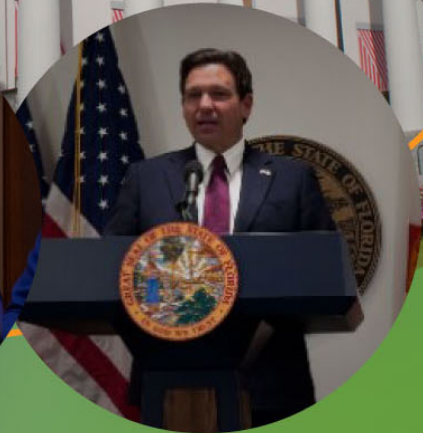




2025 LEGISLATIVE UPDATE



Presentation Overview

1 Session Overview

General trends from the 2025 legislative session

2 State Budget & Fiscal Policy

Review of the 2025 Tax package and relevant legislation

3 Legislative & Policy Outcomes

Highlight significant legislation that successfully *passed*

4 Property Taxes

Ongoing property tax conversation

5 Political Petition Referendum

A review of proposals aimed at modifying the citizen-initiative process

6 Florida's Financial Outlook

A review of proposals aimed at modifying the citizen-initiative process



2025 Session Highlights

1,951 bills were filed this session

269 bills passed both chambers.

246 bills were signed into law

\$1.3 billion in tax saving for families and businesses

Less Legislative Output

Passed 20% fewer bills compared to previous years.

Stemming from decreased committee activity and conflicting prioritization of priorities between chambers.

Major Policy Areas

- Tax Reform
- Fluoride Regulations
- Wrongful Death Act Reform
- Hemp Legislation
- Condo Reform
- Rural Communities
- Ballot Initiatives/
Constitutional Amendments
- Tracking Devices Used in Crimes

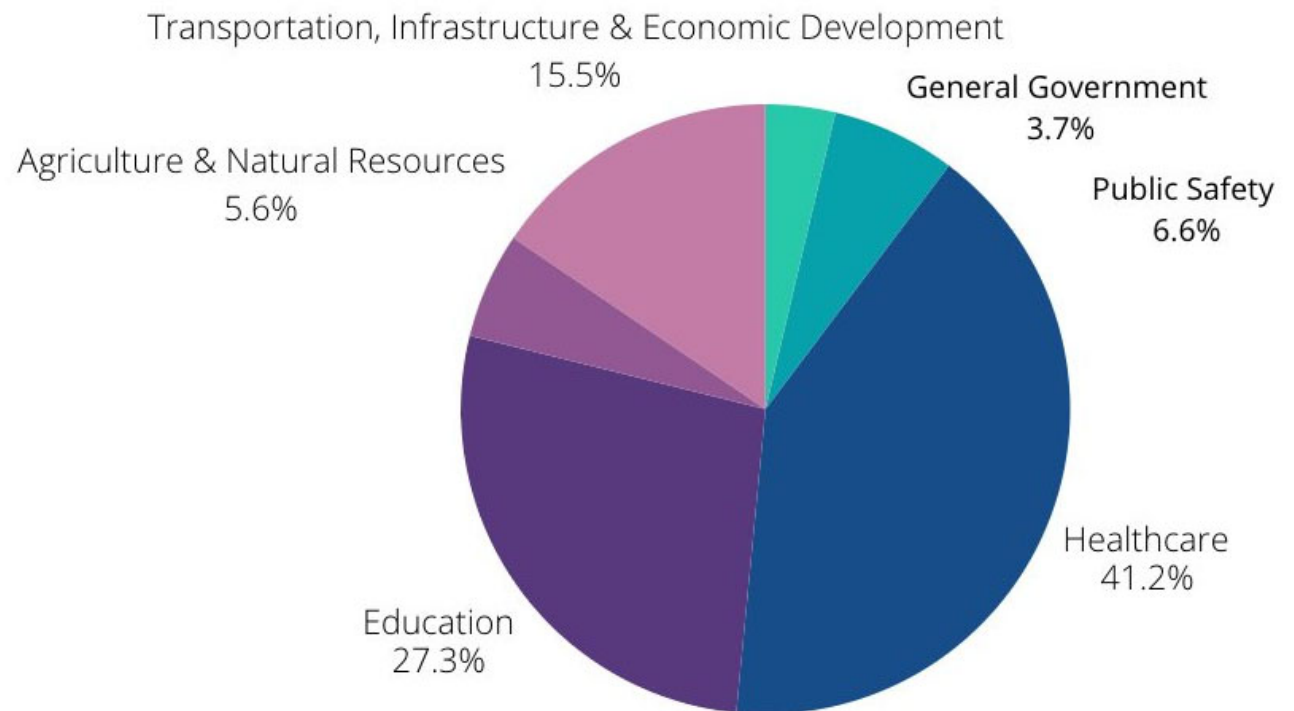
State Budget Highlights



A Smaller Budget

Negotiations between the House and Senate yielded a \$115.1 billion budget for Fiscal Year 2025-26.

This includes \$15.7 billion in reserves.



Hernando County Appropriations

- **SR 50 (Cortez Blvd.) and Barclay Avenue Intersection Improvements - \$1,500,000**
- **Hurricane Shelter Generator for Challenger School - \$967,168**

Tax Package – HB 7031

- Repeals the “business rent tax” beginning October 1, 2025.
- Creates a permanent Back-to-School Sales Tax Holiday each year for the entire month of August.
- Provides a sales tax holiday for hunting, fishing, and camping equipment from September 8, 2025, through December 31, 2025.
- Directs the Office of Economic and Demographic Research (EDR) to study the state’s property tax system and submit a report that provides policy options to the Legislature by November 1, 2025. The bill appropriates \$1 million of nonrecurring funds from the General Revenue Fund to EDR to complete the study.
- Creates and expands new exemptions for affordable housing, which apply beginning with the 2026 tax rolls:
 - The exemption for land leased by a nonprofit for affordable housing for at least 99 years is expanded to include property leased from a local housing finance authority and land leased and assigned or subleased from a nonprofit to certain persons or families.
 - The exemption for multifamily affordable housing that requires a land use restriction agreement lasting at least 99 years is expanded to include property leased from a local housing finance authority.
 - An exemption is created for recently constructed multifamily affordable housing of at least 70 units which is on government property that is leased for at least 30 years.
 - An exemption is created for new multifamily affordable housing of at least 70 units which is on state-owned property that is leased for at least 60 years. This exemption expires December 31, 2061.
 - Eligibility to receive a property tax exemption for multifamily affordable housing constructed or rehabilitated within 5 years from the date of first application is expanded to allow successive owners of the property to apply for the exemption.

Tax Package – HB 7031

- Beginning January 1, 2026, allows a taxpayer to file an appeal within 30 days of the tax roll's recertification if the tax roll has been extended.
- Extends the current freeze on rate increases for local communications services tax (CST) from January 1, 2026, to January 1, 2031.
- Requires local governments to prioritize the use of local CST revenue for the timely review, processing, and approval of permit applications for the use of rights-of-way by providers.
- Allows fiscally constrained counties adjacent to the Gulf of America or the Atlantic Ocean to use tourist development tax (TDT) revenues for public facilities.
- Allows counties and school boards to reduce or repeal certain local discretionary sales surtaxes in effect by a two-thirds vote.
- Creates the Rural Communities Investment Program to allow investors to earn a total of \$7 million in annual tax credits against the corporate income or insurance premium tax by investing in a rural fund.
- Revises distributions from documentary stamp tax revenues to:
 - Eliminate the distribution for the New Starts Transit Program and the Florida Rail Enterprise.
 - Eliminate the \$150 million distribution to the State Housing Trust Fund created in the Live Local Act beginning July 1, 2025, rather than expiring July 1, 2033. Other housing trust fund distributions are unaffected.

Legislative & Policy Outcomes

SB 1080 – Local Government Land Regulation

- Imposes strict review timelines and refund penalties for development permits.
- Bars caps on monthly hearings that would delay decisions.
- Expands administrative approvals for agricultural enclave development.

HB 683 – Construction Regulations (*Companion: SB 712*)

- Sets statewide synthetic turf standards; limits local regulation.
- Requires a 35-day deadline for local gov't to act on change orders.
- Expands use of private inspectors, including for solar/energy storage.
- Prohibits permit denials for missing builder-owner contracts.

Legislative & Policy Outcomes

HB 551 – Fire Prevention (*Companion: SB 1078*)

- Streamlines permitting for small fire alarm/sprinkler projects; mandates 2-day permit issuance and 3-day inspections.
- Requires local govt. to refund 10% of permit fees per day if deadlines are missed.
- Enhances inspection reporting and limits ordinance enforcement to those pre-submitted to the state.

HB 381 – Platting (*Companion: SB 784*)

- Mandates administrative approval of plats/replats that meet legal standards.
- Establishes timelines for review and prohibits unnecessary extension requests.
- Increases transparency and efficiency for developers and applicants.

SB 818 – Utility Relocation

- Requires FDOT or expressway authorities to cover 50% of some relocation costs.
- Creates a grant program (funded via CST revenues) to reimburse telecom providers.
- Shields local governments from financial responsibility if state funds run out

Legislative & Policy Outcomes

SB 180 – Emergency Preparedness & Recovery

- **Post-Storm Permitting:** Counties must adopt and publish expedited post-storm permitting plans and recovery checklists.
- **Debris Management:** Counties must apply for DEP authorization for at least one debris site; encouraged to amend solid waste contracts.
- **Fee Protections:** Local governments prohibited from raising building/inspection fees for 180 days post-hurricane emergency.
- **Shelter Capacity & Readiness:** Annual shelter reports now required; priority for funding shifts to counties with shelter deficits.
- **Transparency & Oversight:** FDEM must publish emergency-related contracts and expenditure audits annually (effective Jan. 1, 2026).
- **Local Autonomy Limits:** Temporarily bars moratoriums or restrictive land regulations post-hurricane within 100 miles of storm track.

TDT Funding Changes (Did NOT Pass)

House Proposal (HB 1221):

Filed by Representative Miller

- **75%** of TDT revenue **would have been offset** to county property taxes, less any outstanding debt payments.
- Allowed for debt payments, to finish any projects underway on 07/01/2025, or for contracts in existence on 01/01/2025.
- After 07/01/25, debt would have been allowed to be refinanced but duration and outstanding principal would not be changed except to account for costs of issuance.
- Would have **dissolved all** tourist development councils by 12/31/2025.
- Would have **dissolved all** county tourism promotion agencies unless agencies were affirmatively extended by resolution of a board of county commissioners before 12/31/2025.
- Like the provisions of SB 1664, Section 3 of HB 1221 would have implemented **an eight-year limitation** on the imposition of local option food and beverage taxes akin to Miami-Dade.

TDT Funding Changes (Did NOT Pass)

Senate Proposals (SB 1664/SB 7034):

Filed by Senator Trumbull

- Would have created an **eight-year sunset period** for local option taxes pending results of any future referendums created under these provisions.
- Would have added a new threshold of **\$50 million** against the existing 40% of tourism development tax collections that must be spent on a tourism development council or tourism promotion agency before a local government can spend the money on other tourism-related projects such as infrastructure.
- These changes would have required local governments to adhere to the **lesser of the two** thresholds to unlock that spending for other purposes.

Property Taxes

Legislative Developments

Governor DeSantis' 2025 Proposals

- A one-time \$1,000 rebate to every Florida homeowner.
- Referendum on the 2026 ballot to eliminate property taxes.

Florida House Special Committee

The Florida House has formed a large, bi-partisan committee to propose ideas for how Florida can provide "substantial" property tax relief. The Committee is chaired by Representative Vicki Lopez (R-Miami) and Representative Toby Overdorf (R-Palm City)

Some of the Committee's proposals (would require voter approval):

- Increasing the Homestead Exemption to \$500,000
- Allowing Legislature to adjust the Homestead Exemption.
- Eliminating the potential of foreclosure for unpaid property taxes.

Political Petition Referendum

Florida Legislature passed significant reforms to the process of gathering petitions for voter initiatives

Among the Changes:

- Requires both volunteer and paid signature gatherers to be registered with the state.
- Requires petition gatherers to be citizens of the State of Florida.
- Limits any one gatherer from having more than 25 petitions at one time, and shortens the timeline before they must be turned in.
- Requires the Supervisor of Election to notify the voter when a petition they signed has been turned in, and give that voter the option to rescind their signature.

(Florida is one of 26-states that allow citizen-led referendum (some states allow referendum for state laws, others the state Constitution))

Florida's Financial Outlook

"Uncertainty Exists"

- **Weaker state and national economic variables. (Tariffs, Inflation, Federal Cuts in Programs)**
 - The forecasting environment is considerably less stable.
 - The greatest risks going forward are all to the downside.
 - The budget won't be as robust as in past years.
- **University of Florida's Bureau of Economic and Business Research found a "sharp" decline in consumer confidence. Less SPENDING Less TAXES.**
- **Revenue Estimating Conference**
 - **2025-2026:** A minimal increase of \$385.4 million will be added to the forecast.
 - **2024-2025:** had \$2.8 BILLION MORE than it forecasted!
- **Population - Net Negative** – More people are leaving the state than moving here.

Legislative Calendar: Looking Ahead

2025 - 2026 Interim Committee Weeks Schedule:

- **Week 1:** October 6 – 10, 2025
- Opening day of the 2026 Regular Session is **Tuesday, January 13, 2026.**



Thank You

Closing Remarks & Questions

