



Central Florida
Hotel & Lodging Association

2024 Florida Legislative Session Report





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2024 LEGISLATIVE SESSION REPORT

Tourist Development Tax (TDT) - FAILED

In 1977, the Florida Legislature passed the Tourist Development Tax (TDT) (F.S.125.0104) at the request of Florida lodging executives. The purpose of the tax was to create dedicated revenue for tourism promotion and investment.

CFHLA strongly opposed adding any new or expanded uses for TDT revenues, as doing so only serves to dilute the effectiveness of the dollars, which are statutorily established for the promotion and marketing of tourism.

Each of these bills related to TDT **failed at the conclusion of the 2024 Florida Legislative Session.**

SUPERMAJORITY VOTE EXPENDITURES GREATER THAN 25% OF TDT COLLECTIONS

HB 1599 - Rep. Truenow

SB 1748 - Sen. Brodeur

MIAMI-DADE-ONLY DISTRIBUTION OF TDT TO MUNICIPALITIES

HB 1081 - Rep. Porras

SB 1072 - Sen. Avila

EXPANDS TDT USES TO FILM AND TELEVISION INCENTIVES

HB 1453 - Rep. Valdes

SB 872 - Sen. Stewart

SUPERMAJORITY VOTE FOR DECREASING DMO FUNDING

SB 1594 - Sen. Stewart

In addition, the annual tax packages from the House and Senate initially contained provisions related to TDT. The House proposal (HB 7073) would have sunset TDT unless approved by a voter referendum before July 1, 2029, and every six years thereafter. The Senate version (SB 7074) would have prohibited counties from spending more than 25% of TDT on convention center projects unless the governing board of a county approves the TDT use by a supermajority vote. However, on the last day of the session, the TDT provisions were removed from the House and Senate's negotiated final Tax Package.

VISIT FLORIDA Funding - PASSED

At the start of the 2024 Legislative Session, **CFHLA supported** continued funding for VISIT FLORIDA in the amount of \$100 million. Funding of VISIT FLORIDA ensures Florida continues to be top of mind as a leading vacation destination.

CFHLA also opposed any efforts to replace VISIT FLORIDA funding from the state budget with County-level TDT revenues. Local TDT revenues are committed to vital projects and organizations that generate visitation - providing local economic development and job creation.

CFHLA supported the Governor's \$80 million proposed recurring increase for VISIT FLORIDA, which would have equated to a total allocation of \$105 million in state tourism funding. By the end of the 2024 Legislative Session, both Chambers agreed to appropriating \$80 million in recurring funds for VISIT FLORIDA. After almost being dissolved in 2017, this recurring amount is expected to provide great stability to the state's tourism agency and the largest appropriation that Visit Florida has ever received.

Vacation Home Rentals and Advertising Platforms - PASSED

While vacation home rentals have long been available in Florida, the option to list available units online through advertising platforms has caused this lodging sector to explode by more than 50,000 units in Central Florida. Florida's statutes need to be updated to accommodate the changing lodging industry, creating balanced and rational regulations that protect our visitors, residents, and communities.

After nearly reaching final passage in the 2023 Legislative Session, SB 280/HB 833, *by Senator DiCeglie and Representative Griffitts*, **passed in the 2024 Legislative Session and will regulate short-term rentals and accompanying advertising platforms** throughout the state. This legislation is intended to be a compromise where local governments will have greater authority over vacation rentals than before while simultaneously ensuring that vacation rental operators now have standard rules and procedures. If approved by the Governor, this legislation will be effective July 1, 2024. CFHLA supported the bill and the specifications below.

- Requires advertising platforms or operators listing vacation rentals to collect and remit specified taxes for certain transactions.
- Defines "advertising platform" and sets mandates for displaying license and registration numbers in two advertisements.
- Preempts the regulation of advertising platforms to the state, authorizes local governments to adopt registration programs with reasonable fees for vacation rentals, and outlines registration processes and requirements.
- Establishes criteria for local governments to fine, suspend, or revoke vacation rental registrations for non-compliance.
- Mandates visibility of vacation rental licenses and unique identifiers within the rental properties.
- Stipulates that the division must create and maintain a vacation rental information system to facilitate compliance and provide a mechanism for local governments and platforms to verify vacation rental statuses.

While regulations did pass this year, **CFHLA is looking forward to the 2025 Legislative Session** to take additional steps in the right direction. This includes advocacy for the inclusion of health and safety standards, including but not limited to cleaning procedures, human trafficking awareness, prevention, and training, as well as pool safety/signage to mitigate drowning accidents.

Workforce Housing - PASSED

CFHLA supported full funding for the Sadowski Fund, as the Central Florida community has a dire need for more reliable and affordable housing options.

In addition to existing State Apartment Incentive Loan dollars (usually known as SAIL), CFHLA would like to continue to see the Legislature increase the percentage of State Housing Incentive Partnership dollars (usually known as SHIP) that can be used for rental housing.

CFHLA also encouraged the Legislature to consider creating additional incentives (and clarifications to the Live Local Act) or continued innovative approaches to affordable housing development. For example, additional incentives for the development of high-quality rental properties in key areas or incentives and tax credits for businesses to create housing for their own staff.

SB 328 by Senator Alexis Calatayud and HB 1239 by Representative Vicki Lopez provides clarifications to the Live Local Act, which passed in the 2023 Legislative Session, as it implemented measures to advance the development of affordable housing options throughout the State. This Session, **Live Local was awarded full funding, including \$178 for the SHIP program, \$84 million for the SAIL Program, and \$100 million for the Hometown Heroes Program.**

This legislation was **supported by CFHLA** because of the significant need for affordable rental housing in the Central Florida area.

Stormwater Issues - PASSED

The protection of our environment directly benefits our local community. However, the rules and regulations designed to protect our environmental resources must be done with consistency. The physical environment, our communities, residents, and local businesses all depend on clarity when it comes to public policy and the best technological and economically feasible approaches when solving for increased stormwater volumes and the need for updated stormwater management policies.

At the end of the 2024 Legislative Session, the stormwater rule was ratified by the Legislature, but the business community remained vigilant, ensuring that DEP worked with stakeholders to gain predictability and grandfathering provisions for existing permits were protected.

CFHLA supports statewide regulatory rulemaking, which recognizes and provides regulatory relief for businesses that plan, design, engineer, construct, and operate existing stormwater management systems.

Florida Timeshare Act - PASSED

CFHLA supported several of the American Resort Development Association's (ARDA) legislative proposals, which sought to clarify and modernize the Florida Timeshare Act. These included, but were

not limited to, granting timeshare associations the authority and flexibility to remove an amenity, expanding the “Inn Keeper’s Rights” to include timeshare properties (currently only licensed lodging establishments are included in this statute), and clarifying an existing provision that timeshare associations shall issue estoppel certificates.

This priority legislation (HB 429) by Representative Will Robinson and (SB 756) by Senator Keith Perry provides numerous clarifications to provisions in alignment with modernization efforts. Moreover, it broadens the scope and duties associated with timeshare plans. Specifically, the bill expands the flexibility and authority of a grant timeshare association to remove an amenity, in addition to including timeshare properties under Inn Keeper’s Rights. This measure broadens the powers of certain boards and administrations related to timeshare plans as well as provides timeshare projects the same rights and remedies as operators of other establishments.

CFHLA supported this measure as it was one of ARDA’s top priorities and will benefit CFHLA timeshare properties.

Immigration Reform

CFHLA encouraged solutions during the 2024 Legislative Session that help our current immigration system, including reform policies that help our hospitality businesses and economy thrive instead of hindering it. Several bills passed this session, including the following:

IDENTIFICATION DOCUMENTS - PASSED

HB 1451 - Rep. Kiyon Michael and Rep. Berny Jacques

SB 1174 - Sen. Blaise Ingoglia

This legislation was signed into law by Governor DeSantis on March 15. It specifies limitations on the issuance and acceptance of identification documents by counties and municipalities. More specifically, this legislation prohibits the funding of the issuance of identification documentation or cards without proof of a lawful presence in the United States. The acceptance of identification cards or documents by a county or municipality of an individual without a lawful presence is forbidden.

DESIGNATION OF DRUG CARTELS AS FOREIGN TERRORIST ORGANIZATIONS - PENDING

SB 1020 - Sen. Blaise Ingoglia

HB 7065 - Rep. Mike Giallombardo

This legislation is awaiting the Governor’s signature. It urges the U.S. Secretary of State to designate drug cartels as Foreign Terrorist Organizations, aiming to mitigate and eliminate organizations’ operations. The bill aims to highlight the national security threat of drug cartels, including the smuggling of drugs, especially those with fentanyl. The bill also cites a specific incident where the cartel kidnapped and murdered American citizens south of the Texas border in March 2023. The resolution will be sent to U.S. political figures and members of Florida’s Congressional Delegation.

RECLASSIFICATION OF CRIMINAL PENALTIES - PASSED

SB 1036 - Sen. Blaise Ingoglia

HB 1449 - Rep. Kiyon Michael

This legislation was signed into law by Governor DeSantis on March 15. It aims to increase penalties for felonies committed by individuals with specific prior convictions and for crimes that serve the

interests of transactional criminal groups. The legislation includes the reclassification of felony penalties for prior convictions related to the reentry of once-removed aliens.

ENFORCEMENT OF FEDERAL IMMIGRATION LAWS - FAILED

HB 669 - Rep. Tyler Sirois

SB 598 - Sen. Blaise Ingoglia

HB 669/SB 598 failed to pass on the Chamber floors regarding the enforcement of federal immigration laws. This legislation would have encouraged federal authorities to reinforce the southern border of the United States and update immigration policies to address the complexities of authorized border crossings and their implications.

Interchange Fees on Sales Tax - PASSED

The cost of labor, goods, and equipment continues to rise while margins continue to remain tight. Florida merchants pay over \$288 million annually in interchange fees on the sales taxes and bed taxes they are required to collect. Credit card companies and banks should not be permitted to profit from merchants' required performance of a public duty. Interchange fees should not be paid on sales taxes collected by Florida merchants.

Existing point-of-sale systems can be programmed to accommodate this change, and certain cards are already capable of being processed in a manner that makes it clear which taxes are collected. Legislation proposed in 2023 also allowed for a rebate to the merchant upon the submission of appropriate tax records. This would not change the responsibility of the merchant to pay interchange fees on the items and services that they sell.

Interchange fees are being increased yet again, and more merchants are turning to surcharges as a means of absorbing this cost, which impacts consumers directly.

CFHLA supported prohibiting the collection of interchange on sales tax to provide relief to businesses, which, in turn, provides relief to consumers.

ON THE RADAR

In the 2023 Legislative Session, SB 564 was filed regarding interchange fees on taxes as well as on electronic payment transactions (HB 677). Both bills died in 2023; the Senate version died on the calendar, while the House version died on the second reading calendar. In the 2024 Legislative Session, special interest groups pushed for a study, which made it into the state budget, to address a policy regarding the removal of electronic payment transactions from interchange fee calculations. Opponents of this measure state this would affect fees and interests in the credit market, harm small businesses, and upend contracts and negotiations between private entities; ultimately, this could increase costs for consumers.

Language from the General Appropriations Act:

LEGISLATIVE SUPPORT SERVICES

From the funds provided in Specific Appropriations 2802 and 2803, the Office of Economic and Demographic Research shall conduct a study and present policy options relating to prohibiting the collection of interchange fees on sales taxes levied under chapter 212 and section 125.0104, Florida Statutes. The Office of Economic and Demographic Research shall submit a report to the President of the Senate and Speaker of the House of Representatives by December 1, 2024. The report must address the impacts including, but not limited to, technological, financial, and economic impacts on merchants, processors, payment card networks, acquiring banks, issuers, and consumers. The Office may contract with a public or private institution of higher learning or a nationally recognized organization or entity with experience in performing this type of evaluation for the sole purpose of developing some or all of the underlying analysis and findings to be included in the report.

OTHER ISSUES CFHLA IS MONITORING

Tax Package – PASSED

HB 7073 - Sponsored by Rep. Stan McClain

SB 7074 - Sponsored by Sen. Blaise Ingoglia

- **HOMESTEAD PROPERTIES:** Reduces premium taxes by 1.75% for a year.
- **STRONG FAMILIES TAX CREDIT:** Increases tax credit on corporate income from \$20 million to \$40 million for businesses that donate to charities supporting children's welfare.
- **FREEDOM MONTH SALES TAX HOLIDAY**
July 2024
- **BACK-TO-SCHOOL SALES TAX HOLIDAY**
July 29, 2024 – August 11, 2024
- **TOOL TIME SALES TAX HOLIDAY**
September 1, 2024 – September 7, 2024
- **DISASTER PREPAREDNESS SALES TAX HOLIDAYS**
June 1, 2024 – June 14, 2024
August 24, 2024 – September 6, 2024

Regulation of Cashless Businesses – FAILED

SB 106 - Sen. Shevrin Jones

HB 35 - Rep. Joel Rudman

SB 106 by Senator Jones would have mandated businesses to accept cash but was unsuccessful in both Chambers. In the Senate, the bill was postponed indefinitely in its last committee stop, Fiscal Policy. The House counterpart (HB 35) by Representative Rudman, which would have addressed

businesses refusing cash for efficiency and safety, faced a similar fate, never receiving a committee hearing. Despite the growing concerns about cashless trends, the bills failed to gain traction, ultimately leaving the issue unresolved this session. It is fully expected that the issue will return in the 2025 Legislative Session.

CFHLA opposed this legislation as numerous businesses have moved to cashless sales.

Revisions to Florida's Child Labor Laws – PASSED

After significant revisions, the Legislature passed HB 49, which amends work-hour restrictions for two age groupings of minors. Those 15 and under are now allowed to work until 7:00 pm on school nights and a maximum of 15 hours per week. Those 16 to 17 years old are now permitted to work until 11:00 pm on school nights, as well as more than eight hours on Sundays or holidays, and a maximum of 30 hours per week. Breaks are mandated for minors working a continuous four hours; however, waivers for work hour restrictions are available for certain circumstances [i.e., minors who are homeschooled, have graduated, or are in financial hardship].

CFHLA supported this legislation as it aids in tourism industry retention and addresses worker shortages.

Transportation and Infrastructure – PASSED

Governor DeSantis and the Legislature have prioritized the funding of transportation projects as part of the Moving Florida Forward Infrastructure Initiative. These projects are said to resolve and address issues related to safety, congestion relief, quality of life, resiliency, and modernization. In 2024, the Legislature completed the work and funded the accompanying appropriation required to finish the Moving Florida Forward vision. This includes investments into the I-4 Ultimate Improvements with a series of projects along the I-4 Corridor to improve traffic congestion in Central Florida.

