

2026 FLORIDA LEGISLATIVE SESSION WRAP-UP (*PRE-BUDGET EDITION*)

MARCH 2026



Florida
TaxWatch



INTRODUCTION

For the second year in row, the Legislature could not complete its work in 60 days. The 2026 Florida Legislative Session was gaveled to a close on its last scheduled day, but lawmakers are not finished. They failed to produce a new state budget. Passing a budget is the only thing they are constitutionally required to do, so they will be coming back.

House Speaker Daniel Perez said there is a “fundamental disagreement on what the state budget should look like”. He summed it up by saying the House wants to spend less and the Senate wants to spend more, and he is not going to be very flexible on that. Those are not encouraging words for a timely resolution.

Familiar tensions arose during the session, and it was not long before it looked like it was going to be another prolonged one. This not only impacted the budget, it also doomed a lot of legislation. Priority bills passed early in one chamber languished in the other and eventually were not considered. Ultimately, many priorities of the Governor, the Senate, and the House failed to pass. These include property tax relief, an artificial intelligence bill of rights, expanding the ability of parents to opt out of vaccines for school children, rural development, school choice scholarship reform, Medicaid oversight, and other health and education issues. The Legislature passed only 192 general bills, fewer than usual. Fewer bills passed is not necessarily a bad thing, but it does highlight the large number of issues with irreconcilable differences between the House and Senate.

There also was not an agreement on state tax relief. The House and Senate both put forward modest (at least relative to recent session) tax packages. While a sales tax holiday for hunting, fishing, and camping supplies was the centerpiece of both packages, there were many provisions that were unique to one package or the other. The budget conference negotiations relating to the tax package are unclear. There is effectively no tax package remaining, since one bill was killed and the other had all tax provisions stripped from it. What tax cut measures are still on the table is anyone’s guess.

Legislators are expected to return to Tallahassee in mid-April. No dates have been officially announced, but they will wait until the Easter and

Passover holidays have ended (April 9). The Governor has already called for a special session on Congressional redistricting to start April 20. In addition, Senate President Ben Albritton announced, “Senators will return to Tallahassee to put a meaningful option for property tax relief on the ballot for the fall election.”

The budget, a major property tax relief constitutional amendment, a state tax package, and redistricting is a fairly heavy lift, especially with the difficulty the House and Senate have had in working together. Last year, the budget was passed with only two weeks left in the fiscal year. The Governor signed the budget the day before the new fiscal year started. Let’s hope this year is not a rerun.

Even though the Legislature is not finished, Florida TaxWatch is releasing our annual Legislative Session Wrap-Up to bring you up to date on what important legislation passed and what did not. We will be back after the budget conference has finished its work with an update on the final budget and (hopefully) the tax relief package.

TAXATION

Tax Package - In Week 7, the Senate Finance & Tax Committee and the House Ways & Means Committee approved their tax packages. As expected, they provide far less tax relief than the packages in recent sessions. [HB 7031](#) contained \$233.5 million in one-time or temporary cuts and recurring tax relief of \$92.9 million. It included a hunting, fishing, and camping sales tax holiday, along with other sales tax exemptions, tax credits, and more. There was even a one-year reduction in the beverage tax on domestic beer (*see Appendix A for all provisions of SB 7031*). The original [SB 7046](#) also proposed the hunting, fishing, and camping sales tax holiday that could save outdoor enthusiasts \$39.0 million. It was the Senate's only significant tax cut (in terms of taxpayer savings) until the Senate Appropriations Committee adopted an amendment that added some provisions, increasing the total tax relief to \$78.0 million (*see Appendix B for all provisions of SB 7046*). Both bills contain numerous other provisions, including relatively small changes to the property tax.

However, HB 7031 was amended to remove all the provisions except for the corporate income tax piggyback language (see below). The Senate agreed and the bill was passed. Then, SB 7046 was removed from consideration when it was replaced by [HB 1217](#), which has no tax provisions and instead prohibits governmental entities from adopting net zero greenhouse gas policies or using public funds to support them. This means that there is no longer a House or Senate tax package.

It is still anticipated that some sort of tax package will be negotiated during the budget conference. Although it is unclear what the Legislature has in mind, if they negotiate a tax package, the provisions detailed in Appendices A and B are likely candidates to be included.

LEGISLATION THAT PASSED

Corporate Income Tax Piggyback – One thing that the House and Senate agree on is that the many federal corporate income tax cuts in the One Big, Beautiful Bill Act (OBBBA) will not extend to Florida companies' state tax returns. Each year, the Legislature passes a CIT “piggyback” bill to adopt the latest federal tax code, conforming Florida law to federal law. Federal taxable income is the starting point for Florida corporations

to calculate their state tax liability. This makes administration and compliance easier for both the taxpayer and the taxman. Sometimes, the bill will “decouple” with specific federal changes that would have a large impact on state revenue. The federal One Big Beautiful Bill Act (OBBBA), passed into law in July 2025, contains several provisions that reduce corporate income taxes. These include making 100 percent bonus depreciation permanent, allowing immediate expensing of research and development costs, and providing a more generous limitation for interest deductions. Adopting all of the changes this year would cost Florida \$3.5 billion. Instead, both the House (HB 7031) and the Senate (SB 7048) are proposing to decouple from everything, but the Senate was going to let taxpayers spread the benefit of some provisions over seven years. The Senate passed a delete-all amendment to the House tax package (HB 7031), replacing its language with only the piggyback language. The House and Senate were aligned, meaning a total decoupling from all provisions and Florida companies will receive no state level benefit from the OBBBA. **The House accepted the Senate amendment and passed HB 7031, keeping this issue out of conference.**

Special Assessments on RV Parks - [SB 118](#) prohibits levying a non-ad valorem special assessment at a recreational vehicle (RV) park levy against the portion of each parking space or campsite that exceeds the maximum square footage of specified RV-type units. Local governments levying the assessment must consider the occupancy rates of the RV park to ensure fair and reasonable apportionment of the special assessment among the RV spaces receiving the special benefit. The House amended the Senate bill with language that was identical to the original Senate bill. The Senate concurred.

STILL ALIVE IN CONFERENCE?

The Legislature’s plan for a tax relief package is unclear (see above). But even though the following bills died, these provisions were in either the original House or Senate budget. If a tax package is debated in the special session, these tax changes still have a chance.

Tax Credits for Contributions to Assist Homebuyers - [SB 1672](#) and [HB 311](#) would create a new tax credit for employers who contribute to their employees’ homebuying expenses. The bills allow a 100% tax credit against corporate income or insurance premium taxes for employer contributions to down payment or closing costs, capped at \$5,000 per employee. SB 1672 also allows credits for contributions to state-approved down payment programs. **HB 311 made it to second reading. In addition, the new House tax package (HB 7031) also contained the exemption.**

Home Hardening Sales Tax Exemption - [HB 185](#) provides for a refund of sales and use tax paid for “home hardening products”—defined as impact-resistant doors, garage doors, and windows. Only homestead residential properties with a maximum value of \$700,000 are eligible. [SB 78](#) limits the refund to \$500, and it would only be applied to purchases made from July 1, 2026, through June 30, 2028. **HB 185 passed all its committees, and the House tax package (HB 7031) also contained the exemption.** Another bill ([SB 434](#)) that would provide a property tax exemption for wind resistance improvements passed the Senate. (see Property Tax section).

Space Florida Tax Exemptions - [HB 1177](#) originally proposed creating a sales tax exemption for tangible personal property, including machinery and equipment, that is leased by Space Florida to private entities. The bill also included defense or aerospace use under the definition of “governmental purpose” for property tax exemptions, covering private lessees operating through Space Florida. In Week 6, the sales and property tax exemptions were amended out, and other provisions were added (see Economic Development section). However, the House tax package (HB 7031) included the tax exemptions for Space Florida. [Florida TaxWatch released a report](#) detailing how under Space Florida’s leadership, Florida’s Space Coast has transitioned from a government complex to a vibrant commercial, market driven enterprise that can also support federal government missions. The report concludes that Florida’s Space Coast is well-positioned to dominate the future of the aerospace industry.

Taxation of Electronic Vehicle Charging Stations - [SB 680](#) would exempt the sale of electricity from a utility to an electric vehicle charging from both sales tax and gross receipts tax, including electricity used for supporting equipment and infrastructure. The sale of electricity from an electric vehicle charging station to an electric vehicle consumer remains taxable under the bill. **SB 680 died in the Appropriations Committee, but a similar provision regarding charging station taxes was in the original Senate tax package.** See this [Florida TaxWatch report](#) on the growing impact of electric vehicles on Florida’s transportation funding model.

LEGISLATION THAT DID NOT PASS

Local Business Tax Repeal - [HB 103](#) and [SB 122](#) would have repealed the authority for cities and counties to levy local business taxes, which is a tax on the privilege of operating a business in a government’s jurisdiction. These taxes currently provide \$189 million annually to local governments. Both bills would have allowed local governments that continue to levy a business tax on gross receipts to continue doing so. Only Panama City and Panama City Beach have such a tax. **HB 103 was approved by the full House. SB 122 passed one committee.**

Research & Development Tax Credit – [HB 847](#) and [SB 1076](#) would have increased the cap on the total annual amount of Research and Development Tax Credits from \$9 million to \$50 million. Florida TaxWatch has long supported increasing the cap. There have been some past increases, but they have only been temporary. This session, **SB 1076 was approved by the Commerce and Tourism Committee.** Similar legislation last session also cleared a committee but then stalled. Florida TaxWatch recommends this be added to the final tax package.

Sales Tax Exemption for Vertiports - [HB 1093](#) promotes advanced air mobility—aircraft that are highly automated, electrically powered, and have vertical take-off and landing capability. HB 1093 and SB 1362 originally provided a sales tax exemption for the aircraft, batteries, training devices, and electricity used for training. Both bills were pared down considerably, including removing the exemption. **HB 1093, with provisions to promote vertiports, but with no tax exemption, did pass (see Transportation section).** The exemption was also not in either chamber’s tax package.

Food Wholesalers M&E Sales Tax Exemption - [HB 723](#), the House rural development bill (see Economic Development section) contains a sales tax exemption for industrial machinery and equipment used by food wholesalers in fiscally constrained counties. **This bill was not heard, and the House did not take up the Senate rural development bill.**

Heated Tobacco Products - [SB 754](#) and [HB 377](#) would exempt these products from tobacco taxes. This type of tobacco, used with an electronic device, does not burn or combust, so it does not produce smoke. While it produces fewer toxins, it is not without its own health concerns. **Both bills passed one committee.**

Tourist Development Taxes – Florida TaxWatch has warned of the “slippery slope” created when the Legislature adds additional authorized uses for this local sales tax surcharge revenue, diverting revenue from its original intended purpose—tourism promotion. Several recent sessions have resulted in expanding the uses of TDT revenue, including last year’s legislation that allows all coastal counties to use them for beach lifeguards and fiscally constrained coastal counties to use them for capital improvements to public buildings. This session, bills have been filed to reduce the percentage of TDT revenue required to be spent on tourism promotion from 40 percent to 20 percent ([SB 458](#)), eliminate any required promotion spending ([SB 454/HB 6007](#)), and add public safety and affordable/workforce housing ([SB 456](#)) and commuter rail ([SB 976](#)) to the allowable uses. **None of these bills were heard in committee.**

PROPERTY TAXES

Property Tax Debate Still Unresolved - Last session, the Governor, House Speaker, and Senate President had all stated that they wanted to significantly lower property taxes, including the possibility of eliminating/replacing them. So far, the House is the only one to release a proposal. In fact, it released [eight proposals](#). Late in the session, the Governor said that he is working with the Senate on a proposal, but nothing has been released yet. The Governor and Senate President have both said that property tax will be considered in a special session.

Helping guide the Legislature towards a proposal that is best for Florida taxpayers is one of Florida TaxWatch’s top priorities for this session. Prior to session, we released the report [Save Our Taxpayers - Property Tax Relief Must be Accomplished Equitably](#), providing the Legislature with recommendations on how to provide meaningful and equitable property relief/reform.

This follows our September 2025 report [Options to Eliminate or Reduce the Property Tax Burden on Florida Homeowners](#) and the new edition of [How Florida Counties Compares](#), which is full of data taxpayers, legislators, and local officials can use to see how their county compares to the rest of the state on property taxes, city and county revenue and expenditures, and much more.

A Smaller Tax Package—Then No Package at All

This year’s tax relief proposals were far less generous than in recent sessions, and late amendments ultimately removed the major relief provisions from both chambers’ packages. In the end, lawmakers aligned on corporate income tax decoupling, but the larger tax package was left in limbo.

PASSED THE HOUSE

Elimination of Non-School Homestead Property Taxes - The House approved a proposed constitutional amendment ([HJR 203](#)) for the November 2026 ballot that would eliminate all non-school property taxes on homestead properties. The bill that came to the floor proposed a 10-year phase out, but it was amended to full, immediate repeal. If the amendment made the ballot and was approved by the voters, taxpayers would save, and local governments would lose \$14.7 billion, by far the largest tax cut in Florida's history. **The Senate did not take it up and never put forward a proposed property tax constitutional amendment.**

Florida TaxWatch supports significant property tax relief, but we have concerns about the consequences of a proposal that lacks a comprehensive plan to address local government budgets and the impact on other taxpayers.. It will increase the multi-billion-dollar tax shift from homestead properties to renters, businesses and first-time homebuyers that our property tax system already creates. There are also equity concerns for local governments, since the degree to which they rely on property taxes to fund services varies considerably.

PASSED THE SENATE

Assessment of Wind Resistance Improvements - [SB 434](#) would prohibit increasing the assessed value of residential property based on improvements made to enhance wind resistance. **SB 434 passed the Senate in Week 6.**

Accessory Dwelling Units (ADUs) - [SB 48](#) would have prohibited denial of a homestead property tax exemption solely because a property contains an ADU and requires separate taxation if the ADU is rented. The bills also required local governments to allow ADUs in single-family residential areas (see Housing section). **SB 48 passed the Senate in Week 4.**

Disclosure of Estimated Taxes - [SB 856](#) would require online property listings to include estimated ad valorem taxes, rather than displaying the current owner's taxes, to give prospective buyers a more accurate picture of future tax liabilities. Florida TaxWatch supports this overdue change because Save Our Homes often makes a property's current tax bill much lower than it will be when the home is sold and reassessed without having accrued any SOH benefit. SB 856 was approved by the full Senate in Week 7. The House did not take it up, but the House tax package (HB 7031) also contained this good provision. **This could still be in play in conference.**

DIED IN COMMITTEE

[HB 6027](#) would have allowed homeowners to transfer the accrued Save Our Homes benefit to a new homestead from any homestead property they abandoned in the preceding three years, rather than only the accrued benefit from the immediate prior homestead. **This bill stalled in its last committee, but it was also in the House tax package (HB 7031). This could still be in play in conference.**

[SB 450](#) would have increased the transferable ad valorem tax exemption for surviving spouses of certain disabled veterans and first responders from 100 to 120 percent of the most recent tax roll amount. **The bill passed one committee.**

[SB 1520](#) would have amended the Live Local Act's "Missing Middle" property tax exemption opt-out provision to provide that an exemption may be granted to a project that received final site plan approval within 1 year before a taxing authority opted out and may continue receiving the exemption after the opt-out. **The bill passed one committee. However, a similar provision passed in HB 1389 (see Housing section).**

PROPERTY TAX PROVISIONS REMOVED

[HB 755](#), which passed, extends funding of \$5 million annually from the Florida Forever Trust Fund for land acquisition within the Florida Keys Area of Critical State Concern to fiscal year 2035-2036. The original bill also loosened eligibility criteria for the Live Local property tax exemption for affordable housing properties in that area (ten or more affordable units reduced to one or more). **HB 755 passed but the property tax exemption was removed.**

NEVER MOVED

[SB 272](#) would have provided a 100 percent exemption from property taxes (excluding school district levies) for seniors that have lived in the home for five years and have household income of no more than \$350,000.

[SJR 274](#) would have prevented any increase in assessed homestead value after 20 continuous years of ownership and residency and grant a new 50% homestead tax exemption, excluding school district levies, for owners residing on their property for 30 years or more.

HEALTH, CHILDREN, AND AGING

LEGISLATION THAT PASSED

[SJR 278](#) would have limited the assessed value of new homestead property that was less than \$500,000 before a change of ownership to no more than 150% of the previous year's assessed value.

[SJR 282](#) would have provided commercial real property owned by small businesses with a benefit equal to Save Our Homes, limiting annual increases in the assessed value to 3% or inflation, whichever is lower.

[SB 286](#) would have established a new formula for assessing changes, additions, or improvements valued under \$100,000 by applying the ratio of the property's assessed value to its just value. It would have excluded from the new formula any changes, additions, or improvements that replace most of the property or increase total square footage by more than 25%.

[SJR 550/HJR 1277](#) would have prohibited levying ad valorem taxes on tangible personal property.

[HJR 787](#) would have removed the authority of counties and school districts to levy ad valorem property taxes. [HB 791](#), contingent on the passage of HJR 787, would have replaced lost revenue to school districts by increasing the state sales tax from six percent to nine percent. The revenue for counties would be replaced by a five percent documentary stamp tax surcharge.

[HJR 793/SJR 1210](#) would have authorized the Legislature to exclude inherited homestead property transfers from being treated as changes in ownership for property tax assessments, allowing the inherited property to keep any accrued Save Our Homes benefit.

[HB 799/SB 932](#) would have required the Legislature to appropriate funds to fiscally constrained counties to offset ad valorem tax revenue reductions resulting from a future constitutional amendment.

[HJR 903](#) would have reduced the maximum annual increase in assessed value of nonhomestead properties from 10 percent to 3 percent.

[HB 957](#) would have limited homestead tax payment deferrals to properties valued at \$1 million or less and increase the minimum value of tax certificates for public sale from \$250 to \$500.

Drug Pricing and Coverage – Like the federal Trump Rx plan, [HB 697](#) originally aimed at lowering the price of drugs via the Most-Favored Nation policy, setting upper drug price limits based on similar international markets. A committee substitute whittled the bill down from 22 pages to five pages, keeping only some provisions relating to pharmacy benefit managers (PBMs). The bill makes it unlawful for a PBM to force a pharmacy to take a loss when dispensing a drug or to reimburse a nonaffiliated pharmacy less than an affiliated pharmacy. PBMs would be required to allow in-network pharmacies to submit consolidated appeals comprised of multiple adjudicated claims featuring identical drugs, day supplies, and dates of service. PBMs exclusively serving a Program of All-Inclusive Care for the Elderly (PACE) are exempt from the PBM law. A Senate bill ([SB 1760](#)) also contained a prohibition against a PBM from maintaining any ownership interest in an affiliated manufacturer, however, the Senate substituted HB 697 for SB 1760, so this provision was not in the final version of the bill. **It passed both chambers.**

AIDS Drug Assistance Program - Facing a \$120 million shortfall in the Ryan White Part B Aids Drug Assistance Program (ADAP) due to federal funding cuts, a Department of Health (DOH) emergency rule reduced eligibility from 400% of the federal poverty level to 130% beginning March 1. It also limits the drugs covered by the program. As many as 11,000 low-income Floridians would lose access to their medication. In the final week of session, the Senate adopted an amendment to [HB 697](#) (see above) to extend the higher income limit until June and appropriate \$31 million to fund it. The Senate described it as “critical stop-gap funding” while the Legislature works on a long-term solution. The amendment also included increased reporting requirements for DOH. **The House and Senate both approved the bill, with the amendment, unanimously, and the Governor has signed this bill into law.**

Child Care and Early Learning – [SB 1690](#) creates the Florida Child Care Fund to expand access to early learning and child care by channeling donations, grants, and legislative appropriations through a Department of Education direct-support organization. It will fund care for children

currently on waiting lists. Subject to an appropriation, the TEACH Scholarship Program administrator will establish and administer the Center for Early Childhood Professional Recognition to ensure statewide alignment of training, trainer approval, and competency-based assessments for early learning professional. [Florida TaxWatch research has shown the value, to the child and the economy, of increasing access to child care.](#) **SB 1690 was approved by the House and Senate.**

Alzheimer’s Disease Awareness Initiative – [SB 578](#) requires the Department of Elder Affairs to contract for the development and implementation of the Alzheimer’s Disease Awareness Initiative. The program will assist Florida residents that are affected by Alzheimer’s disease and dementia related disorders with obtaining reputable national research. Other components include an informational website, use of the ADRD Resource Guide, health care provider education in partnership with the Department of Health, public event advertising, and a statewide mobile in-person outreach program that prioritizes underserved communities. [Florida TaxWatch has long supported Alzheimer’s disease research](#) as a worthwhile cause with a high return on investment for Florida. **SB 578 unanimously passed the House and Senate.**

Temporary Certificates for Practice in Areas of Critical Need – [HB 809](#) will expand this program by authorizing the Board of Medicine, the Board of Osteopathic Medicine, and the Board of Nursing to approve continued practice of out-of-state licensed health care practitioners that have an active primary care treatment relationship with at least one patient in an area that was identified as an area of critical concern when the certificate was issued but has subsequently lost such designation. **HB 809 passed the House and Senate.**

Preventing Child Drownings – Florida TaxWatch has released a series of reports showing that drowning remains a leading cause of death for children in the United States, with Florida consistently ranking among the highest states for child drowning fatalities. Learning to swim can reduce drowning risks by 88 percent. **Florida TaxWatch research has helped to make legislative progress through programs like the Swimming Lesson Voucher Program.** [Our latest in a series of reports](#) on the topic recommends expanding prevention efforts including requiring hospitals to show new parents drowning prevention videos, enhancing safety

measures for vulnerable populations, and increasing access to swimming lessons. This year, a bi-partisan effort addressed this issue with several bills proposing a variety of measures.

- **Swimming Lesson Voucher Program** – [HB 85](#) and [SB 428](#) expand this program, which provides free swimming lessons, through a voucher system, to eligible low-income Florida residents with children age four or younger. The legislation expands eligibility for the program to children between 1 and 7.
- **Drowning Prevention Education** - [SB 606](#) and [HB 503](#) require hospitals, birth centers, and childbirth educators to distribute educational materials on drowning prevention (produced by the Department of Health) to parents and caregivers as part of postpartum education.
- **Water Safety Requirements** - [SB 658](#) requires new water safety measures for certain landlords and vacation rental operators, mandating exit alarms or self-closing doors near water bodies and at least one pool safety feature.

SB 606 was combined with SB 428 and approved by both chambers. Another water safety bill (see SB 658 below) did not pass.

LEGISLATION THAT DID NOT PASS

Florida’s New Frontier in Healthcare – [HB 693](#), the Big Beautiful Healthcare Frontier Act was the main bill of the House’s healthcare package. The Senate companion was [SB 1758](#). Both bills would codify requirements contained in the federal One Big Beautiful Bill Act for SNAP and Medicaid, including expanding the work requirement for SNAP. SB 1758 also proposed a work requirement for most able-bodied Medicaid recipients. The bills would direct the Department of Children and Families to lower its SNAP payment error rate by modifying its eligibility determination process, submitting an improvement plan to the Executive and Legislative branches, and establishing a quality assurance review process. Failure to lower Florida’s error rate from the current 15% to 6% could result in a federal penalty of \$1 billion annually, beginning in 2028. ([TaxWatch recently highlighted the fiscal impact federal changes to SNAP would have on Florida](#)). Also, HB 693 would have made a number of healthcare changes, including elimination of the state’s Certificate of Need program (later amended out), authorization for EMTs, paramedics,

physician assistants, and social workers to participate in interstate licensure compacts; authorization for eligible APRNs to practice autonomously in all specialties without an established physician protocol, requiring insurers to credit patient payments for out-of-network providers toward their deductibles. SB 1758 also had a good provision to seek federal approval for a home and community-based behavioral health services program designed to cover an expanded array of services to adults with serious mental illness who are high utilizers of services in institutional settings. **Both chambers passed their own bill but could not reach a final agreement.**

Medicaid Oversight - [SB 1760](#) would have established a Joint Legislative Committee on Medicaid Oversight to ensure the state Medicaid program is operating in accordance with the Legislature's intent and to promote transparency and efficiency in government spending. The legislation would have also created additional reporting requirements for Medicaid managed care plans. It is estimated that the bill's revisions to the Achieved Savings Rebate (ASR) would have resulted in Medicaid managed care plans having to return approximately \$128.3 million more in profit to the state in 2024. **While this bill did not pass, it also contained some reforms to Pharmacy Benefit Managers that passed in another bill** (see HB 697 above).

Nursing Education – Florida has an extreme nursing shortage, needing 60,000 additional nurses over the next decade. Add the fact that Florida has the lowest passage rate in the nation for the NCLEX – the exam nursing grads must pass before they get their license – and we have a real problem. [HB 121](#) aimed to improve nursing programs by strengthening approval and probation standards, shortening accreditation timelines, and expanding enforcement authority for the Board of Nursing. It also required free remediation or tuition reimbursement when programs fail to prepare students for their exams. More nurses passing licensure exams means more nurses are able to enter the workforce upon graduation. While the goal of improving nursing education in Florida is laudable and this bill may contribute to that, it should be noted that a nearly identical bill was vetoed by the Governor last year for being overly bureaucratic and hindering “the state’s ability to recruit and retain nursing programs and directors.” **HB 121 was approved by the full House during its first floor session in Week 1, but the Senate’s nursing education bill (SB 254) died in its last committee.**

Health Care Provider Scope of Practice – In an effort to address health care workforce shortages, increase access to care, and reduce costs, Florida TaxWatch research has generally supported the past expansion of scope of service for medical providers such as Advanced Practice Registered Nurses and Physician Assistants. Allowing healthcare professionals to practice at the top of their education and training is a great way to leverage the existing workforce, provided that patient safety and quality of care remain paramount. This session, several bills dealing with scope of practice were considered but failed to pass.

- **Certified Registered Nurse Anesthetists (CRNAs)** - [HB 375](#) would have authorized autonomous CRNAs to perform CRNA-specific acts without an established supervisory physician protocol. However, the bill allowed facilities to require an autonomous CRNA to operate under an established protocol approved by the medical staff or the governing board.
- **Advanced Practice Registered Nurses (APRN)** - [HB 301](#) would have permitted certified psychiatric mental health APRNs to provide mental health services under autonomous practice, as defined by board rule. Currently, APRNs are only authorized to practice autonomously in primary care practice.
- **Dental Therapist** - [HB 363](#) would have created “dental therapist” as a licensed profession, authorizing dental therapists to perform services including placements of temporary crowns and certain tooth extractions under a supervising dentist.
- **Other** - [HB 693](#)'s many provisions included authorizing autonomous practice for all advanced practice registered nurse specialties and eliminating the cap on the number of physician assistants a physician can supervise. Another provision authorized dentists to delegate additional tasks to dental hygienists, including dental hygiene diagnosis and treatment and administering fluoride. All three of these provisions would align Florida with favored federal criteria for Rural Health Transformation grants.

The House passed all these bills, but they were not considered by the Senate.

Child Welfare – [SB 560](#), [HB 395](#), and [HB 763](#) each would have required the Department of Children and Families and community-based care lead agencies to coordinate and meet quarterly with organizations that empower children in state care to address challenges and opportunities for children in the child welfare system. While HB 395 only had this provision, the final versions of the other bills each had a unique feature. HB 763 would have added a specific weekly cash allowance for children in out-of-home care starting at age six. SB 560 required a study to make recommendations for agency and legislative actions to ensure affordable and available liability insurance for community-based care lead agencies and their subcontractors. **Even though HB 395 and SB 560 both passed their respective chambers unanimously and HB 763 advanced through committees, the Legislature could not settle on a final bill.**

Social Work Licensure Interstate Compact - [HB 13](#) would have established the Compact, enabling licensed social workers to practice across state lines in all participating states, whether in person or through telehealth. There is a shortage of qualified professionals, and this compact could help increase Floridians’ access to quality care and social work services, no matter where they are. Florida TaxWatch research supported last year’s licensure compact bill to help address the escalating physician shortage. **HB 13 passed the full House.** The Big Beautiful Healthcare Frontier Act (HB 693, see above) also contained the Social Work Interstate Compact. However, the Senate did not buy in.

Child Welfare - [SB 7018](#) proposed to transition the “Step into Success” pilot into a permanent statewide program to provide former foster youth with expanded workforce education and internship opportunities. The Office of Continuing Care would have been tasked with recruiting mentors, establishing regional cohorts, and developing mandatory trauma-informed training for all participating organizations. The bill also requires the Florida Institute for Child Welfare to implement a program to identify and catalogue the best practices of community-based care lead agencies across the state. Florida TaxWatch encourages formalizing successful pilot programs that provide community-based care services to vulnerable populations. SB 7018 passed the full Senate, but the House did not take it up. However, a Senate Health Care budget conforming bill (SB 2518) also includes the expansion of Step into Success. **This will be a conference issue when the legislature returns to finish the budget.**

Coordinated Access Model Pilot Program - [HB 783](#) proposed a new pilot program in Clay, Duval, and St. Johns counties to help with coordinating access for behavioral health care using a single point of entry. It would have used a single, electronic referral platform to coordinate behavioral health services among multiple providers and standardized screening, referral tools, and warm handoffs for service coordination. Florida TaxWatch encourages pilot programs aimed at providing community-based care services to vulnerable populations. **HB 783 was passed by the full House. The Senate did not advance its companion (SB 1618) and did not take up the House bill.**

Water Safety Requirements - [SB 658](#) would have required new water safety measures for certain landlords and vacation rental operators, mandating exit alarms or self-closing doors near water bodies and at least one pool safety feature. The bill passed the Senate but was not taken up by the House.

ECONOMIC DEVELOPMENT

LEGISLATION THAT PASSED

Data Centers - [SB 484](#) begins the regulation of data centers, but it is likely this will be revisited in the future sessions. The rapid growth in artificial intelligence, cloud computing, and streaming has created a very large need for very large data centers. States are looking at how to best regulate this industry and Florida is no exception. Data centers need large amounts of electricity and water to operate and the bill shields residents and businesses from paying for some of the utility costs by ensuring large load customers cover the full cost of their service. The bill also strengthens water permitting, including requiring data centers to use some reclaimed water. The bill directs OPPAGA to contract for an independent, interdisciplinary study of policy considerations related to the construction and operation of large-scale data centers. The House amended the Senate bill to remove a prohibition on local governments entering into non-disclosure agreements with data centers. Current law provides a 12-month public records exemption for information held by economic development agencies when a business is considering locating, relocating, or expanding in Florida, with a possible 12-month extension upon written request. The Senate bill required disclosure if the project involves a data center and eliminated the additional 12-month extension for projects that involve data centers. The House amendment removed the required disclosure for data centers but retained the prohibition of a 12-month extension. The bill went through floor amendments. The final bill retains local government control of where data centers can be located. Earlier versions had state limitations on data centers' proximity to schools or residences. **The Senate concurred with the House changes.**

LEGISLATION THAT DID NOT PASS

Rural Renaissance – A priority of President Albritton, the Senate passed rural economic development legislation early last session, only to see it die on the vine as the dysfunction between the House and Senate came to a head at the finish. The Senate tried again with [SB 250](#), a wide-ranging bill that would have created opportunities for rural communities to improve infrastructure, expand education offerings, increase health care services, and modernize commerce. SB 250 also invested in farm-to-market roads

to support Florida's vital agricultural supply chain. The bill would have created the Office of Rural Prosperity, and two new grant programs benefiting rural communities: the Renaissance Grant Program and the Public Infrastructure Smart Technology Grant Program. The bill would appropriate more than \$200 million and redirect millions to transportation and affordable housing projects in fiscally constrained counties. [For more on the bill see this summary.](#) **The full Senate unanimously passed SB 250 on the second day of session.** The House had its own rural development bill (HB 723), but it is a far more modest proposal (11 pages vs. 138 pages). With the Speaker saying the House would not take up any bill that did not move in the House, **the Senate President's priority did not pass for the second year in a row.**

Space Florida - [HB 1177](#) would have further supported the space flight industry which has had a very successful year with commercial launches. The bill would have given Space Florida more flexibility in procurement when using non-state funds. The bill had provisions to create a sales tax exemption for tangible personal property, including machinery and equipment, that is leased by Space Florida to private entities and to extend the governmental property tax exemption to property being used by a private lessee pursuant to a project authorized by Space Florida. HB 1177 removed the exemptions and added provisions including vesting daily operational oversight of each spaceport with the spaceport director or commander and retaining statewide strategic and financing responsibilities for Space Florida. It also required Space Florida to coordinate with state and local entities to develop and promote "quintimodal" transportation hubs, which are interconnected transportation facilities that can move people or property by means of road, railroad, airport, seaport, and spaceport facilities. [Florida TaxWatch released a report](#) detailing how under Space Florida's leadership, Florida's Space Coast has transitioned from a government complex to a vibrant commercial, market driven enterprise that can also support federal government missions. The report concludes that Florida's Space Coast is well-positioned to dominate the future of the aerospace industry. The Legislation could have helped in this effort. **HB 1177 passed the full House, but the Senate did not take it up. The House tax package, when it still existed, included the tax exemptions for Space Florida.**

Manufacturing – [SB 528](#) and [HB 483](#) would have required the Department of Commerce to encourage and oversee manufacturing in this state and create a Chief Manufacturing Officer to coordinate efforts. The bills would have created the Florida Manufacturing Promotional Campaign to expand consumer awareness, market exposure, and entrepreneurship for manufactured products in Florida through an optional branding and marketing initiative. Another provision would establish the Florida Manufacturers’ Workforce Development Grant Program to support small manufacturers with new technologies or cybersecurity infrastructure and provide workforce training support. Florida TaxWatch has produced voluminous research on the importance of manufacturing and supports these efforts which are consistent with past recommendations. Similar legislation last session passed the Senate and made it to the House floor. **Despite some momentum early this session, neither bill made it out of committee.**

Research & Development Tax Credit – [SB 1076](#) would have increased the cap on the total annual amount of Research and Development Tax Credits from \$9 million to \$50 million. Florida TaxWatch has long supported increasing the cap. There have been past increases, but they have only been temporary. Similar legislation last session cleared one committee but then stalled. This session was a rerun. **SB 1076 passed the Senate Commerce & Tourism Committee.** This bill died but hopefully the R&D credit can be included in the tax package in conference. It was not included in the original versions.

Tourist Development Taxes – Florida TaxWatch has warned of the “slippery slope” created when the Legislature adds additional authorized uses for this local sales tax surcharge revenue, diverting revenue from its original intended purpose—tourism promotion. Several recent sessions have resulted in expanding the uses of TDT revenue, including last year’s legislation that allows all coastal counties to use them for beach lifeguards and fiscally constrained coastal counties to use them for capital improvements to public buildings. This session, bills have been filed to reduce the percentage of TDT revenue required to be spent on tourism promotion from 40 percent to 20 percent ([SB 458](#)), eliminate any required promotion spending ([SB 454/](#)[HB 6007](#)), and add public safety and affordable/workforce housing ([SB 456](#)) and commuter rail ([SB 976](#)) to the

allowable uses. **Florida TaxWatch has historically supported using TDTs for tourism promotion** and our research has shown that elimination of funding for promotion will hurt tourism and therefore the economy. **None of these bills were heard in committee.**

ENVIRONMENT AND NATURAL RESOURCES

LEGISLATION THAT PASSED

Nature-based Methods for Improving Coastal Resilience – [SB 302](#) promotes the use of green infrastructure and nature-based solutions to resiliency, such as living seawalls, wave attenuation devices, and green stormwater infrastructure, as well as enhancing natural systems like mangroves, salt marshes, seagrasses, and oyster reefs. The bill authorizes structures to be erected for nature-based solutions to improve coastal resiliency in all state preserves. The bill requires the Department of Environmental Protection (DEP) to initiate rulemaking to establish a statewide permitting process for such nature-based methods and develop design guidelines and standards for using green or hybrid green-gray infrastructure to address coastal resiliency. DEP and local governments are also required to promote public awareness and education of the value of nature-based solutions for coastal resiliency. **Florida TaxWatch has issued two reports ([here](#) and [here](#)) on nature-based resiliency, citing its benefits and potential for cost savings, and highlighting a success story in Jacksonville. [SB 302 was passed by both chambers unanimously and has been signed by the Governor.](#)**

Conservation Lands – [HB 441](#) enhances transparency for state-held conservation land transactions by extending the public notice period for proposed sales or exchanges from 7 to 30 days. The bill requires that the Division of State Lands publish detailed information online, including parcel data, at least one appraisal report, and a formal justification explaining how an exchange benefits the state. **The Senate took up and passed the House bill.**

Land Use and Development Regulations – [HB 399](#) requires application fees for development permits and orders to be based on the cost of reviewing and processing the application, not the cost of the project. The bill discontinues the practice of requiring a supermajority vote to approve amendments to future land use elements of a comprehensive plan. It preempts or restricts local government regulation relating to assessing the compatibility of residential uses, improvement of large destination resorts, zoning of off-site constructed residential dwelling, and development of compost processing facilities. [HB 399](#) also calls for a study of the impacts of removing urban development boundaries. **[HB 399 passed the full House, and after some back and forth and several amendments, the Senate passed the bill.](#)**

LEGISLATION THAT DID NOT PASS

Ocklawaha River Restoration - The Ocklawaha River is the primary tributary to the St. Johns River. The construction of the Rodman Dam, now known as the George Kirkpatrick Dam, and its adjoining reservoir closed off the flow of the river, resulting in the loss of 16 miles of river channel, the loss or flooding of 7,500 acres of forested wetlands, and the covering of more than 20 freshwater springs. The construction of the Dam and Reservoir has resulted in significant adverse impacts to the River and floodplain, including: (1) chronic inundation of the floodplain and degradation of water quality in the Reservoir and upper river; (2) reduced downstream fish and shellfish productivity; (3) elimination of critical plant and wildlife dispersal corridors due to fragmentation of the River and floodplain habitat; and (4) increased exotic and nuisance plant species from stagnant water levels and flow velocities created by the Dam. In a February 2022 research report entitled “[A River \(No Longer\) Runs Through It: Ocklawaha River Restoration.](#)” Florida TaxWatch recommended the breaching of the Dam and the restoration of the natural flow of the Ocklawaha River. Consistent with Florida TaxWatch’s recommendations, [HB 981](#) requires the Department of Environmental Protection (DEP) to develop a project plan by July 1, 2027, for the restoration of the Ocklawaha River, which must be completed by December 31, 2032. The river’s hydrology and floodplain function must be restored to the approximate conditions that existed prior to the construction of the Cross Florida Barge Canal project. The bill requires DEP to develop a grant program to implement an Outdoor Recreation Plan, to enhance and expand access to rivers and springs. The Department of Commerce must develop an economic development program for Marion and Putnam Counties to support projects that encourage job creation, capital investment, and strengthening and diversifying each county’s economy. **[HB 981 passed the House. SB 1066 made it to the Senate floor, but time ran out.](#)** The Senate budget contains \$15 million for Ocklawaha River restoration.

Stopping Municipal Utility Revenue Sweeps - Once standard operating and debt obligations costs are covered, many publicly owned utilities make transfers to their General Fund (a practice known as “sweeping”), to help pay for other government services. This practice increases the risk of undercapitalization of water infrastructure and violates taxpayer

fairness and accountability. [A recent Florida TaxWatch](#) report examines this problem and makes recommendations to help make sure that utility infrastructure is adequately maintained, future demands for water and wastewater service are met, and rate payers are not overcharged. Several bills ([SB 1420](#), [HB 773](#), [SB 1724](#), [HB 1451](#)) were filed that would have eliminated or prohibited counties and municipalities from using utility revenues for other governmental activities and required surplus revenues to be reinvested in the utility or returned to ratepayers. **Unfortunately, these bills either stalled or had the sweep restrictions removed** to focus on the rates charged to customers outside on the local government boundaries. SB 1556 was amended to require city and county run utilities to reinvest all utility revenue back into the system, instead of sweeping utility revenue into the General Fund. **However, the sweep provision was removed in its second committee in Week 7.**

Advanced Wastewater Treatment - [SB 1468](#) would have advanced the goals of a [water project work program](#), as recommended by Florida TaxWatch. This legislation is a more limited application of the concept. The legislation directs the Department of Environmental Protection to compile a comprehensive list of wastewater treatment facilities, with the information needed to develop priority rankings to guide the policy and funding of the Legislature. Senate sponsor Lori Berman stated we must make sure “we are spending taxpayer dollars wisely and putting the most in need projects at the top of the list when it comes to state funding,” **Florida TaxWatch could not agree more. For the second session in a row, the bill passed committees, but unfortunately stalled.**

Blue Ribbon Projects - [HB 299](#) and [SB 354](#) looked to establish a statewide approach for qualifying blue ribbon projects to streamline large-scale development while maintaining land preservation and affordable housing efforts. Qualifying landowners would be able to bypass traditional zoning and comprehensive plan amendments in exchange for dedicating at least 60 percent of the land for long term conservation and environmental commitments with the landowner receiving dollar-for-dollar credits against several local government fees. Both bills would require 20 percent of the housing to be dedicated for affordable housing development. **The two similar bills made it to their respective floors but ultimately fell short.**

Release of Conservation Easements – [HB 673](#) would have required water management districts to release conservation easements to landowners if certain criteria are met, such as the parcel being under 15 acres and surrounded by impervious surfaces. The bill excludes conservation easements in residential developments and parcels owned by a specific district and mandates that owners assume stormwater management and mitigation credits if the conservation land is released.

Storm Water System Standards – [HB 239](#) and [SB 558](#) would have mandated that all newly installed storm water systems in Florida’s counties and municipalities must comply with the Florida Department of Transportation’s Standard Specifications for Road and Bridge Construction. They also require that final inspections be performed by a licensed engineer, general contractor, or third-party inspection company independent of the current operator. These state standards will supersede any existing local standards, ensuring uniformity and high-quality installations across the state.

EDUCATION

LEGISLATION THAT PASSED

School Teacher Training and Mentoring Program - [SB 182](#) establishes a mentoring program for retired or current classroom teachers to support new or struggling teachers in schools with low performance grades. Mentors are required to have at least three years of experience and a highly effective rating. The bill allows them to receive a stipend and mentor multiple teachers. **SB 182 passed the full Senate.** The House added an unrelated amendment to require cursive writing and reading instruction in grades 2-5 and to mandate the display of George Washington and Abraham Lincoln portraits, subject to funding, at each public school. The Senate amended that amendment to require cursive reading and writing instruction in grades 3-5 and establish proficiency standards, prohibit dismissing charter students for academic performance during mandatory school improvement or corrective action, and allow small private schools to operate in a commercial or mixed-use zoning district without rezoning or obtaining a special exception. **The House concurred.**

Higher Education “Train” – [HB 1279](#) is a large bill with many provisions that grew significantly late in the session, as parts of other bills were grafted on to it. Originally dealing with public postsecondary education, the bill now has provisions related to pre-kindergarten, K-12, and higher education. Controversial provisions limiting non-Florida residents to five percent of full-time students at the state’s preeminent universities and international students from one country to five percent of all non-resident students at state universities were removed from the bill before final passage. Provisions in the final bill include authorizing bonus funds for school districts and teachers for students’ successful completion of advanced courses and tests. The bill expands the definition of an educational emergency to include persistently low-performing schools, allowing school boards to exercise authority over personnel contracts in the selection, placement, and compensation of teachers. Other measures impact virtual instruction and school choice, early learning, student support, financial aid, postsecondary governance, and more. For a list of all provisions, [see this summary](#). **The House passed its version, the Senate amended it with most of their language, plus additions, and the House agreed.**

Applied Algebra Courses - [HB 1279](#) requires that applied algebra courses are part of mathematics pathways and requires the development of applied algebra courses that integrate Algebra 1 standards with career and technical education standards. New secondary mathematics pathways would be identified by September 1, 2026, each incorporating newly created applied algebra courses aligned to specific career clusters and building on real-world algebraic applications. Districts would implement this for the 2029-30 school year. These provisions were in SB 920, but it stalled after passing a committee. However, the Senate included it in the final amendment to HB 1279 and the House concurred.

Excess Tax Credit Scholarship Funds - [SB 1318](#) clarifies that when a student’s Florida Tax Credit Scholarship Program account has been closed, the remaining funds in the scholarship account must revert, but do not revert to the state. This ensures the money will still be available for scholarships. **The House did not take the bill up, but the Senate successfully attached it to SB 182 in the waning days of the session.**

Educator Re-Certifications – [HB 561](#) will streamline reinstatement for educators with expired professional certificates, providing teachers with a faster and less expensive process for returning to the classroom. The bills require the Department of Education (DOE) to issue a temporary certification so educators with expired certificates can continue teaching while earning their required credits, removing cost barriers to educators and helping increase the active workforce. They also remove the requirement for educators to pass subject area exams for each subject on their certificate for a second time. The newly created Florida Center for Teaching Excellence will offer professional learning, at no cost, to certified educators seeking to renew or reinstate their certificate. **In Week 8, the Senate took up HB 561, substituted it for the identical SB 1718 and passed it unanimously.**

High School Graduation Requirements – [HB 453](#) allows students to satisfy both the physical education and performing arts requirements by completing two years of marching band. It also permits students with disabilities to fulfill the physical education requirement by participating in the Special Olympics for one school year. In addition, HB 1279 authorizes a qualifying one-credit dance techniques course to satisfy a physical education or performing arts credit.

LEGISLATION THAT DID NOT PASS

Administrative Efficiency in Public Schools - [SB 320](#) was a wide-ranging bill that aimed to streamline administrative processes for public schools and revise requirements for teacher certifications and contracts, district budget transparency, and facilities management. The many provisions included increasing flexibility for district use of the discretionary property tax levy by authorizing operational or capital spending and removing expenditure restrictions and penalties. **The full Senate passed SB 320 in Week 2.** [See the complete list of provisions here.](#) This is another example from this session of one chamber passing a priority bill early, only to be ignored by the other chamber.

School Choice Scholarship Reform - [SB 318](#), in part, addressed issues identified in an operational audit by the Auditor General, which found that during implementation of the program, “whatever could go wrong has gone wrong.” The bill would have created a dedicated categorical for the Family Empowerment Scholarships in the state’s school funding formula. It would reduce the scholarship administration fee to fund more scholarships. It also increased oversight to reduce fraud and ensure the money follows the student. **The Senate unanimously passed the bill early in the session.** [More information here.](#) There was no similar bill in the House, so they did not take it up.

Public School Personnel Compensation – [SB 1216](#) would have expanded cost-of-living salary adjustments to more public school employees, including prekindergarten teachers, noninstructional staff, and school administrators. It removed the previous 50% limitation on cost-of-living adjustments and clarifies that districts may provide additional salary increases from other funding sources. The bill broadened the criteria for using advanced degrees in salary schedules by permitting use of degrees in a related field or with at least 18 credit hours relevant to the employee’s assignment. **SB 1216 passed the Senate, but the House did not take it up.**

Tech Education – [HB 1503](#) would have required general education core courses that integrate technology to include instruction on artificial intelligence and digital literacy and competency and, when applicable to the subject matter of the course, robotics, software engineering,

computer networks, database systems, and cyber security. It requires high school computer science courses to include foundational instruction on artificial intelligence, covering data usage, benefits and risks, and ethical considerations. Language was removed that would have required additional educator certificate coverage areas for computer science (grades K-5) and computer science (grades 6-12), while maintaining the existing computer science (grades K-12) coverage area. After passing the House, the Senate amended it to remove the provision mentioned above. **The House amended the amendment to add the K-12 provision back and asked the Senate to concur. It didn’t.**

Education - [SB 7036](#) is another education bill with many provisions, some of which were in other bills. It would have expanded K-12 educational flexibility, supported new mathematics pathways, updated teacher preparation, and removed restrictions to improve academic success across Florida’s public and private schools. SB 7036 passed its second committee after controversial provisions giving school districts authority to use of temporary door-locking devices and to purchase certain instructional materials developed by or under the direction of the state were removed. **SB 7036 made it to Special Order, but after it was postponed four times, it died.** The House did not have a similar bill, but several of the provisions were in other bills that the House advanced.

TECHNOLOGY

LEGISLATION THAT PASSED

Data Centers - [SB 484](#) begins the regulation of data centers, but it is likely this will be revisited in the future sessions. The rapid growth in artificial intelligence, cloud computing, and streaming has created a very large need for very large data centers. States are looking at how to best regulate this industry and Florida is no exception. Data centers need large amounts of electricity and water to operate and the bill shields residents and businesses from paying for some of the utility costs by ensuring large load customers cover the full cost of their service. The bill also strengthens water permitting, including requiring data centers to use some reclaimed water. The bill directs OPPAGA to contract for an independent, interdisciplinary study of policy considerations related to the construction and operation of large-scale data centers. The House amended the Senate bill to remove a prohibition on local governments entering into non-disclosure agreements with data centers. Current law provides a 12-month public records exemption for information held by economic development agencies when a business is considering locating, relocating, or expanding in Florida, with a possible 12-month extension upon written request. The Senate bill required disclosure if the project involves a data center and eliminated the additional 12-month extension for projects that involve data centers. The House amendment removed the required disclosure for data centers but retained the prohibition of a 12-month extension. The bill went through floor amendments. The final bill retains local government control of where data centers can be located. Earlier versions had state limitations on data centers' proximity to schools or residences. **The Senate concurred with the House changes.**

Local Government Cybersecurity - [HB 1085](#) creates the Local Government Cybersecurity Protection Program to assist eligible local governments with developing and enhancing cybersecurity risk management to defend against threats. The program will provide local governments with information technology commodities and services through competitive grants, giving priority to fiscally constrained counties. A late House amendment will allow local governments to buy IT commodities and services from Florida Digital Service contracts

without a grant. The Senate bill (SB 576) envisioned the program being administered by the Florida Digital Service, the House wanted it administered by Cyber Florida, housed within the University of South Florida. The Senate language prevailed. The program is repealed on July 1, 2031, unless it is reenacted by the Legislature. HB 1085 passed the House. The Senate replaced the language with the Senate bill and sent it back to the House. **The House amended that and the Senate concurred.**

LEGISLATION THAT DID NOT PASS

Artificial Intelligence (AI) Bill of Rights - [SB 482](#), a priority of Governor DeSantis, would have provided some protections from AI for Floridians. The legislation gave parents the right to control children's interaction with chatbots, require chatbots to remind users it is not human and to take breaks, restrict AI companies from selling or disclosing personal information, and establish rules about the unauthorized use of people's names, images or likenesses. Parents would be required to give consent for minors to use AI platforms. The bill was amended to prohibit students below sixth grade from using AI unless supervised by school personnel or used by students with disabilities or those learning English as a second language. President Trump wants nationwide regulation of AI. **The Senate passed its bill, but the House never took the issue up, as it preferred to follow the federal government's lead.**

Tech Education - [HB 1503](#) would have required general education core courses that integrate technology to include instruction on artificial intelligence and digital literacy and competency and, when applicable to the subject matter of the course, robotics, software engineering, computer networks, database systems, and cyber security. It required high school computer science courses to include foundational instruction on artificial intelligence, covering data usage, benefits and risks, and ethical considerations. Language was removed that would have required additional educator certificate coverage areas for computer science (grades K-5) and computer science (grades 6-12), while maintaining the existing computer science (grades K-12) coverage area. After passing the House, the Senate took up HB 1503 and amended it to remove the provision mentioned above. The House attempted to add the K-12 provision back. **The Senate did not concur.**

IT Procurement Reform - [HB 1197](#) included several measures recommended by Florida TaxWatch to increase the efficiency, effectiveness, and transparency of the state's IT procurement. The bill would have created the Bureau of Enterprise Project Management and Oversight within the Florida Digital Service and directs it to develop standardized governance frameworks and reporting requirements for major IT projects. It would have required all state agencies to follow new project planning processes and submit certain procurement and performance data for IT projects costing \$10 million or more. It enhanced vendor performance tracking and contract standards with the goal of reducing vendor dependency and safeguarding the state's investments in IT. **The bill passed the full House, but the Senate had a much different IT bill (see SB 480 below.)**

IT Governance - [SB 480](#) would have established the Division of Integrated Government Innovation and Technology (DIGIT) under the Executive Office of the Governor. The Florida Digital Service (FLDS) would be transferred to DIGIT, and the state Chief Information Officer (CIO) will serve as DIGIT's executive director. DIGIT would have responsibilities including master data management, legacy system needs assessments, IT expenditure tracking, and developing career training programs for the state's IT workforce. The bill also mandated biennial cybersecurity risk assessments for state agencies, eliminating the Cybersecurity Advisory Council. **SB 480 made it to the floor. The House passed a completely different IT bill (see HB 1197 above).**

PUBLIC SAFETY AND SMART JUSTICE

LEGISLATION THAT PASSED

Emergency Preparedness and Response Fund - This Fund, created in 2022 to provide the Governor with funds to spend on declared emergencies, terminated on February 17, 2026. Nearly \$5 billion has been spent through the Fund. The Senate passed [SB 7040](#) to re-create the Fund despite objections that the Fund lacked adequate controls and concerns over the amount spent on non-natural disasters (immigration enforcement) and some of the items it was spent on. The House added some guardrails and oversight, allowing it to be used for declared natural, manmade, or technological emergencies, subject to legislative consultation. Purchasing aircraft, boats, or motor vehicles would be prohibited, but short-term vehicle leases would be allowed in emergencies. Federal reimbursements must be deposited in the fund in a separate account. Expenditures from this account can only pay invoices that were incurred before the deposit and funds cannot be used for any other purpose until all outstanding prior invoices have been paid. The bill requires quarterly reporting to the Legislature on fund balances and assets. The fund's termination is extended to July 1, 2028.

Inmate Services - [HB 913](#) requires funds in the Contractor-Operated Institutions Inmate Welfare Trust Fund to be used exclusively to provide for programs to aid inmates' reintegration into society or environmental health upgrades to facilities, including fixed capital outlay for repairs and maintenance that would improve environmental conditions. The trust funded is funded by net proceeds from inmate canteens, vending machines, phone commissions, and similar sources. The House sponsor filed the bill, in part, because "current law has not kept pace with the real costs of inmate care and facility maintenance." The bill was amended to remove provisions to standardize reimbursement for inmate medical services by aligning costs with applicable Medicaid rates. **HB 913 passed both chambers unanimously.**

Inmate Job Training - [HB 325](#) expands the career and technical education authorized under the Correctional Education Program by adding commercial driver license (CDL) training to the programs that may be implemented at state correctional facilities. The curriculum must include training for Class A and Class B CDLs and limits participation in the

HOUSING

LEGISLATION THAT PASSED

program to nonviolent inmates who have two years or less remaining to serve on their sentence and who are proficient in English. The shortage of commercial truck drivers is a national problem, and Florida currently has 16,000 drivers job openings. Florida TaxWatch supports programs that prepare inmates to successfully reintegrate into society and achieve gainful employment. **HB 325 was approved by both chambers.**

Clerks of the Court Funding – [HB 925](#) will increase revenues going to the clerks, who are plagued by budget shortfalls. The House and Senate proposed different approaches to address this issue. HB 925 increased the per-petition reimbursement amount from \$40 to \$195 for certain filings and expanded the types of filings eligible for reimbursement. For civil traffic violations that occur within the municipality’s jurisdiction, the portion of the fee remainder paid to the Clerk would increase from 5.6 percent to 28.2 percent. The amount going to the municipality would decrease. [SB 532](#) allowed the clerks to retain all the funds they collect above the Revenue Estimating Conference’s original Article V revenue projection. Currently the excess funds are split 50/50 between the clerks and General Revenue. The clerks must hold 10 percent of the funds in reserve until it reaches 16 percent of budget authority. **The Senate replaced the language in HB 925 with the language in SB 532 and sent the bill back to the House. The House concurred.**

Problem-Solving Courts - Florida created the model for problem-solving courts when it created the nation’s first drug court in Miami-Dade County in 1989. Many other types of these courts have since been developed, including adult drug courts, dependency drug courts, early childhood courts, juvenile drug courts, mental health courts, and veterans courts. **Florida TaxWatch supports these courts** because of their focus on treatment instead of incarceration for non-violent criminals and their ability to reduce recidivism. However, improved evaluation of these programs is needed. [SB 820](#) requires additional data to be presented in the annual problem-solving court reports prepared by the Office of the State Courts Administrator. The bill creates new data reporting requirements for early childhood and veterans treatment courts programs and improves data reporting requirements for mental health courts and drug courts. **SB 820 was approved by the House and Senate.**

Live Local IV – This is the third session in a row the Legislature passed a revision to the Live Local Act, which was originally passed in 2023 to increase the state’s stock of affordable and workforce housing. That bill appropriated \$711 million for housing programs, created tax incentives, and preempted local control over zoning, density, height restrictions, and rent control. This session, [HB 1389](#):

- Expands where local governments must allow multifamily and mixed-use developments to include land zoned for commercial, industrial, or mixed use and land owned by counties, cities, school districts, and religious institutions.
- Makes it harder for local governments to opt out of Live Local property tax exemptions by requiring that the local availability of affordable units has exceeded the demand for each of the previous three years, rather than the most recent year.
- Provides that the owner of a property that was issued a building permit within 4 years before the effective date of an ordinance or resolution that opts out, may apply for and continue to be granted the exemption.
- Prohibits local governments from restricting the height of proposed developments through the use of setbacks or stepbacks.
- Mandates a study to evaluate the efficacy of using mezzanine finance or second-position short-term debt and the potential of tiny homes in meeting the need for affordable housing.

A House amendment to the Senate amendment right before passage changed the opt out provision from a complete elimination of the option to the above language and removed the requirement that local governments pass an ordinance to allow Accessory Dwelling Units. **The chambers accepted the other’s changes.**

Mobile Home Assistance - [SB 594](#) will add short-term lot rental assistance for mobile home owners as an allowable program expense under local housing distributions, allow rehabilitation and emergency repairs funds to be used for mobile home owners, and remove the existing 20 percent funding cap on manufactured housing expenditures. **The House and Senate had identical bills.**

Homes for Veterans Property Management Incentive Pilot Program - [SB 1602](#) creates the pilot program in Broward, Escambia, Hillsborough, and Santa Rosa counties to provide landlords with incentives to lease eligible dwelling units to veterans who are participating in the federal Supportive Housing program. Landlords may receive proportional funding to compensate for up to forty days during which a dwelling is vacant before the veteran is able to move in. Funds are also available to cover property loss caused by the veteran above the amount of the deposit money, up to \$2,000. **The bill passed both chambers unanimously.**

LEGISLATION THAT DID NOT PASS

Accessory Dwelling Units (ADUs) - [SB 48](#) would have required local governments to allow ADUs, sometimes known as accessory apartments or granny flats, in single-family residential areas. The bill also prohibited denial of a homestead property tax exemption solely because a property contains an ADU and requires separate taxation if the ADU is rented. OPPAGA would have been required to produce a study of mezzanine financing and tiny homes for potential inclusion in affordable housing solutions. Florida TaxWatch supports the promotion of ADUs. **The full Senate approved its bill, but the House did not vote on it.** In addition, the House removed the ADU provision from SB 1389 (above) right before passage, but the study on financing and tiny homes survived.

Disclosure of Estimated Taxes - [SB 856](#) would have required online property listings to include estimated ad valorem taxes, rather than displaying the current owner's taxes, to give prospective buyers a more accurate picture of future tax liabilities. Florida TaxWatch contends this overdue change is needed because Save Our Homes often make a property's current tax bill much lower than it will be when the home is reassessed without having accrued any SOH benefit. **SB 856 passed the full Senate. The House did not pass it, but both original tax packages included this**

provision, so it may be revisited in conference.

Blue Ribbon Projects - [HB 299](#) and [SB 354](#) looked to establish a statewide approach for qualifying blue ribbon projects to streamline large-scale development while maintaining land preservation and affordable housing efforts. Qualifying landowners would be able to bypass traditional zoning and comprehensive plan amendments in exchange for dedicating at least 20 percent of the housing for affordable housing development and 60 percent of the land for long-term conservation and environmental commitments. The landowner would receive dollar-for-dollar credits against several local government fees. **The two similar bills made it to their respective floors but ultimately fell short.**

Tax Credits for Contributions to Assist Homebuyers - [SB 1672](#) and [HB 311](#) would have created a new tax credit for employers who contribute to their employees' homebuying expenses. SB 1672 would also allow credits for contributions to state-approved down payment programs, such as Hometown Heroes. The bills allow a 100% tax credit against corporate income or insurance premium taxes for employer contributions to down payment or closing costs, capped at \$5,000 per employee. **While these bills are dead, this tax credit was included in the original House tax package, so it could be revisited in conference.**

Affordable Housing - [HB 675](#) would have increased the time period for which rental units must remain affordable to qualify for the Live Local zoning variance from 30 years to 50 years. The bill would have decreased the maximum area median income (AMI) that is used to determine eligibility for the Live Local ad valorem tax exemption for 75 percent of the assessed value of affordable housing units from 120 percent to 100 percent of the AMI. It also proposed eliminating documentary stamp taxes on deeds and other qualifying home purchase instruments for moderate-income first-time buyers. [SB 756](#), and [SB 752](#) also contained the elimination of documentary stamp taxes on deeds and other qualifying home purchase instruments for moderate-income first-time buyers, but they never moved.

Housing Tax Credit - [HB 51](#) would have created a new \$2,000 tax credit for businesses that provide discounted housing to formerly homeless employees, with an additional \$1,000 credit for housing converted from previously idle property.

TRANSPORTATION

LEGISLATION THAT PASSED

Vertiports - Since 2021, the Florida Department of Transportation (DOT) has been laying the groundwork to build an intercity advanced air mobility (AAM) “Aerial Highway Network” to connect major metropolitan areas across Florida. [HB 1093](#) promotes AAM, which [DOT describes](#) as “a revolutionary approach to air transportation that expands aviation beyond traditional roles, enabling efficient movement of people and goods in urban, suburban, and rural areas. AAM leverages cutting-edge aircraft technology (such as electric vertical takeoff and landing aircraft), to create new multi-modal solutions.” The bill makes vertiports and charging systems eligible for funding under public-private partnerships and authorizes DOT to fund all the project costs of a public or private vertiport if federal funds are not available. The bill incorporates vertiport-related infrastructure into commercial service airport infrastructure preservation programs. The legislation has been pared down considerably, including removing a sales tax exemption, liability protections, establishment of vertiport demonstration corridors, and unified state regulation for vertiport design and electric aircraft charging infrastructure. DOT is already testing aircraft. As the Senate sponsor said, “Welcome to the age of the Jetsons”. **HB 1093 passed both chambers.** In addition, the omnibus transportation bills SB 1220 and HB 1233 (see below), had provisions promoting the development of AAM and vertiports. This includes authorizing DOT to acquire, own, operate or construct airports to support AAM (SB 1220). Neither SB 1220 nor HB 1233 passed.

HEADED FOR CONFERENCE

Fuel Taxes - [SB 2506](#), a budget conforming bill, revises the distribution of the “fuel sales tax” and the tax for inland protection on producing or importing oil in Florida. The result is that the State Transportation Trust Fund loses \$25.2 million annually with is redistributed to trust funds in the Fish and Wildlife Commission and the Department of Agriculture and Consumer Services. In addition, \$112 million from the Inland Protection Trust Fund (IPTF) would now go to General Revenue. The IPTF has been a frequent target of the Legislature for trust fund sweeps. **This will be debated in the budget conference.**

State Transportation Trust Fund (STTF) - While the Senate is looking to take money from the STTF, the House is proposing to increase the amount of documentary stamp tax proceeds that goes to the STTF by \$60 million annually. Budget conforming bill [HB 5501](#) provides that the money will go to the Florida Rail Enterprise for the development of the state’s passenger, freight, and multimodal freight systems. **This will be debated in the budget conference.**

LEGISLATION THAT DID NOT PASS

Transportation - [SB 1220](#) and [HB 1223](#) were long, wide-ranging omnibus transportation bills that touched on air travel, ports, rail, drone delivery, autonomous vehicles, increased speed limits, trails, and tolls. [Here’s a list of HB 1220’s provisions.](#) SB 1220 also included an appropriation of \$300,000 for a study needed to develop options to deal with the transportation revenue reduction caused by alternative fuel vehicles. See this [Florida TaxWatch report](#) on the growing impact of electric vehicles on Florida’s transportation funding model. These “trains” grew with every committee stop and floor amendment. SB 1220 grew from 22 pages to 68 pages, ending with a 116-page delete-all amendment. HB 1223 similarly went from 28 pages to 85. With scores of changing provisions, it is not surprising that a consensus could not be reached. The Senate passed SB 1220, and the House replaced it with the 116-page amendment, including a provision to raise speed limits from 70 to 80 mph on limited access roadways and from 60 to 70 on other non-urban highways. **The Senate refused to concur and the bill died.** With all those provisions, there had to be some good, and probably important, ones on which there was a consensus. Florida TaxWatch is disappointed that the study of alternative fuel vehicles’ impact on gas tax revenues was scuttled, making it another year the Legislature ignored our deteriorating transportation funding model.

INSURANCE

LEGISLATION THAT PASSED

Citizens Property Insurance Corporation - [SB 1028](#) has the goal of attempting to remove more policies from the state-run Citizens, to continue to return it to being the insurer of last resort. The bill creates two commercial line clearinghouses—one for authorized insurers and one for surplus lines (insurers that are not regulated like authorized insurers). New applications or renewals would first go through the authorized clearinghouse and if an equal or better policy is not offered within five days, the application would go through surplus lines. Applicants will have to accept an offer with “equal or better” coverage and a premium within 115% of the Citizens policy. **SB 1028 passed the House and Senate.**

LEGISLATION THAT DID NOT PASS

Property Insurance Affiliates - [HB 1399](#) would have created new oversight requirements for property insurers’ transactions with affiliates, requiring fair and reasonable financial arrangements, mandatory registration for affiliates, and consideration of affiliate revenue in rate filings. Following reports that insurers in Florida shifted billions to affiliates while claiming storm-related losses, this legislation sought increased oversight of property insurance company payments to affiliated, commonly owned entities. **HB 1399 was passed by the full House.**

Disputes with Citizens Property Insurance Corporation - [HB 863](#) would have required Citizens Property Insurance Corporation to offer and clearly disclose an arbitration option before the Division of Administrative Hearings for claim disputes. This would end Citizens’ ability to require policyholders to resolve disputes before the Division of Administrative Hearings (DOAH) without the policyholders’ consent. The bill sponsor believes Florida homeowners should not be subject to a separate system of justice simply because they are insured by a state created company. **The bill was approved by the full House, but the Senate companion did not move.**

Residential Property Insurance - [HB 767](#) would have improved transparency and education for property insurance consumers. It would have required the Office of Insurance Regulation to maintain a

consumer resource center online, offering rate filings, market trends, mitigation credits, claim processes and consumer rights. Insurers would have been prohibited from factoring the value of land into coverage or claim adjustments, with limited exceptions for shorelines or land modified by erosion or accretion. Insurers would have to notify consumers if they offer an enhanced discount for a roof system that uses a secondary water resistance. **HB 767 was approved by the full House.**

Mandatory Human Reviews of Insurance Claim Denials - [HB 527](#) authorized carriers, insurers, and HMOs to use AI but not as the only basis for denial. It required human professionals to verify claim details, policy terms, and AI outputs before denying or reducing payments. **HB 527 passed the full House. The Senate bill was never heard in committee.**

My Safe Florida Condominium Pilot Program – This program was created in 2024 to provide eligible condominium associations free inspections and grant funding for wind mitigation improvements. [SB 1706](#) would have expanded the program, which is currently limited to condo associations located 15 miles inward of a coastline, to all condo properties in the state, providing that they were built before January 1, 2008 and at least 80 percent of the occupied units within the condominium are owned or occupied by a person or family whose annual income is at or below 80 percent of the area median income. The bill specified that grant funds can only be used for mitigation improvements recommended in an inspection report that will result in a mitigation credit, discount or other rate differential. A condominium association receiving a grant would be required to complete 100 percent of the opening protection improvements to the common elements which were recommended in the final inspection report. SB 1706 passed the full Senate but was not taken up by House. In addition, these provisions were also in [HB 1221](#) and [SB 1452](#), larger bills relating to the Department of Financial Services. **Although the House advanced their bill to the floor with zero “no” votes, it amended these condo provisions out of SB 1452, which then passed.**

GOVERNMENT EFFICIENCY AND ACCOUNTABILITY

LEGISLATION THAT PASSED

Local Government Spending - [HB 1329](#) will increase transparency in local government budgeting by expanding online posting requirements and mandating that cities and counties undertake a 10 percent budget-cutting exercise at least 14 days before final adoption of the budget. Integrating efficiency and cost savings into both the state and local government budget processes is a **bedrock Florida TaxWatch recommendation**. **HB 1329 passed the full House. It was amended in the Senate and the House concurred.**

Emergency Preparedness and Response Fund - This Fund, created in 2022 to provide the Governor with funds to spend on declared emergencies, terminated on February 17, 2026. Nearly \$5 billion has been spent through the Fund. The Senate passed [SB 7040](#) to re-create the Fund despite objections that the Fund lacked adequate controls and concerns over the amount spent on non-natural disasters (immigration enforcement) and some of the items it was spent on. The House added some guardrails and oversight, allowing it to be used for declared natural, manmade, or technological emergencies, subject to legislative consultation upon executive renewal of the emergency. Purchasing aircraft, boats, or motor vehicles would be prohibited, but short-term vehicle leases would be allowed in emergencies. Federal reimbursements must be deposited in the fund in a separate account. Expenditures from this account can only pay invoices that were incurred before the deposit and funds cannot be used for any other purpose until all outstanding prior invoices have been paid. The bill requires quarterly reporting to the Legislature on fund balances and assets. The fund's termination is extended to July 1, 2028.

Sovereign Immunity Caps - [HB 145](#) increases the limits on the recovery of awards against a governmental entity. The House and Senate offered different bills. Beginning October 1, 2026, the House proposed increasing the per person cap from \$200,000 to \$500,000 and the cap for multiple judgments arising out of the same incident is increased from \$300,000 to \$1,000,000. The House bill would increase the caps again on October 1,

2031, rising to \$600,000 and \$1,200,000. [SB 1366](#) proposed new limits of \$350,000 and \$500,000 with no future increase. In addition, the House proposed allowing local governments to settle claims in excess of these limits without further legislative action. Both bills reduced the timeframe for presenting tort claims to an agency from 3 years to 18 months and the statute of limitations for negligence suits from 4 years to 2 years. The House passed HB 145 on the third day of session. In Week 9, the Senate replaced the House bill with the Senate language. **The House concurred with the Senate amendment.**

LEGISLATION THAT DID NOT PASS

IT Procurement Reform - [HB 1197](#) included several measures recommended by Florida TaxWatch to increase the efficiency, effectiveness, and transparency of the state's IT procurement. The bill created the Bureau of Enterprise Project Management and Oversight within the Florida Digital Service and directs it to develop standardized governance frameworks and reporting requirements for major IT projects. It required all state agencies to follow new project planning processes and submit certain procurement and performance data for IT projects costing \$10 million or more. It enhanced vendor performance tracking and enhanced contract standards to reduce vendor dependency and safeguard the state's investments in IT. **The bill passed the full House, but the Senate had a different IT bill (see Technology section). Neither passed.**

Local Government Regulatory Accountability Act - [HB 105](#) would have established a uniform process and remedies to prevent arbitrary or unreasonable regulatory enforcement actions by counties, municipalities, and special districts. Local governments and special districts would have been prohibited from initiating or threatening enforcement actions deemed arbitrary or unreasonable and unauthorized by ordinance. Citizens or businesses could have requested a review of such enforcement actions, and a response would be required within 30 days. Legal actions could be taken within 180 days, and prevailing plaintiffs could recover attorney fees, costs, and damages up to \$50,000 per occurrence. **HB 105 passed the House but not the Senate.**

Stopping Local Government Utility Revenue Sweeps - [SB 1566](#) also included the cost savings exercise provision (HB 1329) until it was

amended out in Week 5. However, it was replaced by another [TaxWatch recommendation](#), requiring city and county run utilities to reinvest all utility revenue back into the system, instead of sweeping utility revenue into the General Fund. **However, that provision was amended out of the bill in Week 7.**

Fleet Management – [SB 7032](#) would have streamlined state agency fleet management by eliminating Department of Management Services approval requirements and authorizing agencies to independently purchase, manage, and dispose of vehicles, watercraft, and aircraft under specified conditions. **The bill was reported favorably by Governmental Oversight and Accountability but then stalled.**

Florida Agency for Fiscal Oversight – [SB 1572](#) and [HB 1303](#) would have created the agency within the Department of Financial Services to identify unnecessary spending and conduct audits of local governments that propose new or increased taxes. Annual financial ethics training would be required for agency employees, elected officials, and volunteers, and whistle-blower protections would be extended to those reporting information to the new oversight agency. Local governments would have been required to submit yearly Local Government Efficiency Reports to the Department of Financial Services. **These bills did not advance.**

BUDGET

“FUNDAMENTAL DISAGREEMENT” ON BUDGET BLOCKS PROGRESS

For the second year in row, the Legislature did not complete its work on time. On Day 60—the last scheduled day of the 2026 Florida Legislative Session—the Legislature adjourned, but they are not finished. Lawmakers could not produce a new state budget, the only thing they are constitutionally required to do.

House Speaker Daniel Perez says there is a “fundamental disagreement on what the state budget should look like”. He summed it up by saying the House wants to spend less and the Senate wants to spend more, and he is not going to be very flexible on that. The House and Senate budget proposals total \$113.6 billion and \$115.0 billion, respectively. The Senate did propose spending that is more than the current year’s budget, but it is only an increase of less than two-tenths of one percent. And it is not like the House slashed spending—its bottom line is a 1.1 percent reduction. Moreover, both budgets increase General Revenue spending—the House by 2.7 percent, the Senate by 4.0 percent.

Legislators will return to Tallahassee in mid-April, after the Easter and Passover holidays. The Governor has already called for a special session on Congressional redistricting starting April 20. Property tax relief may also be a special session issue.

The two chambers still have not agreed on budget allocations—the total amount of funding dedicated to each policy area. This is the initial step that must be completed before negotiations begin on the details. And there are some big differences in the details, such as funding for public education, Everglades restoration and water quality, state employee pay raises, affordable housing, Florida Forever land acquisition, the Florida State Guard, the Governor’s Job Growth Grant Fund, and the transfer of USF Manatee-Sarasota Campus to New College. They are also going to have to decide which of the 2,900 member projects in the two budgets (many are duplicates) get funded.

No word yet on when budget conference negotiations will begin. Last year, the budget was passed with only two weeks left in the fiscal year. The Governor signed the budget the day before the new fiscal year started.

**COMPARING FY 2026-27 BUDGET PROPOSALS
(\$ IN MILLIONS UNLESS OTHERWISE NOTED)**

CATEGORY	GOVERNOR TOTAL	SENATE TOTAL	HOUSE TOTAL	CURRENT BUDGET
Total Budget	\$117,358.3	\$115,025.8	\$113,575.2	\$114,819.3
Total General Revenue (GR)	\$53,219.0	\$52,346.7	\$51,687.6	\$50,340.8
Total Federal Funds	\$35,268.0	\$35,358.7	\$35,674.7	\$36,288.1
Total State Trust Funds	\$28,871.3	\$27,320.4	\$26,212.9	\$28,190.5
Total State Employee Positions (FTEs)	112,224.6	111,889.6	111,495.6	111,880.0
Total Budget Stabilization Fund Increase*	\$118.0	\$868.0	\$868.4	\$429.6
State Employee Across-the-Board Pay Raise**	2%	3%	0%	2%
Total Emergency Preparedness and Response Fund Increase	\$500.0	\$250.0	\$100.0	\$500.0
State Employee Health Insurance (GR transfer)	\$153.0	\$375.0	\$362.8	\$275.0
Trust Fund Sweeps	\$106.9	\$64.0	\$298.4	\$142.1
Per Student Public School Funding (dollars)	\$9,414	\$9,338	\$9,435	\$9,187
Required Local Effort Education Property Tax (mills)	3.041	3.092	3.053	3.092
*House and Senate - \$750 million contingent on passage of constitutional amendment in November 2026				
**All budgets have additional targeted pay increases				

APPENDIX A HOUSE BILL 7031 - TAXATION

The House and Senate each passed a tax package, offering many relatively minor tax relief and tax administration provisions. As expected, each bill provided far less tax relief than the tax packages in recent sessions.

However, HB 7031 was amended to remove all the provisions except for the corporate income tax piggyback language (explained in this document). The Senate agreed and the bill was passed. Then, SB 7046 was removed from consideration when it was replaced by HB 1217, which has no tax provisions and instead prohibits governmental entities from adopting net zero greenhouse gas policies or using public funds to support them. This means that there is no longer a House or Senate tax package.

It is still anticipated that some sort of tax package will be negotiated during the budget conference. This document details all the provisions in the original HB 7031. Appendix B details SB 7046. Although it is unclear what the Legislature has in mind, if they negotiate a tax package, these provisions are likely candidates to be included.

HB 7031 contained \$233.5 million in one-time or temporary cuts and recurring tax relief of \$92.9 million. SB 7046 contained \$78.0 million in tax relief, only \$8.1 million of which is recurring.

SALES TAX

Hunting, Fishing, and Camping Sales Tax Holiday - From September 1, 2026, through December 31, 2026, items including firearms and accessories, ammunition, bows, crossbows, rods, reels, tackle, tents, sleeping bags, camp stoves, hammocks, lanterns and flashlights will be exempt from the sales and use tax. None of the gun-related items have price limits. But others do, such as tents (\$200), most other camping supplies (\$50), rods and reels (\$75 each). Supplies used for commercial fishing are not exempt.
Taxpayer Savings: State (GR) - \$26.9 million Local - \$7.7 million Total - \$34.6 million

Leases by Space Florida - The bill provides a sales tax exemption for tangible personal property that is leased by a private lessee, if the property is owned by Space Florida is used by the lessee solely in connection with a

defense or aerospace contract, program, or project.

Tax Savings (recurring): State - \$22.0 million Local - \$6.2 million

Total - \$28.2 million

Home hardening products – The bill creates a two-year exemption (by refund) for impact-resistant doors, garage doors, and windows. This would only apply to site-built homes with a homestead exemption and a maximum value of \$700,000. An owner may receive up to \$500 in refunded sales tax.

Taxpayer Savings: State (GR) - \$12.3 million Local - \$3.5 million

Total - \$15.8 million

Year Two Savings: State (GR) - \$17.6 million Local - \$4.9 million

Total - \$22.5 million

Firearm accessories – Items such as firearm case, grips, muzzles, holsters, sights, cleaning kits, and more would be exempt for a one-year period of July 1, 2026, to June 30, 2027. This exemption would overlap the hunting, fishing and camping sales tax holiday.

Taxpayer Savings: State (GR) - \$8.3 million Local - \$2.6 million

Total - \$10.9 million

Liquified petroleum gas tanks – The bill creates a permanent sales tax exemption for tanks with a capacity of 20 pounds or less.

Taxpayer Savings: Indeterminate recurring

CORPORATE INCOME TAX

Piggyback Bill - Every year, the Legislature passes a “piggyback” bill to conform Florida’s corporate income tax law to the federal tax code. Sometimes, the bill will “decouple” with specific federal changes that would have a large impact on state revenue. That is the case this year. Adopting all of the CIT tax relief in the federal One Big, Beautiful Bill Act would cost Florida \$3.5 billion. To avoid the revenue hit, the House proposes to decouple from all provisions. Note: HB 7031 was amended, leaving only this provision. The Senate agreed and the bill was passed.

Taxpayer Savings: None

Credit for Qualified Railroad Expenditures – For taxable years that begin in 2026, the bill amends the type of railroad that can qualify for the corporate income tax credit for qualified railroad reconstruction or replacement expenditures to include any railroad that operate entirely within Florida.

This temporarily expands the pool of railroads eligible for the credit from solely freight railroads to include eligible passenger railroads.

Taxpayer Savings: State (GR) - \$0.8 million one-time

TAX CREDITS (MULTIPLE TAXES)

Homebuyer Workforce Tax Credit - The bill creates a new tax credit for employers who contribute to their moderate-income employees’ home buying expenses. The bills allow a 100% tax credit against corporate income or insurance premium taxes for employer contributions to down payment or closing costs, capped at \$5,000 per employee. The program is capped at \$5 million per year for three years.

Taxpayer Savings: State (GR) - \$5.0 million a year for three years

Child Care Tax Credit - The bill extends the program, which provides credits against multiple taxes for 50 percent of the startup costs of an eligible child care facility; \$300 per child, per month, enrolled in an eligible child care facility operated by the taxpayer; or 100 percent of payments, up to \$3600 per child per year, made directly to an eligible child care facility on behalf of an employee. Currently authorized through FY2026-27, the bill extends the program for three years, through Fiscal Year 2029-30.

Taxpayer Savings: State (GR) - \$5.0 million a year for three years

Credit for Donation of Sales Tax on a Motor Vehicle Purchase – This existing credit program allows purchasers of motor vehicles to direct some or all of the sales tax on the purchase, up to \$105 per vehicle, to an eligible nonprofit scholarship-funding organization under the Florida Tax Credit Scholarship Program. The bill would include trucks weighing more than 5,000 pounds but less than 8,000 pounds for one year, from July 1, 2026, through June 30, 2027.

Taxpayer Savings: State (GR) - \$5.8 million (one year)

Strong Families Tax Credit Program - The bill limits the total donations a single taxpayer can make to a single eligible charitable organization to \$1 million per year and caps the total credits allowable for donations to each organization in a single year to \$5 million.

Taxpayer Savings: None

Insurance Premium Tax Credits - The bill amends the order in which Insurance Premium Tax credits are taken against tax liabilities, so that all active tax credit programs are listed in order of their adoption date.

Taxpayer Savings: None

OTHER TAXES

Alarm System Contractors - In 2024, the Legislature created a three-year documentary stamp tax exemption for non-interest-bearing written obligations to pay \$3,500 or less, in connection with the sale of an alarm system. The bill extends this exemption for an additional three years, until June 30, 2030.

Taxpayer Savings: State (GR) - \$1.2 million and \$1.1 (Trust Fund) a year for three years

Surplus Lines Tax Exemption for Certain Flood Insurance - The bill provides a temporary exemption from the insurance premium tax on flood insurance policies issued by surplus lines carriers. The exemption is repealed on June 30, 2029, unless it is reenacted by the Legislature.

Taxpayer Savings: State - \$13.0 million (GR) and \$1.2 million (Trust Fund) a year for three years

Tax Discount for Domestic Beer - The bill temporarily reduces the beverage tax rate for beer that is manufactured in this country from 48 cents to 40 cents per gallon when sold in bulk or in kegs or barrels, and from 6 to 5 cents per pint, or fraction thereof, when sold in containers of less than one gallon.

**Tax Savings: State: - \$26.7 million (GR) and \$0.5 million (Trust Fund)
Total - \$27.2 million (one year)**

Gambling Taxes - The bill reduces the pari-mutuel cardroom tax rate on the monthly gross receipts of cardroom operators from 8 percent to 5 percent. The tax rate on slot machine revenues is reduced from 35 percent to 34 percent. Beginning July 1, 2026, the bill also provides an exemption from the annual license fee for slot machine permit holders that are prohibited by the Florida Constitution from conducting live racing and are located in a county where the Seminole Tribe of Florida operates at least two casinos.

Taxpayer Savings (Slot License):	State - \$2.0 million recurring (Trust Fund)
Taxpayer Savings (Slot Tax):	State - \$7.3 million recurring (Trust Fund)
Taxpayer Savings (Cardrooms):	State - \$3.7 million recurring (Trust Fund) State - \$3.3 million recurring (GR)
Total:	State - \$15.3 recurring

PROPERTY TAX

Mobile Home Park Assessment Limitation - Beginning January 1, 2027, the assessed value of long-term mobile home parks may not increase by more than three percent a year. To qualify, the lot must rent more than 75 percent of the mobile home lots to residents with a lease at least one year, and the taxes are required to be paid by the residents. In any year that the park does not qualify for this new three percent assessment cap, it is subject to the ten percent assessment increase limitation for non-homestead property.

Taxpayer Savings: Local - \$65.2 million (recurring)

Space Florida Exemption - The bill provides that property being used by a non-governmental lessee pursuant to a project authorized by Space Florida is deemed to perform an essential governmental purpose and is therefore exempt from ad valorem taxes. The bill also expands the term “governmental purpose” to include “a defense or aerospace use.”

Taxpayer Savings: Local - \$11.4 million (recurring)

Homestead Properties Rented by Officers of the United State Government - This provision affects homesteads that are owned by Diplomatic, Intelligence, Consular, and Foreign Service Officers whose employment requires them to be stationed, deployed, or are directed to reside outside of Florida. If the property is rented to another person, the federal officer may continue to receive a homestead exemption and the Save Our Homes benefit.

Taxpayer Savings: Local - Less than \$100,000 (recurring)

Exemption for Multifamily Projects on State-Owned Lands - Multifamily projects on state-owned lands that receive the current exemption may keep the exemption even if the property is sold to a non-state entity. The property must continue to qualify for the current exemption and the owner must continue to apply annually for the exemption.

Taxpayer Savings: Local - Indeterminate (recurring)

Notification of Exemption Denial - The bill allows property appraisers during the time between July 1 and the date the TRIM notice is mailed to notify property owners who have applied for an exemption that they have received additional information that would cause their application to be denied. This allows property owners to challenge the denial at the Value Adjustment Board level, and potentially saves the owners significant court fees, interest, and penalties.

Taxpayer Savings Local – Indeterminate (recurring)

Additional Save Our Homes Portability - Under current law, a taxpayer may transfer, or “port,” any accrued Save Our Homes benefit from an immediate prior homestead to a new one. The bill allows the port from any homestead abandoned by the taxpayer in the prior three years. This change could allow a larger reduction in ad valorem property taxes for property owners who change homes twice in a three-year period.

Taxpayer Savings: Local – Indeterminate (recurring)

New Levies by Municipal Service Taxing Units and Dependent Special Districts - The bill clarifies the voting threshold for adoption of a millage rate for the first year that ad valorem taxes are levied for a municipal service taxing unit or for dependent special districts. The levy must be approved by a unanimous vote of the membership of the governing body of the county or municipality, or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or by referendum.

Taxpayer Savings: None

TAX ADMINISTRATION/OTHER

Disclosure of Estimated Taxes - The bill requires online property listings to include estimated ad valorem taxes, rather than displaying the current owner’s taxes, to give prospective buyers a more accurate picture of future tax liabilities. This overdue change is needed because Save Our Homes often makes a property’s tax current tax bill much lower than it will be when the home is sold and reassessed without having accrued any SOH benefit.

Taxpayer Savings: None

Tax Increment Financing Exemption for Children’s Services Councils - The bill specifies that special taxing districts for children’s services are exempt

from paying Community Redevelopment Agencies (CRAs) a portion of the taxes they collect pursuant to the CRA’s tax increment financing mechanism.

Taxpayer Savings: None

Collection of Taxes by Advertising Platforms – The bill updates requirements for the disclosure of taxes by advertising platforms and collection of taxes by certain vacation rental platforms. These taxes are due now but are often collected by the owner or operator of the vacation rental.

Taxpayer Savings: None

Back-to-School Holiday Dates - The bill revises the dates of the annual one-month back-to-school sales tax holiday from the month of August to July 20th through August 20th.

Taxpayer Savings: None

APPENDIX B

SENATE BILL 7046 – TAXATION (UPDATED FOR AMENDMENT)

The House and Senate each passed a tax package, offering many relatively minor tax relief and tax administration provisions. As expected, each bill provided far less tax relief than the tax packages in recent sessions.

However, SB 7046 was removed from consideration when it was replaced by HB 1217, which has no tax provisions and instead prohibits governmental entities from adopting net zero greenhouse gas policies or using public funds to support them. HB 7031 was amended to remove all the provisions except for the corporate income tax piggyback language (explained in this document). The Senate agreed and the bill was passed. This means that there is no longer a House or Senate tax package.

It is still anticipated that some sort of tax package will be negotiated during the budget conference. This document details all the provisions in HB 7031, before the tax provisions were removed, including provisions added by an amendment. Appendix A details the original HB 7031. Although it is unclear what the Legislature has in mind, if they negotiate a tax package, these provisions are likely candidates to be included.

SB 7046 contained \$78.0 million in tax relief, only \$8.1 million of which is recurring. HB 7031 contained recurring tax relief of \$92.9 million and \$233.5 million in one-time or temporary cuts.

SALES TAX

Hunting, Fishing, and Camping Sales Tax Holiday - From September 7, 2026, through December 31, 2026, items including firearms and accessories, ammunition, bows, crossbows, rods, reels, tackle, tents, sleeping bags, camp stoves, hammocks, lanterns and flashlights will be exempt from the sales and use tax. None of the gun-related items have price limits. But others do, such as tents (\$200), most other camping supplies (\$50), rods and reels (\$75 each). Supplies used for commercial fishing are not exempt.

Taxpayer Savings: State - \$26.9 million Local - \$7.7 million
Total - \$34.6

Tennis Exemption (Amendment) – This adds some tennis tournaments to a long list of tickets to sporting, cultural, and recreational events that are exempt from sales tax. Admissions to any Association of Tennis Professionals' ATP Masters 1000 tournament or any Women's Tennis Association's WTA 1000 tournament will be exempt for 3 years. There is one of each (Miami Open).

Taxpayer Savings (annual/3 years) State - \$8.4 million Local - \$2.4 million

Total - \$10.8

Liquified petroleum gas tanks – the bill creates a permanent sales tax exemption for tanks with a capacity of 20 pounds or less.

Taxpayer Savings: Indeterminate

State University Public Works Contracts - A sales tax refund mechanism would be created for state universities for tangible personal property purchases made by state university contractors when such property goes into or becomes part of public works owned by the state university.

Taxpayer Savings: Indeterminate

Taxation of EV Charging (Amendment) - Provides a tax framework for electricity that is sold by electrical vehicle charging stations. The framework specifies which sales tax and gross receipts rates apply to transactions between a utility and the charging station and also to transactions between the charging station and the consumer. Sales of electricity from a utility to a charging station is subject to a 2.5 percent gross receipts tax and sales between the charging station and the EV driver is subject to the 4.35 percent electricity sales tax (plus any local sales tax) and a gross receipts tax of 2.6 percent. This fiscal impact of this provision has not been estimated yet.

PROPERTY TAX

Deployed Servicemembers (Amendment) - Adds six additional named military operations to the current list of 18 operations in statute for the property tax exemption for servicemembers who were deployed during the preceding calendar year on active duty outside the United States in support of military operations designated by the Legislature. The exemption is 100 percent of the taxable value of the homestead, prorated for the percentage of the year the servicemember was deployed.

Taxpayer Savings (Local) \$6.0 million (first year) (\$7.8 million recurring)

Surviving Spouses of Veterans (Amendment) - Provides that the amount of a property tax homestead exemption that a surviving spouse of a totally and permanently disabled veteran or a veteran or first responder who lost their life in service may transfer to a new primary residence. The spouse may transfer up to 120 percent of the exemption.

Taxpayer Savings (Local) \$0.3 million recurring

The Live Local Exemption - In 2023, the Legislature created the “Missing Middle” exemption for developments that were rented to persons with a household income of not more than 120 percent of the median adjusted gross income. Local government could opt out if there is a surplus of affordable units in the area. This new bill would require that the Shimberg Center for Housing Studies Annual Report identifies a surplus for each of the three previous years instead of the current one. In addition, an exemption may be granted to a project that was issued final site approval on or after July 1, 2026, and within four years before a taxing authority opted out and may continue receiving the exemption as long as the owner continues to apply for and is granted the exemption. (Note: the amendment replaced “final site approval” with “a building permit”).

Taxpayer Savings: Indeterminate

TAX CREDIT

Rural Community Investment Program (Amendment) - The value of the Rural Community Investment Program credit would be increased from 25% of the investor’s contribution to 50%. The RCIP provides a tax credit against the corporate income tax or insurance premium tax for investment in certain rural communities.

Taxpayer Savings: Indeterminate

SPECIAL ASSESSMENTS

RV Parks - Counties, municipalities, and special districts would be prohibited from levying special assessments against more than 400 square feet of each RV parking space or campsite at RV parks.

Taxpayer Savings: Indeterminate

TAX ADMINISTRATION/OTHER

Interest on Tax Refunds (Amendment) – The bill provides that a taxpayer may claim interest on a refund that is the subject of an action contesting an assessment or denial of the refund only if the interest claim is asserted concurrently with the action. It also provides that the 60-day period to contest an assessment or a denial may not be waived or tolled. It also states these changes apply to actions that are pending when the bill takes effect. **This is a bad, very unfriendly taxpayer provision that did not appear until the amendment to SB 7046 was adopted.** Florida TaxWatch has worked for years to bring fairness to the Department of Revenue process for paying interest on refunds, which makes it difficult for many taxpayers to recover interest. Although it appeared a provision that could help might be amended on to SB 7046, instead this provision, which makes a bad situation worse, was added.

Charter School Funding – Currently, taxes collected from a voter approved property tax levy must be shared with public charter schools sponsored by a school district. The bill requires the tax to be shared with all charter schools regardless of the sponsoring entity.

Supermajority Vote to Set Millage - Taxing authorities that have not levied any millage rate in the prior year would be required to adopt a rate either by a unanimous vote of the governing body, or by a three-fourths vote of a governing body with nine or more members, or by referendum.

Fiscally Constrained Counties - Fiscally constrained counties are counties entirely within a rural area of opportunity or where a one-mill property tax levy would raise no more than \$5 million in annual tax revenue. These 29 counties receive state support including sharing 30 percent of the revenue from the state’s direct-to-home satellite services tax, which has been declining. The fiscally constrained distribution has fallen to \$9.5 million.

The bill amends the criteria for being designated as a fiscally constrained county to one mill raising \$10 million. It changes the revenue source for the fiscally constrained counties distribution from the direct-to-home satellite service tax to the sales tax, providing no less than \$50 million a year. There are also several changes to the counties’ distribution, including changing distribution factors for allocating revenue among counties and creating spending requirements.

Inheritance of Homestead Property (Amendment) - Provides that the transfer of homestead property to a lineal descendant is not a change in ownership that requires a reassessment of the homestead under Save Our Homes. The descendant must make the property his or her homestead by the second January 1 after the death of the owners.

Disclosure of Estimated Property Taxes (Amendment) - Real estate listing platforms would be required to post estimated property taxes for the next year, not the taxes the owner paid. This is needed because when a house is sold it is reassessed at full just value, and the current owner may have accrued a substantial Save Our Homes assessment benefit.

Tax Increment Financing (Amendment) - An exemption from contributing to the Redevelopment Trust Fund would be provided for special districts that levy ad valorem taxes on real property predominantly to fund children's services.

Value Adjustment Boards (Amendment) - VABs would be required to meet to hear appeals relating to the timely filing of tax returns for tangible personal property.

Net Zero Policy Prohibition - Governmental entities would be prohibited from: adopting or requiring the adoption of net-zero policies; expending government funds to support, implement, or advance net-zero policies; imposing taxes, fees, penalties, charges, offsets, or assessments to advance net-zero policies; and implementing, administering, or enforcing a program that functions as a cap-and-trade program. The bill provides a legislative finding that net-zero policies, carbon taxes and assessments, and carbon emissions trading programs, commonly known as "cap-and-trade" or "cap-and-tax" programs, are detrimental to the state's energy security and economic interests. (Note - the amendment changed the wording of this provision.)

ABOUT FLORIDA TAXWATCH

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the taxpayers of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on citizens and businesses.

Florida TaxWatch is supported by voluntary, tax-deductible donations and private grants. Donations provide a solid, lasting foundation that has enabled Florida TaxWatch to bring about a more effective, responsive government that is accountable to the citizens it serves since 1979.

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All Florida TaxWatch research is done under the direction of Lt. Governor Jeff Kottkamp, President, CEO, Publisher & Editor.

The findings in this Report are based on the data and sources referenced. Florida TaxWatch research is conducted with every reasonable attempt to verify the accuracy and reliability of the data, and the calculations and assumptions made herein. Please contact us if you believe that this paper contains any factual inaccuracies.

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