

April 22, 2025

SPECIAL EDITION VII

2025 Florida Legislative Session Update - Week 7

Legislative Alert - Proposals to Eliminate Local Tourism Promotion and Significantly Change the future of the Tourist Development Tax (TDT) will be Heard in Two House Committees Today With only two weeks remaining in the nine-week Legislative Session, there are now multiple bills threatening the future of the Tourist Development Tax (TDT). In addition to the Local Option Taxes legislation that we have been engaged on all Session, there is now very harmful TDT language that is now included in the proposed House and Senate Tax packages that were filed last week.

First, the Florida House filed an amendment to the tax package (<u>HB 7033</u>) on Monday that would override tourism development tax statutes by allowing counties to tap into that money for general uses while property taxes are cut. This amendment will be discussed during the House Budget Committee and this will be the **final opportunity for public comment against this** wreckless proposal.

Under the amendment, the bill would do the following:

- Counties would no longer be required to spend at least 40% of their tourist development taxes (TDT) on **tourism marketing**.
- Tourism development councils (TDC's) would be dissolved by the end of 2025, although counties could reinstate them with new rules in place.
- Additionally, all 62 local tourism promotion organizations like Visit Orlando, Experience Kissimmee and Seminole County Tourism would be abolished, if it doesn't receive approval by its County Commission by December 31, 2025 and only for the purposes outlined in a related resolution.
- Counties could use TDT to complete any projects or contracts already under way as of July 1, however contracts may not be renewed or extended beyond their current duration.
- Beginning in 2026, a credit against county ad valorem taxes is to be applied to property tax bills that, in total, equals the prior year's TDT collections less any revenue needed for debt service or to continue any contract in effect on July 1, 2025. The credit on bills may either be proportionate shares of the TDT collections for all county taxpayers, or can be allocated among certain categories of taxpayers according to an ordinance adopted by the Board of County Commissioners.
- Bonds or other debt outstanding as of July 1, 2025, may be refinanced, but the duration of such debt may not be extended and

the outstanding principal may not be increased, except to account for costs of issuance.

We urge all CFHLA members to participate in this urgent call to action, by taking a moment and sharing the negative impacts of this proposal with the Florida House. Your input will be very helpful in the forthcoming negotiation meetings that will take place between the House and Senate leadership in these final two weeks.

Here are the Key Talking Points:

1. These Amendments Would Eliminate Florida's Competitive Advantage.

- Central Florida's economy is built on tourism. TDT fuels marketing efforts that generate more than 464,000 jobs and \$92.5 billion in annual visitor spending within the region.
- Without marketing the destination, **Central Florida will lose visitors**, which will result in job loses and massive tax revenue declines.

2. This is Not a Tax Cut—It's a Job Killer.

- TDT is a **self-imposed tax by the lodging industry** to grow visitation.
- Every dollar of TDT generates many more dollars in local sales, job creation, and tax revenue.

3. TDT is Not a Burden on Residents—it's a Benefit.

- **Only visitors pay TDT, not residents.** These dollars come from outof-town guests and are reinvested to attract more.
- Eliminating TDT uses for tourism promotion means **residents will pay more in taxes over time**, not less.

4. Dissolving TDCs Silences Local Voices.

- TDCs ensure accountability, oversight, and community involvement.
- This amendment **replaces local governance with forced mandates** from Tallahassee.
- 5. The Savings to Residents Are Minimal—The Damage is Massive.

- The average TDT is **a tiny fraction of property tax revenues.** (Statewide average: **11.3%** of property taxes.)
- Wiping out TDT will do virtually nothing to reduce property taxes—but it will cost billions in lost economic activity.

6. We Don't Need to Break What's Working.

- Central Florida continues to celebrate the **number one destination** in the country for tourism with over 74 million annually.
- Now is the time to invest, not jepordize in what is powering our economy.

Please reach out to the following House members now OR CLICK on the link below to speak out AGAINST the amendment for "<u>PCS for HB</u> 7033" before the bill's final stop today.

CLICK HERE TO JOIN OUR CALL TO ACTION

House Budget Committee

Rep. Lawrence McClure (Chair) (R) - Hillsborough Rep. Susan L. Valdes (Vice Chair) (R) - Hillsborough Rep. Fentrice Driskell (Minority Ranking Member) (D) - Hillsborough Rep. Robert Alexander "Alex" Andrade (R) - Escambia, Santa Rosa Rep. Robert Charles "Chuck" Brannan III (R) - Baker, Bradford, Columbia, Union, and Alachua Rep. James Buchanan (R) - Sarasota Rep. Demi Busatta (R) - Miami-Dade Rep. Jennifer Canady (R) - Polk Rep. Joe Casello (D) - Palm Beach Rep. Kevin Chambliss (D) - Miami-Dade Rep. Tiffany Esposito (R) - Lee Rep. Sam Garrison (R) - Clay Rep. Christine Hunschofsky (R) - Broward Rep. Traci Koster (R) - Hillsborough Rep. Vicki Lopez (R) - Miami-Dade Rep. Patt Maney (R) - Okaloosa

Rep. Lauren Melo (R) - Collier, Hendry
Rep. James Vernon 'Jim' Mooney, Jr. (R) - Miami-Dade, Monroe
Rep. Tobin Rogers "Toby" Overdorf (R) - St. Lucie, Martin
Rep. Jenna Persons-Mulicka (R) - Lee
Rep. Michele K. Rayner (D) - Hillsborough, Pinellas
Rep. Felicia Simone Robinson (D) - Broward, Miami-Dade
Rep. William Cloud "Will" Robinson (R) - Manatee
Rep. Jason Shoaf (R) - Dixie, Franklin, Gulf, Hamilton, Lafayette, Liberty,
Suwannee, Taylor, Wakulla, Jefferson, Leon
Rep. John Synder (R) - Martin, Palm Beach
Rep. Josie Tomkow (R) - Polk
Rep. Kaylee Tuck (R) - Glades, Hardee, Highlands, Okeechobee
Rep. Marie Paule Woodson (D) - Broward, Miami-Dade

Secondly, HB 1221 - Local Option Taxes by Representative Monique

<u>Miller</u> has been agended by the House State Affairs Committee and this will be the last of three committee stops. If passed, this bill would:

- Require all counties to pass a referendum to renew any existing TDTs by 2033 and continues to mandate that a new voter referendum take place every eight years for continued use of TDTs.
- It also completely eliminates the ability of counties to use TDTs for their intended purpose: promoting tourism. Instead, 100% of TDT proceeds would be used as a credit against county residents' property tax bills.
- This would pull dedicated funds away from tourism marketing and would result in a significant reduction in tourism to our community. It is not a tax cut, but a job killer.
- The TDT's were established to ensure counties had a dedicated funding source (not paid by residents, but rather paid by visitors) for the tourism promotion efforts necessary to create jobs and generate local revenue for our local communities and small businesses including restaurants, retail, and more.

Again, we urge all CFHLA members to participate in this urgent call to action, by taking a moment and sharing the negative impacts of this proposal with the Florida House. Your input will be very helpful in the forthcoming negotiation meetings that will take place between the House and Senate leadership in these final two weeks.

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- Central Florida's economy is built on tourism. TDT fuels marketing efforts that generate more than 464,000 jobs and \$92.5 billion in annual visitor spending within the region.
- Without marketing the destination, **Central Florida will lose visitors**, which will result in job loses and massive tax revenue declines.
- 2. This is Not a Tax Cut—It's a Job Killer.
 - TDT is a **self-imposed tax by the lodging industry** to grow visitation.
 - Every dollar of TDT generates many more dollars in local sales, job creation, and tax revenue.
- 3. TDT is Not a Burden on Residents—it's a Benefit.
 - **Only visitors pay TDT, not residents.** These dollars come from outof-town guests and are reinvested to attract more.
 - Eliminating TDT uses for tourism promotion means residents will pay more in taxes over time, not less and will cost billions in lost economic activity.
- 4. Dissolving TDCs Silences Local Voices.
 - TDCs ensure accountability, oversight, and community involvement.
 - This amendment replaces local governance with forced mandates from Tallahassee.

5. This is Wasteful Spending

 Requiring the periodic readoption of the TDT through voter referendum would eliminate the ability of local governments to pledge these funds for bonding for any project that would exceed the period of readoption (typically 30 years). Also, to expend additional dollars to pay for these referendums, local governments will spend wasteful time and resources every few years to promote readoption rather than concentrating their efforts on the work of tourism promotion for communities across the state.

6. We Don't Need to Break What's Working.

- Central Florida continues to celebrate the **number one destination** in the country for tourism with over 74 million annually.
- Now is the time to invest, not jepordize in what is powering our economy.

Please reach out to the following House members now OR CLICK on the link below to speak out AGAINST the amendment for "<u>PCS for</u> <u>CS/HB 1221</u>" before the bill's final stop today.

CLICK HERE TO JOIN OUR CALL TO ACTION

House State Affairs Committee

Rep. William Cloud "Will" Robinson (Chair) (R) - Manatee Rep. James Vernon 'Jim' Mooney, Jr. (Vice Chair) (R) - Miami-Dade, Monroe Rep. Phillip Wayne "Griff" Griffitts Jr. (Majority Committee Whip) (R) - Bay Rep. Joe Casello (Minority Ranking Member) (D) - Palm Beach Rep. Basabe, Fabián (R) - Miami-Dade Rep. Omar Blanco (R) - Miami-Dade Rep. Adam Botana (R) - Collier, Lee Rep. Michael A. "Mike" Caruso (R) - Palm Beach Rep. Linda Chaney (R) - Hillsborough, Pinellas Rep. Nan Cobb (R) - Lake Rep. Lindsay Cross (D) - Pinellas Rep. Wyman Duggan (R) - Duval Rep. Dr. Anna V. Eskamani (D) - Orange Rep. Ashley Viola Gantt (D) - Miami- Dade Rep. Richard Gentry (R) - Lake, Marion, Volusia Rep. Mike Giallombardo (R) - Lee Rep. Karen Gonzalez Pittman (R) - Hillsborough Rep. Jeff Holcomb (R) - Hernando, Pasco

Rep. Dotie Joseph (D) - Miami- Dade Rep. Randall "Randy" Scott Maggard (R) - Pasco Rep. Debbie Mayfield (R) - Brevard Rep. Angela "Angie" Nixon (D) - Duval Rep. Alex Rizo (R) - Miami-Dade Rep. John Snyder (R) - Martin, Palm Beach Rep. Debra Tendrich (D) - Palm Beach Rep. Meg Weinberger (R) - Palm Beach

Other CFHLA Legislative Priorities



With the start of week eight, we only have 11 days left and there are still several bills that would significantly impact the future of the tourism industry. Plus there is roughly \$4 billion in differences between the two legislative budget proposals for the fiscal year of 2025-2026.

Therefore, CFHLA and our leadership team will continue to stay engaged as

we educate and advocate for the desired outcome of our ten 2025 CFHLA Legislative Priorities. Below is an update on each of the issues that are extremely important to the hospitality and tourism industry at both the state and local level.

Other Tourist Development Tax (TDT) Issues

Our primary focus this session has been in strong opposition to several proposals related to TDT.

This includes <u>SB 1664 by Senator Jay Trumbull</u>, which is now awaiting a final committee hearing in the Senate on April 22, 2025.

If passed, SB 1664 would:

- Require all counties to pass a referendum to renew any existing TDTs by 2033.
- The Senate Bill mandates a new voter referendum in 2033. However, if passed it could then exist in purpetuity.
- This would pull dedicated funds away from tourism marketing and the long-term impact could result in a significant reduction in tourism to our destination. The TDT's were established to ensure counties had a dedicated funding source (not paid by residents, but rather paid by visitors) for the tourism promotion efforts necessary to create jobs and generate local revenue for our local communities and small businesses including restaurants, retail, and more.
- Exempt any TDTs that are bonded from these sunset provisions.

<u>SB 1664</u> by Senator Trumbull – This amended bill was approved by the Senate Finance and Tax Committee on April 15, 2025 by a vote of 5-0. This bill is now in the Senate Appropriations Committee, the last of three committee stops, and this bill was added to the Senate Appropriations Committee agenda for Tuesday, April 22, 2025.

Secondly, the Senate added to their Tax Proposal last week, <u>SB 7034</u>, a clause that would create a new \$50 million expenditure cap for TDT revenue that is spent on tourism marketing, before revenue may now be used for public facilities. Furthermore, the House added to language to a

separate tax proposal last week, <u>PCB02.WMC</u>, which would revise the approved uses of the Original, Additional, and High Tourism Impact TDTs in two ways. This includes allowing all coastal counties to use funds for the provision of beach lifeguards certified by an approved entity, and allowing coastal fiscally-constrained counties to use funds for certain capital improvements.

Simply put, CFHLA is opposed to both of these clauses being included.

Lastly, **CFHLA strongly opposes adding any additional approved used for Tourist Development Tax (TDT) revenues.** Adding additional approved uses will only serve to dilute the effectiveness of these dollars, which are statutorily established for the promotion of marketing of tourism. This includes our opposition to the following bills:

HB 6031 by Representative Eskamani – **No action was taken in the House last week.**

SB 1114 by Senator Guillermo Smith – No action was taken in the Senate last week.

SB 1116 by Senator Guillermo Smith – **No action was taken in the Senate last week.**

CFHLA OPPOSES

Visit Florida Funding

CFHLA supports the Governor's proposed budget, which includes **\$80 million in annual funding for VISIT FLORIDA (same from FY 2024-2025)**. Funding of VISIT FLORIDA ensures Florida continues to be top of mind as a leading vacation destination.

Currently, the Florida Senate and Florida House budget proposals include the full \$80 million in annual funding for VISIT FLORIDA (same

from FY 2024-2025). This is great news as we remain steadfast in our support of Visit Florida and its full and continued funding.

CFHLA SUPPORTS

VISIT FLORIDA® PARTNER

Clarifying Transient Occupancy (No Pay, No Stay)

CFHLA supports making the necessary changes to Florida Statutes, to provide more clarity to guests, law enforcement, and lodging establishments regarding the removal of disruptive, violent, lawbreaking, and non-paying guests from their property.

CFHLA supports the language in the <u>SB 606</u>, which was passed off the floor this week. Thank you Senator Leek for your leadership on this important issue.

However, the Florida House has amended the bill to include the following harmful provisions:

- Prohibits public food service establishments and hotels from including automatic gratuity or service charges in the price of food or beverages for parties of less than six (6) guests.
- The amended bill defines "gratuity" and "service charge" as any type of charge or required payment other than the price of the food or beverages.
- Public food service establishments may include automatic gratuity or service charges in the price of food or beverages for parties of six (6) or more guests. However, a public food service establishment that includes an automatic gratuity or service charge, must provide notice of the automatic charge on the face of every item provided to a guest and receipt required to be signed by a guest, in addition to being on

the food menu which is required by current law. The notice must list the person or business entity receiving the gratuity or service charge and the percentage they are receiving.

- A public food service establishment and/or hotel may not require a guest to pay an automatic gratuity or service charge if the guest requests not to pay such gratuity or service charge.
- The amended bill also provides that if a public food establishment bases an automatic or suggested gratuity or service charge on the price of food or beverages, the gratuity or service charge must be based on the price of the food or beverages before taxes.

HB 535 by Representative Johnson – No action was taken in the House last week. The bill was approved by a vote of 11 - 6 in the House Criminal Justice Subcommittee on April 1, 2025. This bill is now in the House Commerce Committee and this is the last of three committee stops.

SB 606 by Senator Leek – No action was taken in the Senate last week. This bill was approved by the Senate Rules Committee, by a vote of 22 -2, on April 8, 2025. It was then approved by the full Senate, by a vote of 35-1, on April 16, 2025.

CFHLA SUPPORTS THE SENATE BILL WITHOUT THE SERVICE CHARGE LANGUAGE INCLUDED

Increased Funding for Transportation and Infrastructure Projects

CFHLA supports the **increased funding of essential transportation and infrastructure projects** across the Central Florida region (excluding using TDT funds).

Within the Governor's proposed budget, includes **\$13.8 billion for the Florida Department of Transportation Work Program,** which is used for the construction and maintenance of Florida's roads, bridges, rails, seaports and other public transportation systems that grow the state's economy and improve the quality of life for our citizens. This includes "The Moving Florida Forward Plan" which is designed to accelerate the development and completion of important transportation infrastructure projects, including the plan to resurface 80 lane miles and add 54 lanes in Fiscal Year 2025-26.

Currently, the Florida Senate and Florida House budget proposals **include \$12.98 billion and \$13.99 billion respectively, for the Florida Department of Transporation Work Program.**

CFHLA SUPPORTS



Additional Education Funding for Hospitality/Culinary Programs at our Local Schools, Colleges, and Universities

CFHLA supports additional funding for our hospitality and culinary programs at our local high schools, as well as the increased perstudent funding at Valencia College, Seminole State College, and the University of Central Florida.

To date, Valencia College and Seminole State College are **among the lowest per student funding institutions in the state.** This is why it is imperative that CFHLA supports the Florida College System Council of **Presidents allocation request of \$200 million (using their formula)** in new, recurring funds to help recruit and retain the best faculty and invest in rapid credentialling workforce development programs that increase capacity within our region (including new and existing advanced accelerated programs).

This also includes our support of the following proposed bill that would create a new funding formula for the state college system and

establishes a floor of funding per student in Florida.

Currently, the Florida Senate budget proposal includes \$100 million of the \$200 million allocation request from the Florida College System Council of Presidents and the House budget proposal includes \$40 million.

<u>HB 1307</u> by Representative Temple – No action was taken in the House last week.

CFHLA SUPPORTS

Workforce Housing

CFHLA supports the continued full funding of the Sadowski Fund, as the Central Florida community has a dire need for more reliable and affordable housing options. CFHLA remains steadfast in our support of fully funding our much needed workforce housing programs, along with seeking modifications to the Live Local Act.

CFHLA supports the Governor's proposed budget, **which fully funds affordable and workforce housing programs at \$506.2 million.** This includes \$227.7 million for the State Apartment Incentive Loan (SAIL) Program and \$178.5 million for the State Housing Initiatives Partnership Program (SHIP), and \$100 million for the fourth year of the Hometown Heroes Housing Program, which helps make homeownership more affordable for eligible frontline community workers and other Florida families.

Currently, **the Florida Senate proposed budget includes a total funding of \$403.8 million for affordable and workforce housing programs.** Specifically, \$71.2 million for the State Apartment Incentive Loan (SAIL) Program, \$182.6 million for the State Housing Initiatives Partnership Program (SHIP), and \$150 million for the fourth year of the Hometown Heroes Housing Program. In the Florida House, the proposed budget includes \$285 million in total funding for affordable and workforce housing programs. This includes the State Apartment Incentive Loan (SAIL) Program, State Housing Initiatives Partnership Program (SHIP), and the Hometown Heroes Housing Program.

HB 247 by Representative Conerly – No action was taken in the House last week. This bill was approved by the House Intergovernmental Affairs Subcommittee, by a vote of 16 - 1, on April 9, 2025. This bill is now in the House Commerce Committee and this is the last of three committee stops.

SB 184 by Senator Gaetz – No action was taken in the Senate last week. This bill was approved by the full Senate on April 9, 2025 by a vote of 37 - 0.

HB 923 by Representative Lopez – **No action was taken in the House last** week.

SB 1594 by Senator McClain – No action was taken in the Senate last week. This bill was added to the Senate Community Affairs Committee agenda for Tuesday, March 25, 2025. However, the bill was not considered during the committee meeting.

HB 685 by Representative Alvarez – **No action was taken in the House last week.**

SB 1036 by Senator Rodriguez – **No action was taken in the Senate last** week.

CFHLA SUPPORTS

Commercial Property Insurance Reform

CFHLA supports any legislative efforts that are aimed at **reducing the cost** of commercial insurance in Florida.

CFHLA SUPPORTS

Statewide Regulation of Vacation Rentals and Advertising Platforms

CFHLA strongly supports requiring initiatives that ensure vacation home rentals on advertising platforms also practice the same safety standards as traditional lodging to protect visitors and their experience.

CFHLA SUPPORTS

Timeshare Revisions

CFHLA supports both of <u>ARDA</u>'s legislative proposals, including making timeshare-specific changes to the provisions passed in two condo/HOA bills passed during the 2024 Florida Legislative Session (HB 1021 and HB 1203).

HB 897 by Representative Berfield – The bill was approved by the House Civil Justice & Claims Subcommittee, by a vote of 14 - 0, on April 10, 2025. This bill is now in the House Commerce Committee, the last of three Committee stops and this bill was added to the Special Order Calendar for Wednesday, April 23, 2025.

SB 496 by Senator McClain – The bill was approved by the Senate Appropriations Committee on Agriculture, Environment, and General Government, by a vote of 12 - 0, on April 15, 2025. This bill is now in the Senate Fiscal Policy Committee, this is the last of three Committee stops and this bill was added to the Senate Fiscal Policy Committee agenda for Tuesday, April 22, 2025.

CFHLA SUPPORTS

Interchange Fees on Sales Tax (Eliminate Swipe Fees)

CFHLA supports **prohibiting the collection of interchange on sales tax**, which will provide relief to businesses, which will in turn provide relief to consumers.

CFHLA SUPPORTS

Orange County Convention Center Drives Community Impact



Closing out the second quarter of the 2024-2025 fiscal year, the **Orange County Convention Center (OCCC)** announced that it had hosted 62 total events and welcomed more than 629,000 attendees during this period. **This resulted in the Center generating a staggering \$1.5 billion in economic impact for our region.** Several of these events included the PGA Show and VMX, which brought in over 60,000 attendees combined and raised \$10,000 for wildfire relief. Additionally, **MEGACON Orlando shattered records with 180,000 tickets sold, contributing another \$456.5 million**. Beyond the economics, CFHLA was proud to support the Second Annual U.S. Hunger MLK Day of Service at the OCCC, which provided **one million healthy meals of food relief throughout Central Florida** and participate in the full-scale emergency response drill, in partnership with CISA and local agencies.

Looking ahead, the OCCC is now set to **welcome another 450,000** attendees across 50 events in the third quarter, which is projected to add another \$1 billion in positive economic impact to the region. Thank you to the OCCC for continuing to drive positive economic impact to our region, which benefits our local residents and community.

Schedule for Session Week 8 (April 21 - April 25, 2025)

To view the Senate's schedule, CLICK HERE.

To view the House's schedule, CLICK HERE.

Seeking Nominations to Serve on the CFHLA PAC/PC Board of Directors



The <u>CFHLA Political Action Committee and CFHLA Political Committee</u> are bi-partisan committees that protect the interests of the hospitality and tourism industry by educating and mobilizing our members to become more politically active, as well as supporting candidates for state and local office who are pro-tourism and pro-hospitality.

Currently, there are seven (7) vacancies on the CFHLA PAC/PC Board of Directors and we are seeking qualified lodging and allied candidates to serve on the CFHLA PAC/PC Board of Directors beginning May 28, 2025.

If you are interested in learning more about these vacancies, please contact CFHLA President / CEO Robert Agrusa at <u>robert.agrusa@cfhla.org</u>.

Upcoming CFHLA PAC/PC Meeting

The next CFHLA PAC/PC Board of Directors Meeting will take place on Wednesday, May 7, 2025 from 8:15 a.m. - 9:15 a.m. at the CFHLA office.

Upcoming Governmental Affairs Meeting

The next CFHLA Governmental Affairs meeting will be held on **Wednesday**, **June 18, 2025 from 12:00 noon - 1:30 PM**.

DONATE to the CFHLA PAC

CFHLA MEMBERS - Please **consider making a small donation of \$50** via the link below to the CFHLA PAC/PC. All contributions help CFHLA expand its efforts to support Hospitality-Friendly candidates who are running for local and state offices in the future. **Throughout the 2024 Election Cycle, 27 of 31 or 87% of the PAC endorsed candidates were elected into office.**

DONATE NOW!

IN THE NEWS

"A big deal for Central Florida": Hotel Tax shakeup gains momentum -

Orlando Sentinel

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About CFHLA

6675 Westwood Blvd #210, Orlando, FL 32821

The mission of the Central Florida Hotel and Lodging Association is to represent the Central Florida Hospitality Industry, by setting the standard of excellence through advocacy, collaboration, education, recognition, and service.