



ROBERT S. WEINROTH

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"An Equal Opportunity
Affirmative Action Employer"

March 23, 2022

Governor Ron DeSantis
State of Florida
The Capitol
400 S. Monroe Street
Tallahassee, FL 32399-0001

Dear Governor DeSantis:

On behalf of the Palm Beach County Commission, I am writing to urge your gubernatorial veto of SB 620, the Local Business Protection Act.

We view this bill as a step backward in the fostering of the positive, effective working relationship between local government and the business community in the implementation of ordinances and policy that encourages a thriving business climate in Palm Beach County.

Local governments are already precluded from passing ordinances that are inconsistent with state or federal law, or that are unreasonable or arbitrary. Currently, anyone who is adversely affected by a local ordinance may initiate a cause of civil action against a local government. SB 620 would serve as an inducement and accelerator for these civil actions, which would lead to a detrimental increase in litigiousness and egregious fiscal harm to local government.

Florida, ranked #46 out of 50 states in favorable lawsuit climate by the U.S. Chamber of Commerce in 2019 behind only states like California and Illinois, is already a litigious state and this bill would only add to that reputation. Defending these lawsuits could leave local governments, particularly those already fiscally constrained, with an overburdened staff as a result of the additional volume of work.

SB 620 states that an ordinance, or even a voter-initiated charter amendment, that "*has or will cause*" a reduction of business profit would be subject to civil action. This is a new extreme on preemption of local government by the legislature. The legislation does not make it clear that any alleged business damage or loss must be directly caused by or the direct result of the ordinance in question, nor is the calculation of damages limited to those damages that are directly caused by the ordinance. This places taxpayers on the hook for a collection of speculative damages that cannot be connected directly to the ordinance.

It could also unintentionally apply to ordinances that seem unrelated, such as incentive programs for small businesses which may have been previously negotiated with, and supported by, local business groups.



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The fiscal impact to local governments, however, could be catastrophic. Since a prevailing business may be allowed to recover costs and be awarded attorney fees, local governments will be required to build these additional costs into their budgets and ensure the revenue to cover the costs of judgements and settlements. These costs would ultimately be borne by the taxpayer in reduced services or the need to raise additional tax revenue from taxpayers and the very businesses this bill is intended to offer legal relief.

Taxpayers could expect to see exponentially more lawsuits filed against local governments, with a statewide taxpayer cost of more than \$900 million, according to a recent analysis by Florida Tax Watch on the originally filed bill. And while this fiscal impact may have been reduced from the original number through amendments to the bill, this tax increase is still one that the taxpayers of Florida can certainly not afford.

We ask that you veto SB 620, and allow Palm Beach County to work cooperatively with our businesses to ensure that a fertile climate for business continues in Palm Beach County.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Weinroth", with a long horizontal flourish extending to the right.

Mayor Robert Weinroth
Palm Beach County

CC: Members, Palm Beach County Board of County Commissioners
Verdenia C. Baker, County Administrator
Todd J. Bonlarron, Assistant County Administrator
Denise Coffman, County Attorney
Ed Chase, Director of Intergovernmental Affairs