



The Insider
powered by:



April 6, 2023

THE INSIDER - SPECIAL EDITION

2023 LEGISLATIVE SESSION UPDATE - WEEK 5

With session at its halfway point, the **House and the Senate have each passed their preferred budgets this week.** The House and the Senate are just \$600 million apart in total funding, but larger differences need to be resolved in formal negotiations before the conclusion of the 2023 Legislative Session. **Also, the House has dedicated no funds to Visit Florida while the Senate has proposed \$80 million (with \$30 million recurring).**

Though the main focus has been on the budget this week, many policy issues have moved forward. On April 3, 2023, the Governor signed [HB 543](#) into law, which will go into effective on July 1, 2023. This is the **Permitless Conceal Carry** bill which would allow a person to carry a gun without a permit or training in Florida. This applies only to concealed weapons and does not allow a person to open carry. Furthermore, on Friday, March 31st, the House approved [HB 733](#) by a vote of 92-20, which would prevent middle schools from starting before 8 a.m. and high schools from starting

earlier than 8:30 a.m. [HB 733](#) has now been referred to the Senate Fiscal Policy Committee for consideration.

As we enter the second half of the legislative session, we will remain vigilant as we continue to monitor the progression of the remaining bills that are important to our industry including: proposals that expand the use of the Tourist Development Tax (TDT), the statewide regulation of vacation homes and advertising platforms, increased funding and incentives to encourage additional workforce housing opportunities, data privacy, the clarification and modernization of the Florida Timeshare Act, Human Trafficking and many others.

[CLICK HERE](#) to download the complete 2023 CFHLA Legislative Agenda.

LEGISLATIVE ALERT

As we reported in last week's Insider edition, on **Friday, March 24th** the **Florida House filed a bill that would be the biggest attack on the tourism industry ever proposed.**

In response, CFHLA along with our partners at [Visit Orlando](#), [Experience Kissimmee](#), [Do Orlando North](#), [The Orlando Ballet](#), [United Arts](#), [Greater Orlando Sports Commission](#) and the [Orange County Convention Center](#), went to Tallahassee to advocate against **HB 7053**.

The House Regulatory Reform & Economic Development Subcommittee heard the bill and despite overwhelming opposition from CFHLA, our partners and many groups throughout the state the subcommittee **passed** this bill. This means, **[HB 7053](#) bill would severely harm Florida's tourism industry by stripping away Visit Florida's ability (and our local communities) from effectively promoting our tourist destination and hampers our ability to seek new opportunities to remain competitive as a region.**

In summary, [HB 7053](#) would:

1. Rural counties are required to pay 2% of Tourist Development Tax (TDT) collections and **non-rural counties (this means all three counties – Orange, Osceola and Seminole) would be required to pay 5% of TDT to fund Visit Florida**, approximately \$70 million for 2023-26, then becomes voluntary via vote of governing body. **This would equate to more than \$21 Million (or more) in lost TDT for our tri-county area combined (30% of total collected from all counties and completely disproportionate).**

2. Requires all Tourist Development Tax levied to be reauthorized by referendum every 6-years exempting TDT collected to cover county bond obligations.

3. Eliminates proceeds from rental car surcharge to Visit Florida.

4. **Prohibits any state appropriations to Visit Florida.**

5. Requires Visit Florida to ensure that **75 percent of all expenditures go towards activities, services, functions and programs that directly assist state parks, state forests and rural counties.**

6. Require VF to match monies from each county on a one-to-one basis while prohibiting any proceeds from TDT to be counted towards the match. Any co-op marketing or local DMO program participation cannot count.

7. **Expands the ability for counties to use TDT for tourism infrastructure for transportation, sanitary sewer, solid waste, drainage, potable water, and pedestrian facilities by removing the requirements to use at least 40% of TDT for marketing as well as removing the independent professional analysis demonstrating the positive impact to tourist-related businesses in the county. This effectively allows TDT to be spent on anything locally, which we adamantly oppose.**

8. Based on our calculations, the definition of rural counties within this bill includes: Baker, Bradford, Calhoun, Columbia, DeSoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Holmes,

Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, Walton and Washington.

CALL TO ACTION:

We are hearing that HB 7053 (previously PCB-RRS2) could be up for its second committee of reference – the House Ways & Means Committee – next Wednesday, April 12th.

Therefore, we are encouraging our members to please reach out to the House members in your area, especially if they serve on the House Ways & Means Committee (a list of those committee members is below). Share with them the impacts HB 7053 will have on your community and its residents.

Here are a few talking points that you could share with each member.

- Tourism is the **lifeblood of Florida's economy** and has been key to revitalization of the free State of Florida's economy following the pandemic bringing in a surplus of revenue to the state.
- Visit Florida **generates a return on investment of \$3.27** in taxes for each dollar invested by the State of Florida.
- Under this proposed bill, all non-rural counties including **Orange, Osceola and Seminole Counties would be required to pay 5% of our annual Tourist Development Taxes (TDT) to fund Visit Florida**. This would equate to **at least \$21 Million in lost TDT for our tri-county area combined**, which would be detrimental to the economic viability of our local youth and amateur sports complexes, the arts community, and to our local Direct Marketing Organizations.
- Additionally, **this \$21 Million would be roughly 30% of all TDT that would be collected from across the state**, and we would be disproportionately paying the highest amount to Visit Florida with little return.
- This proposed bill limits Visit Florida's ability to market the entire state and internationally, as Visit Florida would now be **required to spend at least seventy-five percent of all funds directly to assist rural counties and Florida's state parks and forests**.
- With fifty-one percent of our local sales tax being paid by out-of-town visitors, **any decline in visitation due to reduced tourism marketing and promotion could result in job loses for small businesses and a reduction of the state sales tax revenue** that is

used to pay for our critical services, such as public safety, education, health care and infrastructure. **For example, if tourists no longer traveled to the Central Florida region, each household in Orlando would need to be taxed an additional \$6,412 to replace the taxes generated by visitor activity.**

- Under this proposed bill, the potential window for TDT to exist is only 6 years. This means **the ability to issue long-term debt becomes non-existent**. As a result, using these funds to invest in major projects and enhancements that have a high economic return for our community - such as the Orange County Convention Center and Camping World Stadium - becomes extremely difficult to achieve in the future. Plus, it imperils the smaller, but just as impactful arts, sporting and cultural events that we also do with TDT throughout Orange, Osceola and Seminole Counties.
- **If the TDT goes away entirely, all of the things we currently do with it today either go away or become the responsibility of our general taxpayers to pay for.**

Click on each of the House Members names to email them and let them know you oppose HB 7053.

Ways & Means Committee:

<u>Rep. Stan McClain</u>	(R, Lake, Marion, Volusia)
<u>Rep. James Buchanan</u>	(R, Sarasota)
<u>Rep. Chip LaMarca</u>	(R, Broward)
<u>Rep. Anna Eskamani</u>	(D, Orange)
<u>Rep. Doug Bankson</u>	(R, Orange, Seminole)
<u>Rep. Webster Barnaby</u>	(R, Volusia)
<u>Rep. Kimberly Berfield</u>	(R, Pinellas)
<u>Rep. Daryl Campbell</u>	(D, Broward)
<u>Rep. Mike Caruso</u>	(R, Palm Beach)
<u>Rep. Joe Casello</u>	(D, Palm Beach)
<u>Rep. Dan Daley</u>	(D, Broward)
<u>Rep. Wyman Duggan</u>	(R, Duval)
<u>Rep. Tom Fabricio</u>	(R, Miami-Dade)
<u>Rep. Juan Fernandez-Barquin</u>	(R, Miami-Dade)
<u>Rep. Dianne Hart</u>	(D, Hillsborough)
<u>Rep. Sam Killebrew</u>	(R, Polk)
<u>Rep. Michele Rayner-Goolsby</u>	(D, Hillsborough, Pinellas)

[Rep. Spencer Roach](#)

(R, Charlotte, DeSoto, Lee)

[Rep. Will Robinson](#)

(R, Manatee)

[Rep. Rick Roth](#)

(R, Palm Beach)

[Rep. Tyler Sirois](#)

(R, Brevard)

[Rep. David Smith](#)

(R, Seminole)

[Rep. Alison Tant](#)

(D, Jefferson, Leon, Madison)

[Rep. Susan Valdes](#)

(D, Hillsborough)

CFHLA STRONGLY OPPOSES THIS BILL



TOURIST DEVELOPMENT TAX (TDT)

A bill in each chamber that proposes changes to the Tourist Development Tax (TDT) statute and authorizes certain fiscally constrained counties to use a designated percentage of tourist development tax revenues received to reimburse expenses incurred for certain purposes.

[HB 309](#) by Representative Shoaf – **No action was taken in the House this week.**

[SB 640](#) by Senator Simon – **No action was taken in the Senate this week.**

HB 7053 by Representative Yeager - **Referred** to The Appropriations Committee, **NOW** in The Ways and Means Committee.

CFHLA STRONGLY OPPOSES

VISIT FLORIDA FUNDING

CFHLA **supports increased funding for VISIT FLORIDA in the amount of \$100 million.** Following Hurricane Ian and Tropical Storm Nicole, funding will be especially important to ensure Florida continues to be top of mind as a leading vacation destination.

The House has passed their budget with \$0 funding for Visit Florida FY 2023-2024 year. Additionally, the Senate has passed their budget allotting \$80 million in funding for Visit Florida, with \$30 million recurring.

CFHLA SUPPORTS FULL FUNDING OF VISIT FLORIDA



VACATION HOME RENTALS AND ADVERTISING PLATFORMS

A bill in each chamber that would require advertising platforms to collect and remit specified taxes for certain vacation rental transactions. It also defines the term “advertising platform,” revises the regulated activities of public lodging establishments and public food service establishments preempted to the state to include licensing, requires advertising platforms to require that persons placing advertisements for vacation rentals include certain information in the advertisements and attest to certain information and authorizes DBPR to revoke, refuse to issue or renew, or suspend vacation rental licenses under certain circumstances.

[HB 833](#) by Representative Duggan – **Now action was taken this week.**

This bill is now awaiting a hearing in the Ways and Means Committee.

[SB 714](#) by Senator DiCeglie – **No action was taken this week.** The bill is

now awaiting a hearing in the Appropriations Committee on Agriculture, Environment and General Government.

CFHLA SUPPORTS

WORKFORCE HOUSING

We applaud the Governor for signing [SB 102](#) into law effective July 1, 2023.

SB 102 is also known as the "Live Local Act," which is a comprehensive affordable housing package sponsored by Senator Calatayud.

The bill, a priority for Senate President Passidomo, allocates \$252 million in non-recurring funds towards the State Housing Initiatives Partnership (SHIP) and \$259 million (recurring and non-recurring) towards the State Apartment Incentive Loan (SAIL) programs. The bill includes various provisions such as eliminating limited statutory authority for local governments to impose rent control measures and authorizing counties to approve "mixed-use residential" development that includes affordable housing within commercial or industrial zones. Additionally, the bill provides ad valorem tax exemptions for land owned by a non-profit entity leased for 99+ years for the purpose of affordable housing and newly constructed or substantially rehabilitated developments with 70+ units dedicated to providing affordable low- to moderate-income housing.

The bill also authorizes local governments to offer an additional local option ad valorem tax exemption to property owners who dedicate units to extremely low-income or very-low-income residents. Furthermore, the bill provides for a new distribution of the lesser of 8 percent of Documentary Stamp Tax revenues or \$150 million to be deposited into the State Housing Trust Fund, and codifies the Hometown Heroes program, which provides

down payment assistance and zero-interest loans to eligible frontline community workforce members.

SB 102 by Senator Calatayud – **Signed by Governor DeSantis on March 29, 2023**

CFHLA SUPPORTED THIS PRIORITY BILL

DATA PRIVACY

CFHLA believes that customers deserve to have control over their personal information. However, any regulations upon individual companies should not be unreasonable, as the cost of compliance could be significant for small and medium-sized businesses. Additionally, businesses must be given an adequate opportunity to correct any errors and respond to complaints without the threat of costly litigation.

SB 262 by Senator Bradley - **This bill was passed unanimously by the Senate Commerce and Tourism Committee on April 5th.**

HB 1547 by Representative McFarland - **This bill was passed unanimously by the House Regulatory Reform & Economic Development Subcommittee on Wednesday, March 29th.**

CFHLA OPPOSES



FLORIDA TIMESHARE ACT

CFHLA supports ARDA's legislative proposal, which seeks the **clarification and modernization of several provisions in the Florida Timeshare Act**. Beneficial revisions for owners' associations include the option for meetings to be held virtually, an exemption from current requirements to deliver notices to an owner's unit rather than the address of record, clearer authority to act in an emergency, and streamlining the trustee foreclosure process to make it less time-consuming. The proposal would also allow developers to deliver certain documents to purchasers electronically and clarify provisions regarding the delivery and filing of other required documents. These proposed changes would **help bring the statute up to date relative to the current business model and available technology**.

CFHLA SUPPORTS

MARC REICHER APPOINTED TO CFHLA PAC/PC BOARD OF DIRECTORS



Congratulations to **Marc Reicher**, Senior Vice President with **RIDA Associates, LP** who has been appointed to the CFHLA PAC/PC Board of Directors! RIDA Development Corporation is a full service real estate organization, whose corporate headquarters is located in Houston, TX with regional offices in Orlando, FL; Denver, CO and Warsaw, Poland.

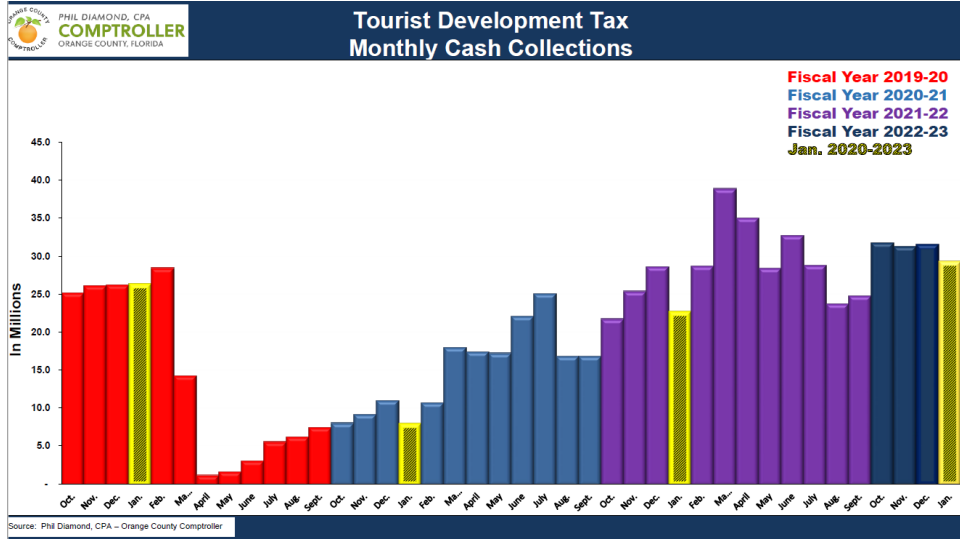
REGIONAL TOURIST DEVELOPMENT TAX **UPDATE**

Orange County

The Tourist Development Tax (TDT) collections received by Orange County for the month of **January 2023 were \$29,046,900**. That is a **29.3% increase** over January 2022.

Month-over-month, **January collections were lower than December collections by \$2.2 million**. However, they were higher than January 2022 collections by \$6.6 million and were also the highest January collections on record.

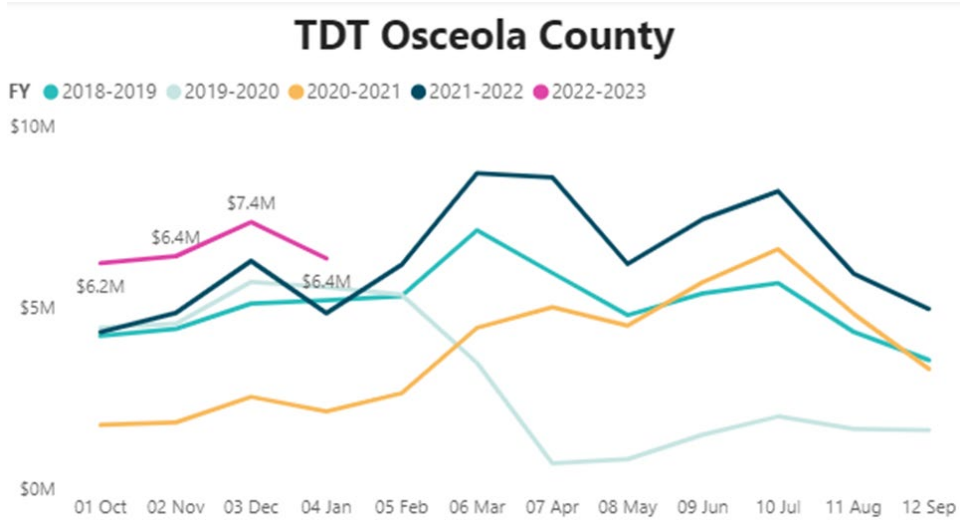
The chart below shows monthly TDT collections for the current fiscal year and the previous three fiscal years.



Osceola County

The Osceola County Tourist Development Tax (TDT) collection for the month of **January** was **\$6,400,00**, another monthly record for TDT collection. The amount was + 14% vs. 2019 and +31% vs. 2022.

Also, vacation homes accounted for 57% of the TDT collection, with hotels/resorts at 40%.

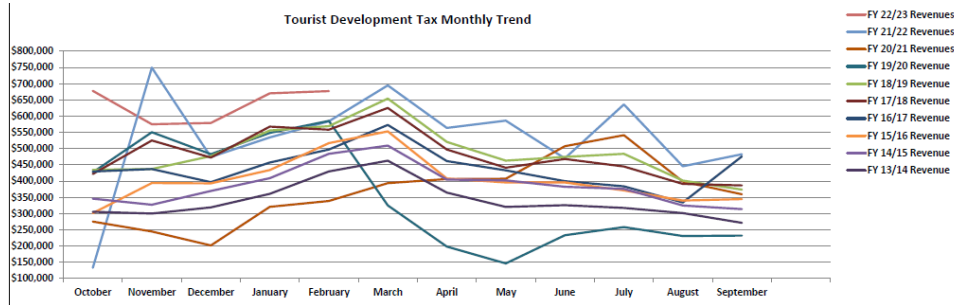


Seminole County

Seminole County announced that the **Tourist Development Tax (TDT) collection for the month of January** was at **\$676,944**. This was an

increase of \$93,029 over January 2022.

For the FY 2022-2023, **Seminole County has now collected \$3,178,910 in TDT, an increase of \$704,810 over the same period in FY 2021-2022.**



UPCOMING GOVERNMENTAL AFFAIRS MEETING

The next Governmental Affairs meeting will be held on **Wednesday, May 24th at Lowndes (thank you Jackie Bozzuto) from 12:00 p.m. - 1:30 p.m.** Our guest speaker will be **State Senator Dennis Baxley. This meeting is by invitation only.**

DONATE

CFHLA MEMBERS - Please **consider making a donation of \$50** via the link below to the CFHLA PAC/PC. All contributions help CFHLA expand its efforts to support and endorse Hospitality-Friendly candidates for local and state offices. **In the 2022 General election, all 16 CFHLA endorsed candidates were successfully elected into office.**

[**DONATE NOW**](#)

As a reminder, all CFHLA Board Members, PAC/PC Board Members, and ARC Board Members have committed to contributing \$150 to the CFHLA PAC/PC in 2023. If you are a part of one or more of these groups, please consider fulfilling your commitment today.

IN THE NEWS

[Controversial Florida TDT bill assigned to House committee. Here's what's next.](#) - Orlando Business Journal

[House, Senate budgets diverge on education, economic development](#)
- Florida Politics

[Orange County's record run of tourist-tax revenue continues](#) - Orlando Sentinel

[Gov. DeSantis quietly signs permitless carry measure](#) - Florida Politics

[Senate passes \\$113.6B budget](#) - Florida Politics

[Reedy Creek 'fix' might have to wait, legislative leaders say](#) - Florida Politics

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About CFHLA

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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.