClain, failed on the Senate Floor before a motion to reconsider. The House companion, HB 579, passed its last committee after receiving several additional provisions. These bills clarify the roles of local authorities and streamline the bureaucratic process associated with zoning and development applications by setting clear requirements and deadlines. At this point, the good bill's future remains unclear as the clock ticks down to the end of the regular session.