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THE INSIDER - SPECIAL EDITION

CFHLA PAC/PC Board of Directors Announces Newly Elected/Appointed Board Members and Executive Committee

CFHLA PAC/PC has announced its newly elected/appointed 2024 Board of Directors, which includes Central Florida Hospitality Executives from across the Central Florida region (including but not limited to Orange, Osceola and Seminole Counties).

The CFHLA Political Action Committee and CFHLA Political Committee are bipartisan committees that protect the interests of the hospitality and tourism industry, by educating and our mobilizing our members to become more politically active, as well as supporting candidates who pro-tourism and prohospitality. The following Board members were elected to serve on the 2024 CFHLA PAC/PC Executive Committee, beginning January 1, 2024: Chair, Jay Leonard, General Manager of the Wyndham_/Wyndham Garden Lake Buena Vista Disney Spring Resort Area; Vice Chair, Chris Mueller, General Manager of Hilton Orlando; Secretary, Erin Sims, President of Landform of Central Florida, Inc.; and Treasurer, Alan Fickett, Vice President of Sales and Marketing, Global Sourcing International.

Additionally, please join us in congratulating the eleven members who were recently elected/appointed to a new term beginning January 1, 2024.

CLICK HERE to view the full press release.



CONGRATULATIONS

to our 2024 CFHLA PAC/PC
Executive Committee and Board of Directors

2024 LEGISLATIVE SESSION UPDATE - WEEK 6

As week six of the 2024 Florida Legislative Session concluded last Friday, most sub-committees will no longer meet again this session. However, there are still several bills that could impact the hospitality and tourism industry. With just three weeks remaining, both the House and the Senate have passed their final drafts of the budget and will begin budget conferencing soon.

Additionally, each chamber has now proposed its own "Tax Package." The House's tax package (<u>HB 7073</u>) seeks to slash taxes by **\$728.1 million over the next two fiscal years.** Central to the plan is a reduction in the business

rent tax to 1.25% for one year, projected to save businesses \$339.6 million. While it includes four sales tax holidays, they have been streamlined compared to previous years. For example, the two-week back-to-school tax break, starting July 29, covers items under \$100, potentially saving consumers \$97.3 million. The "Freedom Month" tax relief for recreational goods is shortened to one month, saving \$90.4 million. Furthermore, a "Tool-Time" tax holiday offers savings of around \$19.8 million for home improvement purchases. Additionally, the proposal extends Disaster Preparedness tax exemptions, saving an estimated \$80.6 million. Notably absent from the package are Governor Ron DeSantis' suggested state tax hiatus for homeowners.

Unfortunately, the House's tax package also includes language that would limit all new Tourist Development Taxes (TDT) to six (6) years and would require existing TDT's (such as from Orange, Osceola and Seminole Counties) to be re-approved by the voters by July 1, 2029 and subsequently re-approved by the voters every six (6) years thereafter.

This could have devastating consequences to our industry and to our local community, which has benefited from the TDT for more than 40 years. The good news is the Senate's version (SB 7074) does not have this language included in their proposed Tax Package. CFHLA will continue to stand in opposition to this harmful House proposal, in hopes that this language will not be included in the final budget conference.

Lastly, CFHLA continues to monitor the progression of other bills that are important to our industry and hopes to including: maintaining **full funding for Visit Florida**, the **statewide regulation of vacation homes and advertising platforms**, **increased funding and incentives to encourage additional workforce housing opportunities**, **storm water issues**, **revisions to the Florida Timeshare Act**, and many others.



CLICK HERE to download the complete 2024 CFHLA Legislative Agenda.

LEGISLATIVE ALERT - FUTURE OF TOURIST DEVELOPMENT TAX (TDT) THREATENED

Last week, the Florida House published its annual tax package (<u>HB 7073</u>) that now includes a surprising new provision that would sunset the Tourist Development Taxes (TDT) unless approved by a voter referendum before July 1, 2029.

This proposal was passed by the House Ways and Means Committee this week. This would require all Tourist Development Taxes (TDT) in effect as of June 30, 2024, to be renewed by voter referendum on or before July 1, 2029. If a TDT is not approved through referendum before that time, it will expire. Subsequently, all TDT levies approved by referendum will expire after six years

but may be renewed for subsequent six-year periods if each six-year period is approved by referendum.

The statewide lodging industry agreed to levy the Tourist Development Taxes specifically to fund local tourism promotion through marketing and advertising, and this bill is a massive breach of that agreement.

Despite the bill passing, the proposal drew criticism from many members of the committee, on both sides of the aisle.

Here's what this proposal could mean:

- Local governments will shoulder the cost of a referendum every six years.
- Resources will need to be expended every six years to promote readoption of the TDT, rather than concentrating resources and efforts on the work of tourism promotion and community impact.
- TDT revenues pledged for bonding prior to June 30, 2024, will not be disturbed, but future revenues will only be eligible for bonding for projects in which the bonds can be retired in six years or less.
 This will eliminate any significant projects that require a longer bonding period such as the Orange County Convention Center, Camping World Stadium, etc.
- If TDT levies are not approved for referendum, this will be a significant loss of necessary funding for our local DMO's who promote and market Central Florida's most important industry.
 This would have a direct impact on the number of visitors who travel to our destination in the future.
- All entities and staff positions that rely on TDT collections will be in jeopardy and could result in economic uncertainty for our region.

We urge all of our CFHLA members and partners to <u>contact your</u>

<u>Delegation members</u> in opposition.

Also, the House Ways & Means Committee indicated that they would be hosting a "TDT Workshop" this week. We recommend that you contact your Legislators to express your concerns.

CFHLA STONGLY OPPOSES

TOURIST DEVELOPMENT TAX (TDT)

CFHLA is also closely monitoring SB 1748 / HB 1599 Tourist Development Tax by Senator Brodeur and Representative Truenow.

This bill would prohibit a county from spending more than 25 percent of the TDT on an individual project unless the governing board of the county approves such use by supermajority vote. **This language has now been added to the Senate's Tax Package (SB 7074).**

HB 1599 by Representative Truenow – **No action** was taken in the House last week.

SB 1748 by Senator Brodeur – Now is in its last committee stop, the Senate Appropriations Committee.

HB 1081 by Representative Porras – **Now in its second committee stop, the House Ways and Means.**

HB 1453 by Representative Valdes - **No action** was taken in the House last week.

SB 872 by Senator Stewart - No action was taken in the Senate last week.

SB 1072 by Senator Avila - Now in its second committee stop, the Senate Finance and Tax Committee.

SB 1594 by Senator Stewart - **No action** was taken in the Senate last week.

CFHLA MONITORING



VISIT FLORIDA FUNDING

CFHLA supports the Governor's proposed budget, which includes \$105 million in funding for VISIT FLORIDA (increase from \$80M in FY 2023-2024). Funding of VISIT FLORIDA ensures Florida continues to be top of mind as a leading vacation destination.

The approved Senate Budget includes **\$80 million**, same as the current fiscal year for **VISIT FLORIDA**. Meanwhile, the Florida House Budget has only included **\$30 million** for **VISIT FLORIDA**.

CFHLA also opposes any efforts to replace VISIT FLORIDA funding from the state budget with County-level TDT revenues.

We remain steadfast in our support of Visit Florida and its full and continued funding.

CFHLA SUPPORTS



VACATION HOME RENTALS & ADVERTISING PLATFORMS

We are optimistic about the passage of the Vacation Home Rental bill **SB 280/HB by Senator Nick DiCeglie and Representative Griff Griffitts.** The House and the Senate have debated this legislation over the past decade and this bill is a fair approach to all parties involved. **SB 280** will lead to the regulation of vacation home rentals and is intended to be a compromise where local governments will have greater authority over vacation rentals than before, while vacation rental owners would have more uniformed structure and standards.

Moreover, CFHLA supports the current Senate version but we are

continuing to advocate for an amendment to SB 280 that would add in safety components to include health and safety standards such as human trafficking awareness, training and prevention, regular health and safety standards and inspections, pool safety and drowning prevention, hygiene and cleaning procedures to protect visitors and their experience.

We are grateful to the bill sponsor Senator Nick DiCeglie for remaining diligent in continuing this year to pass this bill.

HB 1537 by Representative Griffitts –**The bill is now in its second committee** stop, the House Commerce Committee.

SB 280 by Senator DiCeglie – The bill passed the Senate Floor on February 1, 2024 by a vote of 27-13 and is now in House Messages.

CFHLA SUPPORTS



WORKFORCE HOUSING

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

In addition to existing State Apartment Incentive Loan dollars (usually known as SAIL), CFHLA would like 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 incentives to encourage innovative approaches to affordable housing development. For example: incentives for development of high-quality rental properties in key areas or incentives and tax credits for businesses to create housing for their own staff.

Specifically, Senate Bill 328 by Sen. Alexis Calatayud and House Bill 1239 by Rep. Vicki Lopez seek amendments to the Live Local Act, the new affordable housing law passed last year that CFHLA supported. CFHLA supports these bills and appreciates the Governor's Leadership in proposing \$208.6 million for the State Housing Partnership Program (SHIP), \$89.5 million for the State Apartment Incentive Loan Program (SAIL) and \$100 million for the Hometown Heroes program for down payment and closing cost assistance for first time homebuyers.

SB 328 by Senator Calatayud - The bill passed the Senate Floor on February 7, 2024 by a vote of 40-0 and is now in House Messages.

HB 1239 by Representative Lopez – The bill is now **in its last committee** stop, the House Appropriations Committee.

CFHLA SUPPORTS

IMMIGRATION REFORM

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

There have been two bills filed this session regarding this issue. Each bill urges the Federal Government to secure the southern border of the United States, enforce Federal Immigrations Laws, and fix the legal immigration system.

HM 669 by Representative Sirois – The bill has passed all committees and is ready to be considered on the House Floor.

SM 598 by Senator Ingoglia – The bill passed the Senate Floor on February 14, 2024 and is now in House Messages.

CFHLA SUPPORTS

FLORIDA TIMESHARE ACT

CFHLA supports HB 429 by Rep. Robinson and SB 756 by Sen.

Perry which seeks the clarification and modernization of several provisions in the Florida Timeshare Act. This is ARDA's legislative proposal.

These bills would:

- Grant 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 clarify an existing provision that timeshare associations shall issue estoppel certificates.

HB 429 by Representative Robinson – **The bill passed the House Floor on February 21, 2024 by a vote of 118-0 and is now in Senate Messages.**

SB 756 by Senator Perry – The bill has passed all committees and is ready to be considered on the Senate Floor.

CFHLA SUPPORTS

REGULATION OF CASHLESS BUSINESSES

CFHLA is opposing HB 35 by Rep. Rudman and SB 106 by Sen. Jones which would require most brick-and-mortar businesses to accept cash, which combats the counter effort of accepting only electronic forms of payment. Several businesses have moved to cashless sales.

SB 106 by Senator Jones – Now awaiting final committee stop, Fiscal Policy.

HB 35 by Representative Rudman – This bill has three committee stops and has not been heard yet.

CFHLA OPPOSES

REVISIONS TO FLORIDA'S CHILD LABOR LAWS

CFHLA Supports HB 49 by Rep. Chaney and SB 1596 by Sen.

Burgess. The Work Hour Law Moves allows 16- and 17-year-olds to work extended hours and is seen as beneficial for teens already working beyond legal limits off the books.

This bill would be beneficial to the hospitality and tourism industry as it works to address worker shortages post-pandemic, help with retention and help minors and their families to succeed in the current economic environment.

HB 49 by Representative Chaney – The bill passed the House Floor on February 1, 2024 by a vote of 80-35 and is now in Senate Messages.

SB 1596 by Senator Burgess – Now awaiting a hearing in its final two committee stops, Regulated Industries and the Rules Committee.

CFHLA SUPPORTS

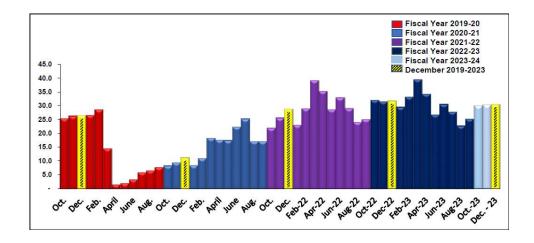
REGIONAL TOURIST DEVELOPMENT TAX UPDATE

Orange County

The Tourist Development Tax (TDT) collections received by Orange County for the month of **December 2023 were \$29,845,200**. That is a **4.4% decrease** compared to December 2022.

Compared to last month, December collections were higher than November collections by \$160,100. In addition, December Collections were higher than December 2021 collections by \$1.5 million.

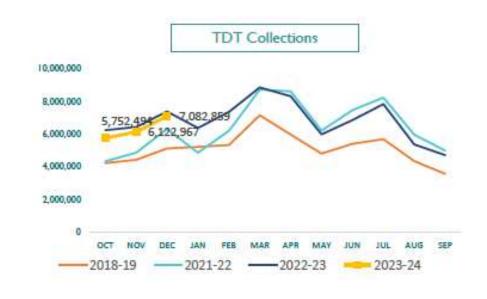
The chart below shows monthly TDT collections for the current fiscal year and the previous three fiscal years.



Osceola County

Osceola County collected \$7.1M in TDT for the month of December, representing a 4% decline from December 2022. However, this was still the second-best December TDT collection in Osceola County history.

For the fiscal year TDT collections stand at \$81.6M, the highest annual total on record for Osceola County and more than double the preprivatization totals for FY 13-14.



SCHEDULE FOR SESSION WEEK 7 (FEBRUARY 19-23)

To view the Senate's schedule, CLICK HERE.

To view the House's schedule, CLICK HERE.

UPCOMING CFHLA PAC/PC MEETING

The next CFHLA PAC/PC Boards of Director Meeting will be on **Wednesday**, **April 12th from 8:15 a.m. - 9:15 a.m. at the CFHLA office**.

UPCOMING GOVERNMENTAL AFFAIRS MEETING

The next Governmental Affairs meeting will be held on Wednesday, March 13th at the Signia by Hilton Bonnet Creek (thank you, Fred Sawyers) from 12:00 noon - 1:30 PM.

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

As a reminder, all CFHLA Board Members, PAC/PC Board Members, and ARC Board Members have committed to contributing \$200 to the CFHLA PAC/PC in 2024. If you are a part of one or more of these groups, please consider fulfilling your commitment today.

IN THE NEWS

<u>Lawmakers consider changing TDT taxes, which angers tourism industry</u>
- Florida Politics

TDT is a pot of gold as lawmakers consider changes to tax - Orlando Business Journal

How a proposed tax-cut package could affect TDT collections - WFTV9

<u>Orlando International's busiest airline, Southwest, sees record activity in coming year</u> - Orlando Sentinel

Florida tourism sees dip in 2023 - Fox 35 Orlando

<u>Tourism officials working to draw more international visitors to Central</u>
<u>Florida</u> - Wesh 2 News

<u>Plan for affordable housing near Disney moves forward despite</u> <u>opposition from homeowners</u> - Wesh 2 News

<u>Disney's massive affordable housing project in Horizon West clears</u> <u>hurdle, gets new details</u> - Orlando Business Journal

CONNECT WITH CFHLA



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.