



Transparency for Tourism and Economic Development

The Florida House advanced extraordinary transparency and accountability measures for Visit Florida and Enterprise Florida in the 2017 session, which were enacted in HB 1A and signed into law by Governor Scott. This session, HB 3 by Rep. Michael Grant extends these safeguards for public funds being spent by local tourism promotion agencies and economic development agencies.

What are Tourism Promotion Agencies and Economic Development Agencies?

- A “Tourism Promotion Agency” or “TPA” is defined as a local government or other entity (i.e., convention bureaus, tourist development councils, visitors bureaus, commissions) that receives public funds to promote tourism development on behalf of a county or municipality.
- An “Economic Development Agency” or “EDA” is defined as a local government or other entity (i.e., councils, commissions, partnerships) that receives public funds and is engaged in economic development activities on behalf of a county or municipality.

What HB 3 does

- The bill requires that:
 - Board members disclose conflicts of interest and TPAs and EDAs avoid or mitigate any significant conflicts of interest before the award of a contract.
 - All contracts valued over \$5,000 be published on the TPA’s or EDA’s website.
 - All contracts valued over \$250,000 be submitted to the governing board of the county before execution and published on the county’s website 14 days in advance.
 - The Department of Economic Opportunity compile, and publish on their website, a list of all TPA and EDA websites.
 - The Auditor General will audit:
 - All TPAs within a county if that county in total received \$30 million or more in tourist development taxes in the preceding year (audit to occur every other year); and
 - At least two EDAs and at least two of all the remaining TPAs, selected at random (audit to occur every year).
- The bill prohibits:
 - Publicly-funded salaries that exceed the salary and benefits authorized to be paid to the Governor.
 - The expenditure of funds for the direct benefit of a single corporation or business entity. (TPAs only)
- The bill makes it a criminal offense (first degree misdemeanor) to intentionally give false or misleading information, fail to provide certain information, or intentionally structure an organization or agreement in order to avoid the transparency and accountability requirements of the bill.
- The bill authorizes the Governor or Chief Financial Officer to suspend or prohibit the distribution of tourist development tax revenues to a TPA when it fails to comply with the transparency and accountability requirements of the bill. (TPAs only)