



Final Legislative Report 2016

PASSED

MOBILE HOMES

**SB 826
HB 743**

**Sponsors
Sen. Latvala
Rep. Latvala**

Mobile home legislation supported by park owners and associations

This consensus bill includes:

- Non-ad valorem assessments or increases (storm water utility, fire and rescue, solid waste collection, etc.) may be passed on to the mobile homeowner at anytime during the term of the rental agreement if the charge is included as a factor for increasing the lot rent in the prospectus or rental agreement, thus homeowners would not be able to challenge for “lack of disclosure.”
- Park owners may give a rental increase anytime during the lease term after 90 days notice has elapsed – this allows for park owners who may miss the opportunity to increase rent 90 days before the renewal date of the rental agreement to now have an opportunity increase the rent without waiting for the following year.
- Only homeowners that agree to be bound by the policies of the association are members.

Impact

The effect of these changes on those renting lots in mobile home parks covered by Chapter 723 is not clear but appears to lessen protections for renters.

Status

Approved by Governor

Effective

July 1, 2016

HIGH COST LOANS

SB 626
HB 717

Sponsors
Sen. Gaetz
Rep. Burgess

Protections for the military from predatory loans enhanced

Authorizes the Office of Financial Regulation to enforce the Military Lending Act. The Military Lending Act provides heightened protection for the military against payday loans, title loans, small dollar loans and credit cards, including a 36% interest cap (30% will still apply in Florida for title loans and small dollar loans), written disclosures, and prohibition of certain provisions such as mandatory arbitration and prepayment penalties.

Impact

Heightened protection for military against high cost predatory loans is a benefit for military consumers.

Status

Approved by Governor

Effective

July 1, 2016

HB 145
SB 260

Sponsors
Rep. McGhee
Sen. Smith

Financial Transactions mixed bag for consumer

- Requires a lender cancel an open-end mortgage within 45 days of receipt of the borrower's written notice to close the account and reduces the time for cancellation for all mortgages from 60 days to 45 days.
- Updates issues related to electronic funds transfer.
- Private schools may charge a surcharge if you pay by credit card.
- Protection consumers had for years against installment lenders paying referral fees (lead generators) to steer consumers to their products is completely wiped out.

Impact

Consumers lose with unregulated entities ability to act on behalf of installment lenders to steer customers and close loans.

Status

Approved by Governor

Effective

July 1, 2016

AUTO INSURANCE

HB 659
SB 1036

Sponsors
Rep. Santiago
Sen. Brandes

Auto insurance bill mixed bag, could lead to zip code redlining

Though similar legislation did not pass last year, it returned this year, as expected, and was successful.

- The bill allows single zip code rating territories that can be used to redline lower income areas. Previously zip codes were deemed unfairly discriminatory and prohibited.
- The bill allows for auto insurers to charge \$15 to consumers if the premium payment by debit or credit card or automatic fund transfer fails due to insufficient funds.
- Applicants may be required to pay the cost of a pre-insurance inspection, not to exceed \$5

Impact

Overall loss for consumer with the risk of redlining neighborhoods based on zip codes and other increased costs to consumers.

Status

Approved by Governor

Effective

July 1, 2016

HB 875
SB 1120

Sponsors
Rep. Stark
Rep. Santiago
Sen. Abruzzo

Consumers can spend money on even more types of motor vehicle service agreements

Motor vehicle service agreements are products consumers buy that expand their car warranty for specific purposes. The bill creates new products that may be sold to consumers to include repair or replacement of tires or wheels damaged from a “road hazard”; removal of dents and dings in the car; replacement of a key if it is lost, stolen and inoperable.

Impact

For certain consumers these may be a benefit; consumers, however, should use caution in determining if these are products they need.

Status

Approved by Governor

Effective

July 1, 2016

CREDIT CARD SCAMS

SB 912
HB 761

Sponsors
Sen. Flores
Rep. Young

Protection against gas station pump credit card skimmers

- Requires that retail gas pumps that have credit card scanners provide security measures on the fuel pump to restrict unauthorized access to customer payment card information.
- Increases the penalties for trafficking in or possession of counterfeit credit cards.

Impact

Addresses ongoing problem of skimming devices used to steal credit card information from unsuspecting consumers at the gas pump.

Status
Approved by Governor

Effective
October 1, 2016

DIGITAL ASSETS

SB 494
HB 747

Sponsors
Sen. Hukill
Rep. Fant

Settles the argument over access to digital assets after your death

Last year's contentious debate between probate lawyers and the ACLU and social media providers was resolved with Florida being one of the first states to provide for a mechanism for access to your digital assets after your death.

- Certain fiduciaries will have legal authority to manage your digital assets after your death, providing the social media "custodian" of the assets legal authority to interact with the fiduciary.
- The custodian is granted immunity from liability, thus the legislation gained the support of social media providers this year.

Impact
Neutral on the impact

Status
Approved by Governor

Effective
July 1, 2016

LIFE INSURANCE

SB 966
HB 1041

Sponsors
Sen. Benacquisto
Rep. Hager

Unclaimed life insurance money to be paid to beneficiaries

Life insurers will be required to determine whether policyholders have died by annually comparing them against the social security administration death master file. This applies to all policies in force on or after January 1, 1992. The insurer must verify the death and attempt to locate beneficiaries.

Impact

It is estimated that \$111 million will be returned to more than 30,000 Floridians as a result of this legislation.

Status

Awaiting Governor's signature

Effective

Immediately upon becoming law

PROPERTY INSURANCE

SB 1274
HB1327

Sponsors
Sen. Latvala
Rep. Ingolia

Limited sinkhole insurance provides more options for consumers

The bill provides for limited residential sinkhole insurance coverage for stabilizing the building and repairing the foundation. It may carry a high deductible and have limits on coverage. It is useful for consumers where they do not have any other option for sinkhole coverage.

Impact

Overall impact is good for areas of the state where sinkhole insurance is not otherwise available. Others should make determination if a higher deductible and policy limitations are best for them.

Status

Approved by Governor

Effective

July 1, 2016

SB 992
HB 651

Sponsors
Sen. Brandes
Rep. Beshears

Department of Financial Services Package

This contains many provisions relating to DFS. Several are relevant to consumers.

- Prohibits an individual from serving as a neutral evaluator in the Department's sinkhole resolution program over disputes in which that individual was employed anytime within the last five years by the same firm that did the initial sinkhole testing for the claim.
- Exempts certain travel insurance products from rate review requirements along with requirements to make rate filings.

Impact

- The revolving door provision relating to neutral evaluators in the sinkhole resolution program may benefit consumers by ensuring a more neutral evaluator of disputes.
- The exemption for travel insurance products is fairly narrow in terms of which policies it applies to but deregulation is rarely a good thing for consumers.

Status

Approved by the Governor

Effective

July 1, 2016

HB931
SB1630

Sponsors
Rep. Passidomo,
Rep. J. Rodriguez
Rep. Dudley
Sen. Flores

Citizens Property Insurance Reform Lite

The process to transition Citizens' customers to private insurers has been riddled with problems. This year we saw another bipartisan effort to pass consumer reforms. These efforts were heavily tempered, unfortunately, due to fears that Governor Scott would veto the bill as he did in 2015. However, several good provisions that passed.

- The bill attempts to address confusion by consumers who disregard "take-out" offers from insurers as junk mail by requiring Citizens send out all "take-out" letters.
- Citizens must provide consumers with a notice that includes information about all of the insurers requesting to take out a policy along with policy details such as premiums and coverage as well as how they compare to Citizens.
- Consumer must be informed that they have a right to reject the take-out policy offers and remain with Citizens.

EDUCATION AFFORDABILITY

**HB7019
SB984**

**Sponsors
Rep. Porter
Sen. Legg**

Impact

While the bill doesn't go as far as we would like it still makes some much-needed improvements for consumers regarding information about their options for "take-out" policies.

Status

Awaiting Governor's signature

Addressing college affordability largely by setting the stage for future reforms

- Requires the Student Board of Education (SBE) and the Board of Governors (BOG) to submit an annual report to the Governor and legislative leadership in each house detailing strategies to promote affordability;
- Allows the Florida College System board of trustees to create "innovative solutions" relating to textbook affordability;
- Requires public universities to do annual cost benefit analysis on textbook affordability policies and for these to be compiled and submitted to the SBE and BOG;
- Requires the board of trustees for public universities submit reports each semester until July 1, 2018, on the cost variance of textbooks among sections and the time textbooks are in use.

Impacts

The provisions are unlikely to do much to make college more affordable. But they are well-intentioned and positive steps towards future efforts.

Status

Awaiting Governor's signature

HEALTH INSURANCE

**HB139
SB234**

**Sponsors
Rep. Cummings
Sen. Gaetz**

Dental Access

- The bill creates a state grant program intending to encourage dentists to operate where there is a professional shortage or medically underserved area.
- Ten recipients will be selected annually. Incentives include the repayment of student loans, investment in facilities and equipment as well as transitional expenses associated with relocating.

Impact

It may provide better access to dental care in rural areas.

**HB 1175
SB 1496**

**Sponsors
Rep. Sprowls
Sen. Bradley**

Status
Awaiting Governor's signature

Hospitals transparency in prices

- Hospitals must post information on their websites of the average payments for certain services and the information must be searchable by consumers.
- Hospitals must also publish information on their financial assistance policies.
- Finally, hospital websites must explain how consumers can receive estimates of charges within 7 days of a request.

Impact
Neutral on impact

Status
Awaiting Governor's signature

Effective
July 1, 2016

**HB 221
SB 1442**

**Sponsors
Rep. Trujillo
Sen. Garcia**

Protects the consumer from out-of-network charges when the consumer cannot control the charges

The bill provides that a consumer may not be charged out-of-network prices when the consumer goes to an in-network hospital, a frequently occurring event from emergency treatment where the patient does not have the ability to choose a network provider. A dispute resolution process is created for determining reimbursement to the providers.

Impact
Touted as the first of its kind in the nation, it is a step forward in addressing the balance billing issue, keeping the consumer in the process.

Status
Awaiting Governor's signature

Effective
July 1, 2016

**CONSUMER
ATTORNEY ISSUES**

**SB 1042
HB 503**

**Sponsors
Sen. Simmons
Rep. Renner**

Revisions to law regulating how a creditor may collect a judgment against a debtor

The bill makes a number of changes to Chapter 56. A Florida Bar article (<http://bit.ly/1UOo1YW>) led to major revisions in how a creditor may collect a judgment against a debtor, particularly in proceedings supplementary and impleading third parties. Among other changes, it provides definitions, establishes a procedure for bringing nonparties into the proceedings by a notice to appear, and asserting a claim or defense for delay may subject you to penalties.

Impact
Neutral on impact

Status
Approved by Governor

Effective
July 1, 2016

**SB 1104
HB 897**

**Sponsor
Sen. Flores
Rep. Stone**

New requirements for service of process on financial institutions that transact business in Florida

The bill creates sec. 48.092, which refers to sec. 655.0201, which is amended to provide for service on a financial institution, whether state or nationally chartered. The financial institution may designate a registered agent or place with the Division of State as the sole location or agent for service of process. Otherwise service is made upon officers, directors, or business agents at specified locations.

Impact
Neutral on impact

Status
Approved by Governor

Effective
January 1, 2016

**SB 180/SB 182
HB 55/HB 57**

**Sponsors
Sen. Richter
Rep. Pilon**

Public Records exemption for undefined "financial information" trade secrets

Public records exemptions for trade secrets was expanded to include "financial information." The Florida Constitution requires a public necessity for this legislative change. The legislature states the necessity is that disclosing "financial information" comprising a trade secret would be bad for businesses. "Financial information" is not defined.

Impact

Loss of access to public records is a loss for the consumer; a gain for private companies bidding for public projects, including privatization of government functions.

Status

Approved by Governor

Effective

October 1, 2016

**SB 396
HB 4029**

**Sponsors
Sen. Bradley
Rep. Spowls**

Requirement that out-of-state plaintiff post a cost bond to protect in-state defendant is gone

On the books since 1828, citizens of Florida sued by out-of-state plaintiffs were entitled to protection by the plaintiff posting a cost bond to cover costs incurred by a Florida defendant who successfully defends against the out-of-state plaintiff. The law was not without problems, including a much too low dollar amount for the bond (\$100) and no provision for out-of-state plaintiffs who are indigent. Most of the other 40 states that provide a cost bond protection for their citizens do provide a reasonable amount for the bond and make provisions for indigents. But bankers and their attorneys were not happy that homeowners were requesting cost bonds from out-state plaintiffs suing for foreclosure and successfully got the provision removed from Florida law.

Impact

Though law needed improvement, repealing it completely is a loss for the consumer.

Status

Approved by Governor

Effective

July 1, 2016

UTILITIES

**HB347
SB324**

**Sponsors
Rep. Sprowls
Sen. Legg,
Sen. Simpson**

New bonds to fund utility infrastructure will mean more fees for consumers

The bill creates a new finance mechanism to lower interest rates for utilities on water or wastewater infrastructure projects.

- These bonds are secured by imposing a new charge on all current and future customers. There are some loose requirements that the additional cost to consumers created by this new bond will be compared to costs if the project were to be financed by bonds from public utility revenues.
- All consumers receiving water or wastewater service from a utility using these bonds for a project must pay the charge.
- It will be broken out on the bill so that it is visible.

Impact

While the additional fees will impact consumers it is likely that the bill will be fair if used as intended. FLACP will monitor use of this new finance mechanism.

Status

Approved by Governor

Effective

July 1, 2016

**HJR 193
SJR 170**

**Sponsors
Rep. R. Rodrigues
Rep. Berman
Rep. Dudley
Sen. Brandes**

Exempting solar or renewable energy source devices from certain taxes

A joint resolution that the citizens will have to vote since it will amend the Florida Constitution to:

- Allows an exemption for the assessed value of renewable energy source device from ad valorem tax on tangible personal property;
- Prohibits the inclusion of an installed renewable energy source device in the assessed value of any real property for the purpose of ad valorem tax

Impact

The concept is good for consumers. However, there is some concern about placing it on the ballot during the August primary.

Status

Filed with the secretary of state

**FINANCIAL
LITERACY MONTH****SR 466****Sponsor
Sen. Hukill**

The Senate designated April 2016 as “Financial Literacy Month” in Florida.

BUDGET**Free Tax Preparation for low-income families**

A \$500,000 appropriation that will allow United Ways and their community partners to provide free tax preparation and financial literacy services to more than 20,000 low income workers and their families was approved by the 2016 Florida Legislature.

Impact

Low income families will receive more than \$20 million in tax refunds they have earned, putting a dent in the \$1 billion of unclaimed refunds Floridians leave on the table in Washington each year. They will receive upwards of \$10 million in Earned Income Tax Credits (EITC), one of the most powerful tools available for helping to lift families out of poverty.

FAILED**CONSUMER DEBT
COLLECTION****SB 562
HB 713****Sponsors
Sen. Stargel
Rep. Passidomo****Medical industry sought to reduce consumer protection
under Florida's Consumer Protection Practices Act**

The bill would place more obstacles before a consumer and his or her attorney in their efforts to notify a person collecting a debt that an attorney represents the consumer. This would erode protections consumers have from direct contact by a person collecting a debt once the consumer has retained an attorney.

Impact

Defeating the bill is a win for consumers.

Status

Passed the Senate on a vote of 21 yeas to 17 nays. Died in committee in the House.

**CONSUMER
FINANCE LOANS****SB 1696
HB 1425****Sponsors
Sen. Flores
Rep. Fant****High Cost Loan would exceed current APR for similar loans
in Florida without enough added benefit to consumer**

Florida Consumer Finance Loans are limited to 30% APR. This Small Dollar Loan Pilot Program would create a similar loan product with 36% APR. It would also provide for limited underwriting, mandatory reporting of credit scores and the use of "referral partners" to sell the loans in Florida.

Impact

The bill proposes an interesting concept that needs vast improvements to make it a solid product for consumers. Defeating this late filed bill this year protects consumers from a new loan product that needs much more work.

Status

Temporarily postponed in first committee in the Senate; passed one committee in the House; died in committee

**PAYDAY LOAN
RATE CAP**

**SB 1524
HB 1177**

**Sponsors
Sen. Bullard
Rep. B. Watson**

Payday loan rate cap would bring payday loans in line with other high cost loans in Florida

Payday loans in Florida carry annual percentage rates in excess of 280%, almost 20 times criminal usury rate in Florida. This bill would place a 30% per annum rate cap on payday loans, in keeping with similar loans in Florida.

Impact

Would have protected consumers from one of the most predatory loans in the state and allowed the growth of other lending products that would better serve consumers.

Status

Bill was never heard in committee. Died in committee

**RENTERS
INSURANCE**

**SB 342
HB 237**

**Sponsors
Sen. Gibson
Rep. DuBose**

Residential tenants would be notified of the need for renters insurance

This bill, though very well intentioned by the sponsors, would accelerate the mandatory requirement of renters insurance in rental agreements without providing tenants any protections.

Impact

More tenants, including low income tenants or college students protected by their family's homeowners policy, might be required to get renters insurance as an unintended consequence of this bill.

Status

Passed unanimously in the Senate; died in committee in the House.

**FAILURE TO
MAINTAIN RENTAL**

**HB 849
SB 1406**

**Sponsors
Rep. Stafford
Sen. Braynon**

**HB 53
SB 474**

**Rep. Campbell
Sen. Braynon**

Bills address the failure of landlords to maintain residential rental premises

Driven by an excellent media exposé of the failure of out of state landlords to maintain rental property, both bills sought to empower tenants faced with the refusal by the landlord to make much-needed repairs.

Impact

The first would have allowed the judge discretion to waive rent deposit in certain circumstances so the tenant might have his or her day in court on the issue. The second would criminalize the failure to repair. (FLACP does not support criminalizing conduct in the Florida Residential Landlord Tenant Act.) It is a loss for tenants who need help with landlords' failure to repair.

Status

Neither bills heard in committee. Died in committee.

**ACCESS TO PUBLIC
RECORDS**

**SB 1220
HB 1021**

**Sponsors
Sen. Garcia
Rep. Steube**

Reduces access to public records by making the awarding of attorneys fees discretionary

The bill would allow judges the discretion as to whether to award attorney fees in cases litigating the failure of a government body to provide the records upon request.

Impact

The result would have a chilling effect on the ability of Floridians to obtain public records.

Status

Passed the Senate on 30 yeas, 0 nays; died in committee in the House.

HOUSING DISCRIMINATION

**SB 7008
HB 339**

**Sponsors
Approp & Gov't
Oversight & Acct
Rep. Rouson**

Loss of federal funding and failure to clarify state law

Effectively a glitch bill, this legislation would have removed housing discrimination from the Florida Civil Rights Act, where administrative exhaustion of remedies is required. Housing discrimination would remain in the Florida Fair Housing Act, with no requirement of exhaustion of remedies. There would be no loss of protection for those claiming housing discrimination. However, the legislation is required for the continuation of federal funding since Florida law would then be substantially equivalent with federal law.

Impact

The issue of exhaustion of administrative remedies remains unclear with the Fourth DCA finding a requirement and the US District Southern District not finding an exhaustion requirement. It also results in the loss of federal funding of approximately \$600,000.

Status

Passed unanimously in all Senate committees and the Senate floor; died in committee in the House.

STUDENT LOANS

**SB 146
HB 123**

**Sen. Ring
Sen. Gaetz
Rep. J. Rodriguez**

Using student loan default rate as a metric in determining tuition assistance to colleges and universities

The legislation would provide that colleges and universities may not dip below a certain level of default rate or risk a loss in tuition assistance. Federal student loan default rates would be used as an accountability measure, for both public and private schools, for-profit and nonprofit.

Impact

The bills would be a positive step toward addressing the issue of student loan debt by looking to schools where there is a high rate of loan default.

Status

Passed two Senate committees. Died in committee.

April 6, 2016