

2025 Florida Legislative Session Report





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CENTRAL FLORIDA HOTEL & LODGING ASSOCIATION 2025 LEGISLATIVE SESSION REPORT

Tourist Development Tax (TDT) - **DIED**

In 1977, the Florida Legislature passed the "Tourist Development Tax" (F.S.125.0104) at the request of Florida lodging executives. The purpose of the tax was to **create a dedicated revenue source for local tourism promotion and the reinvestment in publicly owned and operated capital improvements** such as convention centers, sports stadiums, sports arenas, coliseums, auditoriums, aquariums, or museums.

The proper reinvestment and **appropriate use of TDT will drive further visitation to our destination** and continue to benefit our local economy and residents through increased jobs and wages, sales tax revenue, property tax, etc.

This session, CFHLA **strongly opposed adding any new or expanded uses for Tourist Development Tax (TDT) revenues.** Any new or expanded uses of TDT will only serve to dilute the effectiveness of these dollars, which are statutorily established for the local promotion and marketing of tourism.

Lastly, **CFHLA opposed the periodic readoption of the TDT through local voter referendum.** 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). In addition to expending the additional dollars to pay for these referenda, local governments will spend time and resources every five years to promote re-adoption rather than concentrating their efforts on the work of tourism promotion.

Each of these bills related to TDT failed at the conclusion of the 2025 Florida Legislative Session.

- SB 1114 TOURIST DEVELOPMENT TAX (SEN. SMITH) Died in Senate Commerce and Tourism.
- SB 1116 TOURIST DEVELOPMENT TAX (SEN. SMITH) Died in Senate Commerce and Tourism.
- HB 6031 TOURIST DEVELOPMENT TAXES (REP. ESKAMANI) Died in House Ways and Means.
- HB 1221 LOCAL OPTION TAXES (REP. MILLER) Died in Senate Appropriations.
- SB 1664 LOCAL OPTION TAXES (SEN. TRUMBULL) Died on calendar.

The annual tax packages from both the House and Senate initially included provisions impacting the use of TDT revenues. Under the House's more aggressive proposal, counties would no longer have a minimum threshold of TDT collections designated for tourism marketing and promotion. In addition, the proposal would have allowed TDT revenues to be used to offset local property tax relief and would have completely dissolved all county Tourist Development Councils by the end of 2025. The Senate's initial tax package included language that would modify guidelines for the use of TDT revenues on broader infrastructure projects. This would have opened an option for expanded uses to all counties that spend at least 40 percent, or up to \$50 million annually (the new language) on tourism promotion. Such public infrastructure projects include transportation, sewer, waste systems, and water facilities.

These provisions were ultimately stripped from consideration thanks to significant advocacy and involvement from the tourism community in the final hours. The final tax package included a limited provision that allows "fiscally constrained" counties adjacent to the Gulf of America or the Atlantic Ocean to use TDT revenues for public facilities. Additionally, all counties adjacent to the Gulf of America or the Atlantic Ocean are permitted to use TDT revenues for beach lifeguards.

As the House and Senate continue to deliberate on how to provide property tax relief, TDT remains a potential target for further discussions about reform in future sessions.

Clarifying Transient Occupancy – PASSED

CFHLA supported making the necessary changes to Chapter 509.141, Florida Statutes, to provide more clarity to guests, law enforcement, and lodging establishments.

Chapter 509.141, Florida Statutes, permits licensed public lodging establishments to remove disruptive, violent, law-breaking, and non-paying guests from their property. It further allows for the engagement of law enforcement for assistance if the guest refuses to leave. This procedure is specifically separate and apart from the eviction procedures present in Chapter 83, Florida Statutes, which control landlord/tenant relationships.

Chapter 509.141, F.S., as currently constructed, did not provide clear guidance to guests, law enforcement, and lodging establishments regarding how the law should be applied to non-paying guests. Many public lodging establishment operators, upon trying to remove non-paying guests are told that the delinquent guest is a tenant and that Chapter 83 eviction proceedings must be used in order to remove the guest. This legal ambiguity resulted in significant financial harm to the operator of the establishment as they are losing the monies due for the room rental, and they are forced to assume the additional cost and time of the traditional eviction proceess.

Already signed by the Governor, SB 606 by Senator Leek and Representative Johnson amended the definitions of "transient occupancy" and "nontransient occupancy" in the public lodging establishments statute. The new definition of "nontransient occupancy" does not include hotels or motels unless a written agreement expressly states that such is the sole residence of the guest.

SB 606 provided that an operator of a public lodging establishment may remove a guest for failing to make payment or check out before the time "specified by the establishment," instead of the "time agreed upon by both parties." A public lodging or public food service establishment's written or oral notice to a guest to leave is effective upon delivery, whether in person, by telephone, email, or delivered to the guest's unit. However, requests for a guest to depart based on failure to check out or pay a public lodging establishment must be provided in writing via email, text message, or printed paper.

SB 606 also removes the requirement for a law enforcement officer to "arrest" a guest who refuses to leave an establishment in the officer's presence and instead requires the officer to "remove" the guest from the establishment.

Lastly, SB 606 defines "operations charge" as any automatic fee, including service charges and automatic gratuities, charged by a public food service establishment other than required taxes, and requires public food service establishments to provide specific notices with specific information when imposing operations charges. The notice must clearly state the percentage or amount of the operations charge and separately indicate when automatic gratuity is included. The provisions related to automatic operation charges do not apply to dining plans, packages, and fixed-price meals.





VISIT FLORIDA Funding - PASSED

This session, CFHLA supported the continued annual recurring funding of VISIT FLORIDA. Funding of **VISIT FLORIDA** ensures that our state continues to be top of mind as the leading vacation destination in the country. Additionally, CFHLA supports extending VISIT FLORIDA's sunset date to facilitate strategic planning and marketing for the near and long term.

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.

In this year's budget, the House and Senate agreed to allocate **\$80 million** to support VISIT FLORIDA. This allocation is the same as last year's budget and reinforces the Legislature's ongoing commitment to support VISIT FLORIDA's tourism marketing efforts.

Timeshare Revisions - PASSED

CFHLA supported both of ARDA'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).

Most notably, the proposal provided for a separate provision in F.S. 721 for timeshare associations and managers related to the bidding of contracts for goods and services. The recently approved legislation required that any contract valued over \$2,500 would be subject to competitive bidding if there was any relationship between the vendor and the manager or a board member. Timeshare managers and service providers are often integrated, particularly when under a major hospitality brand, and levels of service represented by the brand are part of the value proposition to owners.

Additionally, most timeshare associations operate on a far greater scale than a typical condo HOA, providing everything from bathroom supplies and housekeeping services to furnishings in units as common expenses. Given the context, a limit of \$2,500 is exceptionally low.

The proposed legislation would replace these provisions with new notice requirements to owners regarding these relationships.

Already signed by the Governor, HB 897 by Representative Berfield and Senator McClain will allow community association managers (CAMs) and CAM firms to be exempt from certain requirements relating to conflicts of interest if the CAM or CAM firm manages a timeshare plan and provides certain disclosures relating to a conflict of interest. The bill specifies that timeshare management firms and licensed CAMs employed by a timeshare management firm are governed by certain provisions in the Vacation Plan and Timesharing Act.

HB 897 also requires timeshare management firms and licensed CAMs that are employed by a timeshare management firm to discharge their duties in good faith, exempts such firms and licensed CAMs from certain liability for monetary damages, and requires a timeshare management firm or an owners' association that provides goods or services through a parent, affiliate, or subsidiary of the timeshare management firm to annually disclose to the members of that owners' association the fact that a related party is providing goods or services. Lastly, HB 897 authorizes the board of administration of a timeshare condominium to meet only once a year but does not prohibit additional board meetings from being called. All of these statutes are effective July 1, 2025.



Workforce Housing - PASSED

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

CFHLA also **urged the Legislature to consider modifications to the Live Local Act**, including broadening the innovative approaches to affordable housing development (excluding using TDT funds) and fostering support from local county and municipal governments.

In this year's budget, the Florida State Housing Initiatives Partnership (SHIP) and State Apartment Incentive Loan (SAIL) programs received **full funding for Fiscal Year 2025-2026**. SHIP is allocated \$163.8 million, and SAIL is funded at \$71.2 million. This funding is in addition to the nonrecurring \$150 million from the General Revenue Fund to the Florida Housing Finance Corporation for Fiscal Year 2024-2025 for affordable housing projects. The unexpended balance of funds on June 30, 2025, shall revert and be appropriated to the corporation for the same purpose for Fiscal Year 2025-2026.

Legislation (SB 1730, HB 943) sponsored by Senator Calatayud and Representative Lopez (V) made a series of changes to the Live Local Act, all of which were unanimously approved by the Legislature. These include the following updates:

- Allow local governments to approve affordable housing development on parcels owned by religious institutions.
- Prohibit local governments from requiring a proposed multifamily development to obtain transfer of density or development units or an amendment to a development of regional impact.
- Provide that if a proposed development is on a parcel with certain structures or buildings within
 a historic district listed in the National Register of Historic Places, a local government may do
 either or both of the following:
- Restrict the height of the proposed development.
- Require the proposed development to comply with local regulations relating to architectural design, provided it does not affect the height, floor area ratio, or density of the proposed development.
- Require local governments, upon request of an applicant, to reduce parking requirements for a proposed development by 15 percent if the development is located within one-quarter of a mile of a transit stop, within one-half mile of a major transportation hub, or has available parking within 600 feet of the proposed development.
- Authorize local governments to allow an adjacent parcel of land to be included within a proposed multifamily development.
- Require courts to prioritize any civil action filed against a local government for a violation of certain affordable housing development laws and require attorney fees and costs be awarded to the prevailing party, with a limit of \$250,000.
- Prohibit local governments from imposing a building moratorium that delays the permitting or construction of a multifamily or mixed-use residential development.
- Create annual reporting requirements for local governments relating to litigation under Florida's affordable housing development laws.



Additionally, the final tax package (HB 7031), sponsored by Representative Duggan, included expansions and creation related to affordable housing, including these provisions:

- The exemption for land leased by a nonprofit for affordable housing for at least 99 years is expanded to include property leased from a local housing finance authority and land leased and assigned or subleased from a nonprofit to certain persons or families.
- The exemption for multifamily affordable housing that requires a land use restriction agreement lasting at least 99 years is expanded to include property leased from a local housing finance authority.
- An exemption is created for recently constructed multifamily affordable housing of at least 70 units on government property that is leased for at least 30 years.
- An exemption is created for new multifamily affordable housing of at least 70 units on stateowned property that is leased for at least 60 years. This exemption expires on December 31, 2061.
- Eligibility to receive a property tax exemption for multifamily affordable housing constructed or rehabilitated within 5 years from the date of first application is expanded to allow successive owners of the property to apply for the exemption.

Increased Funding for Transportation and Infrastructure Projects - PASSED

This session, CFHLA supported the increased funding of essential transportation and infrastructure projects across the Central Florida region (excluding using TDT funds). This included the Moving Florida Forward Initiative and expanding our region's intermodal transportation system through projects including the Sunshine Corridor, connecting SunRail to MCO, and the tourism corridor.

In this year's budget, Governor Ron DeSantis and the Legislature prioritized the funding of transportation projects both through the Florida Department of Transportation Work Program and, more recently, through the Moving Florida Forward (MFF) Infrastructure Initiative. These select expedited projects will help resolve and address issues related to safety, congestion relief, quality of life, resiliency, and modernization in some of the state's most traveled corridors. In so doing, the Legislature agreed to carry forward any unexpended dollars dedicated to MFF into this new fiscal year to ensure that any programmed projects continue receiving funding.

Relevant sections from the General Appropriations Act include:

SECTION 254

The nonrecurring sum of \$351,959,484 from the State Transportation Trust Fund is appropriated to the Department of Transportation in the Moving Florida Forward Work Program category for Fiscal Year 2024-2025, for the Moving Florida Forward projects currently programmed in Fiscal Year 2025- 2026. The currently programmed projects are hereby advanced to the Fiscal Year 2024-2025 Adopted Work Program. The unexpended balance of funds provided in this section on June 30, 2025, shall revert and is appropriated to the department for Fiscal Year 2025-2026 for the same purpose and contingent upon funding support efforts to initiate the development of Kendall Parkway from SR 836 to SW 136th Street are included in the Fiscal Year 2025-2026 Adopted Work Program. This section is effective upon becoming law.

SECTION 255

The unexpended balance of any remaining funds appropriated to the Department of Transportation in the Moving Florida Forward - Work Program category for Fiscal Year 2024-2025, excluding the



nonrecurring sum of \$351,959,484 appropriated to the Department of Transportation in Section 254, shall revert and is appropriated to the department for Fiscal Year 2025-2026 for the same purpose. This section is effective upon becoming law.

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In the most recent initiative of the Moving Florida Forward Infrastructure Program, construction began in February 2025 to add over 31 miles of new auxiliary lanes along I-75, from State Road 44 in Wildwood to State Road 326 in Ocala. This project broke ground 10 to 15 years ahead of its originally scheduled start date.

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

This session, CFHLA supported additional funding for our hospitality and culinary programs at our local high schools, as well as the increased per-student funding at Valencia College, Seminole State College, and the University of Central Florida. Currently, 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 supported 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).

In this year's budget, there are additional funds included for the Work Florida Student Success Incentive Fund that supports college strategies and initiatives that align career education programs with statewide and regional workforce demands and high-paying job opportunities.

This includes the following additional allocations for the FY 2025 - 2026:

- Seminole State College of Florida: \$833,004
- Valencia College: \$1,922,195

SOMETHING TO PUT ON YOUR RADAR

Hospitality with Purpose – Economic Stability Enterprise for Individuals with Disabilities received \$820,050 in funding. This member project aims to convert portions of a large South Florida-based resort, the Chateau Mar Golf Resort, into an inclusive, comprehensive economic hub focused on education and training, employment, and affordable housing for people with disabilities. The primary education and training focus is on hospitality-related areas utilizing the hotel's guest rooms, ballrooms/event space, café/coffee shop, indoor and outdoor events, and recreational facilities, primarily serving the public. This model incorporates classroom-based education and hands-on work-based learning experiences throughout the facilities. This innovative model also addresses the critical affordable housing needs of individuals with disabilities by offering short-term housing while participating in the program and beyond. The comprehensive support ultimately improves their quality of life, promoting greater independence, community inclusion, and belonging.



Commercial Property Insurance Reform – DIED

The cost of insurance has increased significantly – not just for residents, but also for Florida businesses. The cost increases for commercial payers are often so large that it impacts customers, guests, and employees. As the Florida Legislature continues its work to make insurance more affordable for residential and individual customers, so too do commercial insureds need the attention of the Legislature so that Florida's businesses can continue to thrive.

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

During this legislative session, the primary focus of insurance discussions centered on residential property insurance. Despite widespread concern over rising insurance premiums, limited legislative action was taken, with many members stating they want this to be a priority next session. The Legislature did, however, agree to repeal the business rent tax, effective October 1, 2025.

Statewide Regulation of Vacation Rentals and Advertising Platforms – DIED

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 across the Central Florida region. Florida's statutes need to be updated to ensure that all of Florida's public lodging establishments provide safe and quality experiences for their guests and communities - without infringing on the rights of local governments or unduly burdening vacation rental owners and rental platforms.

Florida also ranks as the third highest state for human trafficking cases in the United States. Each year, thousands are trafficked in the United States, and traffickers often rely on businesses to sustain their operations. Recently, traffickers have begun to utilize vacation home rentals for their criminal activity. With millions of visitors coming to our state each year, Florida's hospitality industry must serve as a leader in the fight to combat human trafficking, and it is critical that our industry continues to raise awareness through education and training.

This session, CFHLA strongly supported the following:

- 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. These standards include but are not limited to: human trafficking awareness, training and prevention, regular health and safety standards and inspections, pool safety and drowning prevention, hygiene, and cleaning procedures, as well as mandatory occupancy requirements to protect visitors and their experience.
- Requiring advertising platforms to confirm the licensing/registration of vacation home rentals with the State Department of Revenue and the Department of Business and Professional Regulation prior to listing.
- Requiring advertising platforms to collect and remit all taxes.
- Requiring advertising platforms to list the vacation rental license number on the advertisement of the units.
- Allowing local governments the option to establish a robust local registration system for vacation rentals.
- Requiring the proper homeowners and commercial insurance coverage.
- Requiring advertising platforms to confirm licensure of units being advertised and protect consumers from fraudulent transactions.
- Reasonable and effective penalty provisions for noncompliance, such as higher monetary penalties and vacation rental license revocation provisions; and
- Clear and consistent audit provisions to allow for accurate assessment of compliance.



Prior to the start of the 2025 Legislative Session, Senator Nick DiCeglie noted that there has been little discussion regarding vacation rentals, and he was not aware of any efforts to pursue changes. Senator DiCeglie, who sponsored vacation rental legislation over the past two sessions, including a bill vetoed by the governor last year, indicated he would not introduce legislation in the 2025 session. Ultimately, this rang true as there were limited discussions and no legislation on vacation rentals in the 2025 session.

Interchange Fees on Sales Tax - DIED

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. The 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 surcharging as a means of absorbing this cost, which impacts consumers directly.

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

This session, there were no substantive conversations regarding interchange fees on sales tax.

OTHER ISSUES CFHLA MONITORED THROUGHOUT THE 2025 FLORIDA LEGILATIVE SESSION

TAX PACKAGES

Full tax package breakdown

https://www.flsenate.gov/Session/Bill/2025/7031/Analyses/h7031z.WMC.PDF

REGULATION OF CASHLESS BUSINESSES

Rep. Rudman filed legislation (HB 67) that would have mandated specific businesses to accept cash payments for certain in-person transactions without imposing additional fees or conditions. This legislation was withdrawn prior to introduction.

CONDO REGULATION

Already signed by the Governor, this legislation (HB 913, SB 1742), sponsored by Representative Lopez (V) and Senator Bradley, revises regulations on structural integrity reserve studies (SIRS), milestone inspections, and the governance of condominium and cooperative associations. It permits associations, with majority approval, to fund reserves through special assessments, loans, or lines of credit; to pool reserves when certain conditions are met; and to adopt baseline funding plans. Reserve funds may be invested in CDs or depository accounts without a unit owner's vote.

The bill authorizes board and unit owner meetings to be conducted via videoconference, subject to certain requirements and limitations, and allows all multicondominium associations to use an approved alternative funding method to satisfy reserve funding obligations. It also clarifies that, unless otherwise stated in the bylaws, a quorum consists of a majority of the voting interests.

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Additionally, local enforcement agencies must annually submit a report to the Department of Business and Professional Regulation relating to association compliance with milestone inspection requirements. Moreover, it creates additional requirements relating to the licensure and regulation of community association managers and community association management firms, including provisions relating to certain conflicts of interest; and prohibits any design professional or contractor from having an interest in a firm or entity providing a milestone inspection for an association, unless the interest is disclosed to the association in writing.