

April 17, 2025

SPECIAL EDITION VI

2025 Florida Legislative Session Update - Week 6

With week six of the nine-week Session now concluded, legislators are now racing to push their remaining bills through committees and attention now shifting significantly to the floor for final bill considerations. On the 40th day of the 2025 Florida Legislative Session, 804 bills – representing 47.5% of the total bills filed – have yet to be taken up by the Legislature.

Additionally, both the Florida Senate and House passed their individual

budget proposals last week and have begun to make strides in creating the final Florida budget for the fiscal year of 2025-2026. **However, there is roughly \$4 billion in differences between the two proposals.**

The Senate's budget, <u>SB 2500</u>, totals **\$117.4 billion and provides a clothing and shoes sales-tax free for items costing \$75 or less**, coupled with grocery tax relief, and creates multiple tax holidays. This proposal would also request a study to be done on the possibility of decreasing or eliminating property taxes on residents' permanent homes. Meanwhile, the House's budget, <u>HB 5001</u>, proposes a budget of just under **\$113 billion and would reduce Florida's sales tax from 6% to 5.25%, along with other tax reductions including cuts in property taxes**. Lawmakers will have just over three weeks to work in their conference committees to hammer out any discrepancies.

With the start of week seven, we only have 15 days left. With many committees meeting for the final times this week, there are still a few bills that would significantly impact the future of the tourism industry. 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.



Tourist Development Tax (TDT)

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

Two of these bills include <u>HB 1221 - Local Option Taxes by</u> <u>Representative Monique Miller</u> and <u>SB 1664 by Senator Jay Trumbull</u>, which has now moved through two committees in both the House and the Senate.

If passed, HB 1221/SB 1664 would:

- Require all counties to pass a referendum to renew any existing TDTs by 2033.
- The House Bill mandates a new voter referendum every eight years for continued use of TDTs, <u>but</u> allows for a 30-year renewal if the funds collected are used to pay down bonds or other debts.

- The Senate Bill is slightly different as it 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.

HB 1221 by Representative Miller – This bill was approved by the House Intergovernmental Affairs Subcommittee on April 9, 2025 by a vote of 7 - 1. This bill is now in the House State Affairs Committee and this is the last of three committee stops.

<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 and this is the last of three committee stops.

Secondly, the Senate added to their Tax Proposal this 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 this 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.

Last week, the Florida Senate and Florida House budget proposals **included 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®

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 – 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.

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

CFHLA SUPPORTS

Adding or Upgrading EV Chargers?



Call Glen Lyons at: 407-247-5083

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.

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 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.

Last week, the Florida Senate budget proposal included \$100 million of the \$200 million allocation request from the Florida College System Council of Presidents and the House budget proposal included \$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.

Last week, **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 included \$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 – 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 – 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, and this is the last of three Committee stops.

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, and this is the last of three Committee stops.

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

Schedule for Session Week 7 (April 14 - April 18, 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.**

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IN THE NEWS

Senate approves bill to strengthen motel owner - Florida Politics

<u>Senate passes bill promoting affordable housing development</u>- Florida Politics

<u>Gov. DeSantis says sales tax relief should help Floridians, not</u> <u>foreigners</u>- Florida Politics

<u>Gov. DeSantis announces I-4 road project opening ahead of schedule in</u> <u>Central Florida</u>- Florida Politics

Shan Rose Receives major endorsement from Central Florida Hotel & Lodging Association - Orlando Politics

<u>Christine Moore Announces Bid for Apopka Mayor in 2026</u>- Orlando Politics

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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.