

FLORIDA RESTAURANT & LODGING ASSOCIATION

2023 Legislative Agenda



FRLA Government Relations Team



Carol Dover FRLA, President/CEO



Samantha Padgett FRLA, VP Government Relations/General Counsel



Nicolette Hoffman FRLA, Government Relations Manager



Andie Levings FRLA, Executive Assistant to President/CEO



Warren Husband Metz, Husband & Daughton, PA



Andy Palmer Metz, Husband & Daughton, PA



Alli Liby-Schoonover Metz, Husband & Daughton, PA

WITH QUESTIONS, PLEASE CONTACT:

Vice President of Government Relations/General Counsel, Samantha Padgett at spadgett@frla.org or Government Relations Manager, Nicolette Hoffman at nhoffman@frla.org.

Workforce Housing

SB 102 by Senator Calayatud (R-Miami) HB 627 by Representative Busatta Cabrera (R-Coral Gables)

FRLA supports full funding for the Sadowski Fund.

Our industry has a specific and dire need for reliable and affordable rental housing. In addition to existing State Apartment Incentive Loan dollars (usually known as SAIL), FRLA 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.

FRLA would also encourage 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 hoteliers and restaurateurs to create housing for their own staff.

Special Food Service Liquor License

SB 1262 by Senator Martin (R-Fort Myers) HB 639 by Representative Esposito (R-Fort Myers)

Currently, restaurants must have 2,500 square feet and 150 seats to qualify for a special restaurant liquor license. This draft legislation would reduce the square footage requirement from 2500 square feet to 1800 square feet. It would also reduce the seating requirement from 150 to 100 seats.

This bill allows restaurateurs to respond to changing trends in the industry regarding the size of an establishment. It also allows restaurateurs to adapt their existing layout to allow customers more space and implement changes in their business model, a common practice following COVID. This bill would also assist restaurants forced to rebuild and remodel as a result of the devastation of Hurricane Ian. This legislation would give a restaurant owner the ability to build back with a smaller footprint and enhance their profitability and success through the increase in revenue that alcohol sales can bring.

The change in both the square footage and the seating requirement makes more establishments eligible to participate in alcohol-to-go services, which can make a significant impact on their financial success.

These regulatory reductions reflect existing trends in the hospitality industry, encourage the development of new businesses, and support a potential increase in the financial success of existing and rebuilding businesses.



Vacation Rentals

SB 714 by Senator DiCeglie (R-St. Petersburg) HB 833 by Representative Duggan (R-Jacksonville)

While vacations rentals have long been available in Florida, the option to list available units online through advertising platforms has caused this lodging sector to explode.

Florida's statutes need to be updated to accommodate the changing lodging industry, creating balanced and rational regulations that serve visitors, residents, and communities.

FRLA supports the following:

- Requiring advertising platforms to confirm the licensing/registration of vacation rentals with the relevant State agencies prior to listing;
- Requiring advertising platforms to collect and remit all taxes due;
- An option for local registration so that local governments can better understand and respond to what is happening in their jurisdictions;
- Vacation rental license revocation provisions;
- Requiring quarterly reporting to the State by advertising platforms listing the vacation rentals on their platforms, including the physical address, so that tax collection and legal compliance can be confirmed;
- Reasonable and effective penalty provisions for noncompliance, such as higher monetary penalties; and
- Clear and consistent audit provisions to allow for accurate assessment of compliance.

VISIT FLORIDA

FRLA supports increased funding for VISIT FLORIDA in the amount of \$75 million. Funding will be important to ensure Florida continues to be top of mind as a leading vacation destination.

Tourist Development Tax

SB 640 by Senator Simon (R-Tallahassee) HB 309 by Representative Shoaf (R-Live Oak)

FRLA 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.



FRLA.ORG

Tourist Development Tax cont.

Some clarification may be necessary to ensure that TDT revenues are used in a manner consistent with statutory intent.

Interchange Fees on Sales Tax

SB 564 by Senator Hutson (R-Palm Coast) HB 677 by Representative Caruso (R-West Palm Beach)

Businesses pay interchange fees on every credit and debit card transaction. These fees are applied not only to the cost of goods themselves, but also to any applicable taxes that apply to that purchase. Card usage is increasing, and so are the interchange fees. This means it is increasingly more expensive for businesses to provide the valuable government service of collecting and remitting taxes. This amounts to millions of dollars in fees being paid by Florida businesses – over \$288 million in F4 2022. Prohibiting the collection of interchange fees on sales taxes will reduce the burden on our businesses and free up these funds for additional investment and positive economic activity in our state.

Tort Reform

SB 236 by Senator Hutson (R-Palm Coast) HB 837 by Representative(s) Fabricio (R-Miami Lakes)/Gregory (R-Lakewood Ranch)

FRLA supports legislation that will restore fairness and personal responsibility to Florida's civil justice system. Several of the proposed changes promise significant improvement to Florida's litigation environment and should have a meaningful impact on FRLA members who may find themselves defending a lawsuit:

- **Transparency in Damages:** This would allow juries to see the true cost of treatment and not inflated or speculative medical bills. This will allow for more reasonable verdicts that reflect the actual damages incurred by plaintiffs.
- **Modified Comparative Negligence:** Under this model, plaintiffs who are more than 50 percent at fault for their own injuries may not recover damages.
- **One-Way Attorney Fees:** Certain provisions of Florida law allow plaintiffs to recover attorney fees, but do not allow defendants to recover attorney fees. This makes for a lop-sided system that incentivizes the filling of lawsuits. Removing one-way attorney fees may help to stem the tide of rampant litigation.
- Applying Comparative Fault to Negligent Security Actions: Currently, if you have a
 guest on your property that is injured due to the criminal actions of a third party and
 you as the property owner are even in some small way at fault, you could be liable
 for the entirety of the damages. Proposed changes to the law will require the use of
 comparative fault principles, making the property owner liable only for the damage
 they actually cause.



Civil Remedies cont.

• Reduced Statute of Limitations: Under current law, negligence claims are subject to a four-year statute of limitations, which means a lawsuit must be filed within four years of the event that's giving rise to the lawsuit. Proposed legislation will establish a statute of limitation of two years. This means that actions must be filed more promptly, which will encourage quicker and more fair resolution of claims.

FRLA supports fairness, transparency, personal responsibility, efficiency, and expediency in the resolution of legal claims. The proposed reforms will bring balance to Florida's civil justice system.

Data Privacy

Customers deserve to have control over their personal information. Any regulations Florida adopts should be reasonable and take into account the changing nature of commerce.

The cost of compliance for businesses must be carefully considered. Businesses must be given an adequate opportunity to correct any errors and respond to complaints without the threat of costly litigation.

Water Quality

Florida's beaches, rivers, and lakes attract millions to our beautiful state annually. Poor water quality would negatively affect Florida's tourism-based economy, as well as its residents and communities.

FRLA supports sound and sustainable water quality policies that balance the needs of various groups and industries while also seeking to protect health of our water supply long into the future and the beauty of our state.

Hurricane Recovery

When a disaster of any kind strikes Florida, the reverberations are felt across the state. FRLA will carefully review the many different proposals, incentives, and regulations that are expected to be offered in response to Hurricane Ian. FRLA will advocate for recovery and response approaches that support Florida's hospitality industry.