

2024 Florida Legislative Session Priorities





GOVERNMENT AFFAIRS TEAM



Government Affairs Manager CFHLA 407.313.5035 tammie.watts@cfhla.org Robert J. Agrusa
President & CEO
CFHLA
407.313.5000
robert.agrusa@cfhla.org

Chris Carmody
Shareholder & Govt Affairs Advisor
GrayRobinson
407.244.5649
chris.carmody@gray-robinson.com



Katie Flury
Government Affairs Advisor
GrayRobinson
407.244.5645
katie.flury@gray-robinson.com

Chris Dawson
Shareholder & Govt Affairs Advisor
GrayRobinson
407.244.5682
chris.dawson@gray-robinson.com

Robert Stuart
Senior Govt Affairs Advisor
GrayRobinson
407.244.5606
robert.stuart@gray-robinson.com

Hotel & Lodging Association

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CENTRAL FLORIDA HOTEL & LODGING ASSOCIATION 2024 LEGISLATIVE PRIORITIES



Tourist Development Tax (TDT)

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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 dedicated revenue for tourism promotion and investment.

CFHLA strongly opposes adding any additional approved uses 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 and marketing of tourism.



VISIT FLORIDA Funding

CFHLA supports \$100 million in continued funding for VISIT FLORIDA. Funding of VISIT FLORIDA ensures Florida continues to be top of mind as a leading vacation destination.

CFHLA also opposes 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.



Vacation Home Rentals and Advertising Platforms

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 need to be updated to accommodate the changing lodging industry, creating balanced and rational regulations that protect our visitors, residents, and communities.

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.

CFHLA strongly supports 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.

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- 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 government 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.
- Reasonable and effective penalty provisions for noncompliance, such as higher monetary penalties and vacation rental license revocation provisions.
- Clear and consistent audit provisions to allow for accurate assessment of compliance.



Workforce Housing

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

In addition to existing State Apartment Incentive Loan dollars (usually known as SAIL), CFHLA would like to continue to see the Legislature increase the percentage of State Housing Incentive Partnership dollars (usually known as SHIP) that can be used for rental housing.

CFHLA also encourages the Legislature to consider creating additional incentives (and clarifications to the Live Local Act) that encourage continued innovative approaches to affordable housing development. For example: additional incentives for the development of high-quality rental properties in key areas or incentives and tax credits for businesses to create housing for their own staff.



Stormwater Issues

The protection of our environment directly benefits our local community. However, the rules and regulations designed to protect our environmental resources must be done with consistency. The physical environment, our communities, residents, and local businesses all depend on clarity when it comes to public policy and the best technological and economically feasible approaches when solving for increased stormwater volumes and the need for updated stormwater management policies.

CFHLA supports statewide regulatory rulemaking, which recognizes and provides regulatory relief for businesses that plan, design, engineer, construct, and operate existing stormwater management systems.

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Florida Timeshare Act

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CFHLA supports several of ARDA's legislative proposals, which revise several provisions in the Florida Timeshare Act. These include, but are not limited to, granting timeshare associations with the authority and flexibility to remove an amenity; expanding the "Inn Keeper's Rights" to include timeshare properties (currently only licensed lodging establishments are included in this Statute); and clarifying an existing provision that timeshare associations shall issue estoppel certificates.



Immigration Reform

In May of 2023, the Florida Legislature passed <u>SB 1718</u> Immigration Reform. While most (if not all) hospitality businesses use E-Verify to check the eligibility of employees before hiring an individual, many are concerned for their families who are undocumented but who have been in Florida for many years without incident. The hospitality industry has seen an influx of employees who are leaving the industry and taking their families out of state as they are in fear of being separated from their loved ones. Additionally, restaurants have reported losing customers, as people are afraid to go into public places. The impact and loss of these workers may have a large ripple effect on the state's overall economy moving forward.

CFHLA encourages solutions to our current immigration reform policies that help our hospitality businesses and economy thrive instead of hindering them.



Interchange Fees on Sales Tax

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

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OTHER ISSUES CFHLA IS MONITORING



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Negulation of Cashless Businesses

Revisions to Florida's Child Labor Laws

Transportation and Infrastructure