



May 8, 2023

# THE INSIDER - SPECIAL EDITION

# SINE DIE - 2023 LEGISLATIVE SESSION REPORT

Last Friday, May 5, 2023, the Florida Legislature officially concluded their 60-day Legislative Session.

In the end, CFHLA had some great wins during this Legislative Session as we successfully accomplished 4 out of our 6 main Legislative Priorities. We are grateful to the members of the Florida Legislature, along with our Tourism Partners and CFHLA Members, who supported us throughout the session and helped us achieve these important priorities for the tourism and hospitality industry.

These **BIG WINS** included the House's proposed **TDT expansion/VISIT FLORIDA** overhaul (**HB 7053**), which was not heard again and died at the conclusion of the 2023 Florida Legislative Session. This comprehensive legislative proposal would have replaced VISIT FLORIDA funding from the state budget with County-level TDT revenues. Additionally, it would have changed how tourism marketing dollars are allocated throughout the state.

CFHLA **strongly opposed this effort** and we will continue to stand in opposition to this harmful bill, should we see it again in the future.

The second major win included the Senate and House agreeing to **fund** VISIT FLORIDA in the amount of \$80 million, with \$30 million recurring. This is a \$30 million increase over the current year and the largest appropriation that VISIT FLORIDA has ever received.

Thirdly, we applaud the Governor, along with Senator Calatayud and Representatives Busatta Cabrera and Lopez, for their support and signing of SB 102 into law effective July 1, 2023. SB 102, also known as the "Live Local Act", fully funds the Sadowski Fund and the State Apartment Incentive Loan dollars (SAIL), increases the percentage of State Housing Incentive Partnership dollars (SHIP) that can be used for rental housing, removes barriers to the development of workforce housing, and provides innovative incentives and tax credits for businesses to develop high-quality housing for their workforce.

The final major win was <u>HB 869</u> by Commerce Committee and State Administration & Technology Appropriations Subcommittee and Representative McClain. This legislation contained provisions that were supported by CFHLA and ARDA, which sought to clarify and modernize the Florida Timeshare Act. These changes will now give more flexibility in filings, remove the 15% cap on the aggregate represented value of all incidental benefits offered by a timeshare developer and help bring the statute up to date, relative to the current business model and utilizing technology.

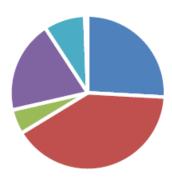


Lastly, the Legislature fulfilled their constitutional duty and approved the **\$117 Billion** FY 2023-2024 State of Florida Budget.

#### The FY 2023-2024 State of Florida Budget includes:

- \$46.5 Billion General Revenue and \$70.5 Billion Trust Fund
- \$10.9 Billion Reserves
- \$3.7 Billion Total Hurricane Relief and Recovery
- \$6.7 Billion Criminal and Civil Justice
- \$21 Billion Transportation and Economic Development
- \$11.3 Billion Agriculture and Natural Resources
- \$47.3 Billion Health and Human Services
- \$27.9 Billion Total Education
  - \$14.52 Billion K-12 Education
  - \$217 Million Private Colleges
  - \$2.4 Billion Florida Colleges
  - \$6.4 Billion State Universities

# 2023-24 Budget Silos



Education

- Health & Human Services
- Criminal Justice
- Ag & Natural Resources
- General Gov't
- Judicial

Silo	Dollar Amount (Billions)
Education	30.304
Health & Human Services	47.26
Criminal Justice	6.007
Ag & Natural Resources	22.669
General Gov't	10.072
Judicial	0.712
Total	\$117.024

Unfortunately, the one of the remaining issues that died on the final day of the legislative session, was the statewide regulation of vacation home rentals and advertising platforms. CFHLA would like to thank Senator DiCeglie, who led the effort to update to Florida's statutes, in order to accommodate the changing lodging industry by creating balanced and rational regulations that protect our visitors, residents, and local communities. While the House refused to take the Senate's position on the floor, CFHLA feels that significant progress was made this year. The Senate's version was a step in the right direction and we are hopeful to get a resolution next year.

CLICK HERE to download the 2023 CFHLA Legislative Session Report.



# **TOURIST DEVELOPMENT TAX (TDT) - DIED**

The original purpose of the "**Tourist Development Tax**" was to create a dedicated revenue for tourism promotion and local investment.

CFHLA strongly opposed the following bills which would have added additional approved uses for the Tourist Development Tax (TDT). Adding additional approved uses will only serve to dilute the effectiveness of these dollars, which are statutorily established for the promotion and marketing of tourism to our state and region.

Each of these bills did not advance through their assigned committees and all died at the conclusion of the 2023 Florida Legislative Session.

SB 640 by Senator Simon

HB 7053 by Representative Yeager

### **VISIT FLORIDA FUNDING - PASSED**

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

Ultimately, the Senate and House agreed to fund VISIT FLORIDA in the amount of \$80 million, with \$30 million recurring. This is a \$30 million increase over the current year and the largest appropriation that VISIT FLORIDA has ever received.

We'd like to thank the Florida Legislature for understanding the importance of marketing our state and the positive economic impact tourism has on Florida's economy. We'd also thank our members and business partners for advocating for this crucial win for tourism!

Furthermore, throughout the session, the House put forth a comprehensive legislative proposal that would have replaced VISIT FLORIDA funding from the state budget with County-level TDT revenues. Additionally, it would have changed how tourism marketing dollars are allocated throughout the state. Local TDT revenues are committed to vital projects and organizations that generate visitation - providing local economic development and job creation. CFHLA strongly opposed this effort and the proposal died at the conclusion of the 2023 Florida Legislative Session.



# VACATION HOME 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 in Central Florida**. Florida's statutes needed to be updated to accommodate the changing lodging industry, creating balanced and rational regulations that protect our visitors, residents, and communities.

**Specifically, CFHLA supported <u>SB 714</u> by Senator DiCeglie** (HB 833 by Representative Duggan was the companion bill), as passed by the Senate, which would do the following:

- Requires advertising platforms to collect and remit all taxes.
- Requires advertising platforms to list the vacation rental license number on the advertisement of the units.
- Allows local governments the option to establish a robust local registration system for vacation rentals.
- Requires advertising platforms to confirm licensure of units being advertised.
- Requires vacation home rentals on advertising platforms practice health and safety standards, along with mandatory occupancy requirements to protect visitors and their experience.
- Gives emergency rulemaking power to Department of Revenue.
- Allocated funds for six additional full-time employees at the Department of Business and Professional Regulation to address this legislation.

While the **House refused to take the Senate's position on this issue and the bill died**, CFHLA feels that significant progress was made this year. The Senate's version was a step in the right direction and we are hopeful to get a resolution next year

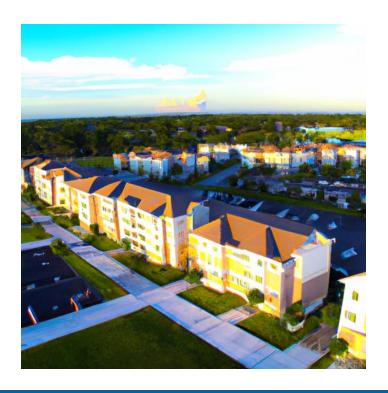


# **WORKFORCE HOUSING - PASSED**

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

CFHLA was proud to support and applauds the signing of SB 102 by Senator Calatayud and Representatives Busatta Cabrera and Lopez during the 2023 Florida Legislative Session.

The bill also known as the "Live Local Act," was a comprehensive affordable housing package that fully funded the Sadowski Fund and the State Apartment Incentive Loan dollars (SAIL), increases the percentage of State Housing Incentive Partnership dollars (SHIP) that can be used for rental housing, removes barriers to the development of workforce housing, and provides innovative incentives and tax credits for businesses to develop high-quality housing for their workforce.



# **DATA PRIVACY - PASSED**

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.

While CFHLA opposed <u>SB 262</u> by Rules, Commerce and Tourism, and Senator Bradley (along with its companion bill, HB 1547 by Regulatory Reform & Economic Development Subcommittee and Representative McFarland), the Legislature passed legislation which now prohibits a tracking entity from collecting a consumer's tracking information without the consumer's consent, or from collecting a consumer's tracking information while the collecting technology is not in active use by the consumer without the consumer's consent for continued collection. It also prohibits an online platform that provides an online service, product, game, or feature likely to be predominantly accessed by children from processing or collecting the

personal information of children in particular ways.

However, the bill does not include a private cause of action, does not apply to the processing of personal data solely for measuring or reporting advertising, performance, reach, or frequency and clarifies the provisions relating to the opt out of the collection of precise geolocation amendment data, and collection of personal data collected through the operation of a voice recognition feature.

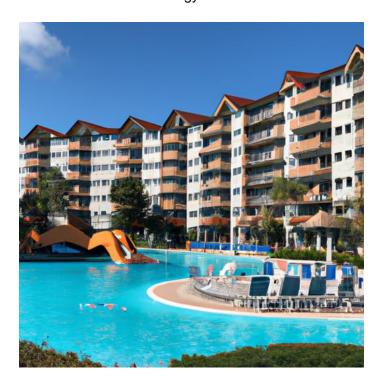


# FLORIDA TIMESHARE ACT - PASSED

CFHLA supported ARDA's legislative proposal, which sought the clarification and modernization of several provisions in the Florida Timeshare Act.

Specifically, <u>HB 869</u> by Commerce Committee and State Administration & Technology Appropriations Subcommittee and Representative McClain contains provisions that give more flexibility in filings, removes the 15% cap on the aggregate represented value of all incidental benefits offered by a timeshare developer, extends the period for voiding certain unlawful contracts, from one year to five years, and provides that a developer is not required to file a separate public offering statement for any component site located within or outside Florida in order to include the component site in the multistate timeshare plan. These

changes will now help bring the statute up to date, relative to the current business model and utilizes technology.



# **ADDITIONAL ISSUES:**

# TORT REFORM - (PASSED AND SIGNED INTO LAW)

<u>SB 236</u> by Senator Hutson and <u>HB 837</u> by Representatives Fabricio and Gregory included several pro-business provisions which will help reduce rampant lawsuits such as reducing the statute of limitations for negligence actions from 4 years to 2; requiring the true amount of damages claimed by a

plaintiff to be shown to the jury, rather than an inflated amount; and applying comparative fault principles in negligent security cases, making property owners liable only for damages they actually cause.

CFHLA supported this legislation.

PERMITLESS CARRY - (PASSED AND SIGNED INTO LAW)

<u>SB 150</u> by Senator Collins and <u>HB 543</u> by Representative Brannan removed the requirement for citizens to obtain a concealed carry weapons permit in order to carry weapons concealed. It does not allow those who are otherwise restricted under the law to carry weapons concealed. However, it allows private property owners to continue to restrict weapons from their establishments. Businesses are still required to allow guests to store weapons in their cars, as long as the weapons are locked up.

CFHLA did not take a position on this legislation.

# **IMMIGRATION REFORM - (PASSED)**

SB 1718 by Senator Ingoglia and HB 1617 by Representative Michael will now require all employers in the state of Florida with 25 or more employees, to use E-Verify to verify the employment eligibility of their employees (beginning July 1, 2023). All employers with 24 or fewer employees will retain the ability to use I-9 verification. The bill also prohibits a county or municipality from providing funds to any person, entity, or organization for the purpose of issuing an identification card or other document to an individual who does not provide proof of lawful presence in the United States and prohibits a person from operating a motor vehicle if his or her driver's license is issued by another state which exclusively provides such a license to undocumented immigrants who are unable to prove lawful presence in the United States when the licenses are issued.

The criminal penalties for noncompliant businesses have been removed, but there are still considerable monetary penalties for noncompliance. There are also very strict license suspension and revocation provisions for those who do not comply with the statute.

**CLICK HERE** to read the full bill analysis.

CFHLA did not take a position on this legislation.

# **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

<u>Lawmakers agree to \$117B budget, a 7% boost from last year's total</u> - Florida Politics

Central Florida secures millions for roadway expansion, public safety
- Florida Politics

<u>Senate refuses House vacation rental bill amendment</u> - Florida Politics

Legislature passes bill allowing businesses to sue local governments
- Orlando Business Journal

Florida lawmakers back nixing local housing regulations - Orlando Business Journal

Senate details emerge on possible data privacy deal - Florida Politics

New York firm buys land for planned Fairmont Orlando luxury hotel - Orlando Business Journal

#### Orange County's new TDT task force to meet next week as fund grows

- Orlando Business Journal

<u>Seminole County to grow its sports event business this year</u> - Orlando Business Journal





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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.