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2021 POST-LEGISLATIVE SESSION REPORT

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Bank of America Plaza 101 East Kennedy Boulevard Suite 2800 Tampa, Florida 33602

#### **Hot Topics**

Legislative priorities for 2021 from the Governor and leadership ranged from controversial political moves related to protests, voting, and transgender athletes, to environmental protection and mental health. House Bill (HB) 1 was one of the first bills of the 2021 session to be signed into law, and was priority number one for Governor DeSantis. The anti-riot bill intensifies penalties for "mob intimidation" and was strongly opposed by Democrats, with most Republicans in support of its goal to maintain law and order in the state following disorderly protests across the nation. Alongside public disorder legislation, the Governor pushed for updates to absentee voter regulations and Big Tech restrictions following events surrounding the recent election. Senator Baxley's Senate Bill (SB) 90 implements several new requirements for mail-in voting in order to prevent fraud, including supervision of drop boxes and prevention of duplicate mail-in ballots. With the approval of SB 7072, social media platforms will be penalized for deplatforming, as in banning or restricting political candidates. The goal of the legislation is to prevent censorship and

promote free speech, but it has received backlash in favor of social media platforms' rights to remove users for violations of their policies. Some of DeSantis's controversial priority pieces of legislation have drawn much opposition, of which several are expected to bring about questions of constitutionality/legality that will be hashed out over the coming weeks.

A less controversial issue that the legislature prioritized was workforce development, and ensuring that Florida is utilizing labor resources efficiently and providing fruitful careers to as many people as possible. Bills such as HB 1507 seek to modernize the state's workforce and services through programs credentialing platforms, apprenticeship grants, opportunity portals, and more. The legislature also opened dialogue surrounding gaming legislation in the state, and will reconvene for a special session May 17<sup>th</sup> to continue work on the issue. The Governor recently signed a compact with the Seminole Tribe of Florida that will expectantly allow the state to collect billions of dollars in additional revenue from legalized sports betting.



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#### COVID-19

Last year, lawmakers finished session as COVID was beginning to ravage the world's economy and spread across the globe. This year, lawmakers were tasked with beginning to bring Florida out of the pandemic and setting the state up for success and resiliency long beyond mask mandates and lockdowns. One of the first bills to be passed by both houses and the first to be approved by the Governor was SB 72, which prevents civil suits against businesses and health care providers related to COVID-19 or any effects thereof. The bill received mild pushback due to the potential "blanket liability" it provides, but nonetheless was signed into law by the Governor. Both houses also passed HB 1261, which will provide these liability protections to higher-education institutions upon approval by Governor DeSantis. Aside from liability protections, SB 2006 was swiftly approved by the Governor and includes provisions to ban vaccine passports and end all COVIDrelated emergency orders. The bill also creates new protocols for public health emergencies, mandating the Department of Health to create a state public health emergency management plan, requiring

that the state maintain stock of personal protective equipment (PPE), and implementing death reporting protocols.

#### Education

Throughout a year of uncertainty across the nation regarding school reopening and return to normal student life. Florida has continually taken the lead in prioritizing student success. The state was one of only four to offer in-person instruction to 100 percent of students as of the beginning of session, which allowed the legislature to continue focusing on literacy, school choice, mental health, and other priorities in the realm of K-12 education. Republican legislators worked tirelessly to pass historical school choice legislation that seeks to allow parents to make "the best choice for their child." The changes include consolidation of voucher programs, like the Gardiner-McKay, and expanded access to Educational Savings Accounts. Lawmakers also passed landmark literacy legislation, such as home book delivery in the New Worlds Reading Initiative and updated progress monitoring through eighth grade with the Reading Achievement Initiative. The legislature was also diligent in implementing teacher

salary increases and improving the mental health environment for students.

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An extremely controversial measure to ban transgender girls from participating in women's sports was thought to be laid to rest when the initially proposed bill was not taken up by the Senate. In the final hours of session, both the House and Senate concurred on an amendment to a charter school centered bill that prevents transgender girls from participating in female sports. The Governor is expected to approve the measure.

In terms of higher education, major changes were proposed to Bright Futures that did not make it through the process. Bright Futures funding remains intact, with only the \$600 annual book stipend for the highest funding level being removed.

## **Health Care**

Talk of health care and human services largely centered on issues, such as Medicaid expansion, mental health and substance abuse, and Telehealth. With the past fiscal year bringing about more Medicaid claims than anticipated, lawmakers were inclined to expand funding for postpartum mothers and intellectually disabled people. In spite of fears of cuts in the health care silo, most funding levels were able to be maintained or increased, keeping health care as the largest budget silo overall. In addition, several bills awaiting approval by the Governor center on mental health and substance abuse treatment access, seeking to regulate and increase access to providers. With approval, the legislation will regulate service providers' licensing, require disclosure of covered mental health services under insurance, and emphasize minority health and health equity, among other things.

## Environment

With the most coastline of any state in the U.S., Florida is tasked with addressing climate change more so than other states. Going into the 2021 session, the Governor made it known that the Resilient Florida Grant Program within the Department of Environmental Protection (DEP) and related funding were The priority. legislature was successful in creating the Resilient Florida Grant Program and the Resilient Florida Trust Fund, which will provide grants to flooding and sea-level rise prevention efforts across the state. It additionally requires the DEP to submit a proposal each year for \$100 million in



funding for projects to address flooding and sea-level rise risks.

Legislation to preempt seaport regulation sparked outcry from Key West environmentalists, who had championed referendums to restrict cruise ships that entered their port. The initial referendums had intended to prevent destruction of Key West's reefs by oversized passenger cruise ships. Although the initial legislation did not make it through both houses, an amendment was tacked onto Senator Hooper's broad transportation bill (SB 1194) at the last minute that prohibits municipalities of 15 ports from regulating or restricting cruise ship traffic.

Contained within the budget is also record funding for Florida's State Parks to account for their growing popularity.

### Insurance & Tax

After years of discussion surrounding Florida's No-Fault insurance law, the legislature finally took action this session. Under the new legislation, coverage will be based on bodily injury rather than personal injury protection. The change is expected to cause a rise in rates, but follows suit with 48 other states who have already made the jump. The legislature also approved an overhaul to homeowners insurance that aims to prevent further increases in rates and reduce attorney's fees for related cases that end up in court.

Early in session, the legislature passed a measure to enforce collection of sales tax for online sales, including those originating out-of-state. The change is projected to bring in an additional \$1 billion in revenue, and has already been approved by the Governor. Both chambers also passed an expansion of tax holidays, lengthening the back-to-school holiday adding and holidays for disaster preparedness and outdoor activities. The tax relief is expected to total \$134.6 million, cutting state revenue by a projected \$61.5 million in the next fiscal year.

## **Budget Overview**

In spite of daunting expectations of budget cuts across the board, the legislature settled on a balanced budget that totals \$101.5 billion, an increase of 10.1 percent from the current fiscal year. According to Appropriations Chair Jay Trumbull, the increases are largely a result of Federal funds, increased demand for Medicaid,



and new education needs. The budget takes \$36.3 billion from General Revenue and \$65.2 billion from Trust Funds, placing \$6 billion in reserves and striving to invest in "good government" efforts that will benefit all Floridians and prepare the state for future success. Federal COVID-19 relief dollars are mainly being allocated to large scale environment and infrastructure investments, such as the \$2 billion for State Highway System and Florida Ports improvements and the \$500 million for Resilient Florida environmental grants. Aside from federal dollars, each individual silo also increased in total, allocating \$44.6 billion for Health Care, \$26.7 billion to Education (includes an increase of \$13.7 million to the FEFP), \$4.5 billion to Agriculture and Natural Resources, \$5.9 billion to Justice, and \$13.7 billion to Infrastructure and Tourism.

The conference report highlights the major issues of the process, including educational capital outlay and wage and compensation. Increased funding for charter school improvements and repairs along with a heightened minimum wage for state employees are among the largest allocations in these silos. Additional specific aspects of the budget are highlighted in the conference committee report summary, which can be viewed <u>here.</u>

## **Dead Issues**

Many issues were raised throughout the 60-day session and stirred up conversation, but did not quite make it through both chambers to the Governor's desk. Among these are caps on THC in medical marijuana, leaving the medical marijuana market largely unregulated since its approval via constitutional amendment in 2014. A consumer data privacy bill to give consumers more discretion over the use and distribution of their data collected online narrowly missed approval, a relief to many businesses. Under the bill, consumers would have had the ability to file civil suits if a company distributed their data against consumers' wishes. Senator Baxley's proposal to change Bright Futures' funding drew fierce opposition from students and families, and was left to die in the House's messages after its passage in the Senate. The legislature also toyed with the ideas of term limits for school board members, prohibition of disability abortions,





reduction of the duration of alimony, increased unemployment benefits, removal of the current pension system for incoming government employees, restrictions on union dues, and more red tape for local governments in regulating vacation rentals.