

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1269 Florida Commission on Tourism
SPONSOR(S): Murzin and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1980

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Tourism Committee</u>	<u>7 Y, 0 N</u>	<u>McDonald</u>	<u>McDonald</u>
2) <u>State Infrastructure Council</u>	<u>9 Y, 0 N</u>	<u>McDonald</u>	<u>Havlicak</u>
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

The bill increases the membership of the Florida Commission on Tourism (commission) from 34 to 35 with the addition of a member from a statewide association representing restaurants.

The bill also revises financial disclosure requirements for commission members, providing that a member who is not otherwise required to file a Full and Public Statement of Financial Interests, pursuant to s. 8, Art. II of the State Constitution or s. 112.3144, F.S., to file a Statement of Financial Interest, pursuant to s. 112.3145, F.S. This change conforms the requirement to that of other similarly created public-private partnerships, boards and commissions, e.g., Enterprise Florida, Inc., Black Business Investment Board, and Workforce Florida, which are required to file the statutory, rather than the constitutional, financial disclosure.

Finally, the bill deletes the requirement for the commission to establish a statewide nature and heritage tourism advisory committee. Statutory requirements regarding the incorporation of nature-based tourism and heritage tourism components in the comprehensive marketing plan and the elements of the plan related to those components are not changed by this deletion.

The bill takes effect July 1, 2005.

The fiscal impact of the bill will be negligible, if any. See "Fiscal Comments."

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government – The bill deletes statutory requirement for the establishment of a statewide advisory committee to the Florida Commission on Tourism. See details below.

B. EFFECT OF PROPOSED CHANGES:

PRESENT SITUATION

In 1996, with the enactment of Ch. 96-320, LOF, the Department of Commerce was dismantled. Responsibilities for promoting and marketing visitation to the state that had formerly been under the department and its Division of Tourism were given to a newly created public-private partnership. The Florida Commission on Tourism (commission) and its direct support organization, VISIT FLORIDA, formed the component parts of the statutorily created public-private partnership responsible for making Florida the premier tourism destination.

Florida Commission on Tourism

Purpose & Duties:

By law, the purpose of the commission is to be the administrative policy link between the public and the private sector tourism promotion partners.

The commission, with the Governor as its chairman, is vested with the authority to make policy decisions on promoting and developing tourism in Florida. Its purpose is to oversee the state's efforts to increase the positive impact of tourism, including increased employment for state citizens; continually upgrade the image of Florida as a destination; to promote tourism objectives with all geographic, socioeconomic, and community sectors considered equitably; and to judge its efforts by the same standards of accountability and integrity as those used by successful, respected private sector businesses.¹ By law, the commission is given the authority and responsibility to do, among other things, the following:

- Recommend the tenets of a 4-year marketing plan to sustain tourism growth, which plan shall be annual in construction and ongoing in nature. The plan must include an emergency response component and research designs; provisions for the direct support organization to reach the targeted one-to-one match of private to public contributions within four years after plan implementation; specific provisions for directing tourism promotion resources toward promotion and development of nature-based and heritage tourism with provisions addressing these tourism initiatives in rural communities; and specific performance standards and measurable outcomes for the commission and the direct support organization.
- Develop an operational structure to carry out the marketing plan.
- Undertake or commission marketing research and advertising research studies.
- Establish a statewide advisory committee of the commission to assist it with implementation of a plan to protect and promote all of the natural, coastal, historical, and cultural tourism assets of this state. The committee is given specific responsibilities regarding nature-based and heritage tourism.
- Contract with a direct support organization created under s. 288.1226, F.S., to execute the tourism marketing and promotion services, functions, and programs for this state including, but

¹ See s. 288.1223(1) and (2)(f), F.S.

not limited to, the activities prescribed in the 4-year marketing plan. Serve as the contract administrator for the contract.

- Be responsible for the prudent use of all public and private funds and ensure that the use of the funds is in accordance with all applicable laws, bylaws, and contractual requirements.²

Through a contract with the Governor's Office of Tourism, Trade, and Economic Development, the commission carries out its purpose and duties and responsibilities assigned by statute.

Commission Membership

The commission consists of 34 members including the Governor, as a voting member, and a Senator chosen by the President of the Senate and a Representative chosen by the Speaker of the House of Representatives who are both ex officio members. The 31 other members are recognized tourism industry leaders appointed by the Governor. Of those, 17 general tourism industry members are also subject to Senate confirmation.

Seventeen of the 31 members are from the general tourism industry as specified in the law. These members are to be appointed in such a manner as to equitably represent all geographic areas of the state, with no fewer than two and no more than four members from any of the six tourism regions delineated in law.³

The remaining 14 members must come from the following tourism industry areas:

- 3 representatives from the statewide rental car industry;
- 4 representatives from tourist-related statewide associations, including those that represent hotels, campgrounds, county destination marketing organizations, and attractions;
- 2 representatives from county destination marketing organizations;
- 1 representative from the cruise industry;
- 1 representative from an automobile and travel services membership organization;
- 1 representative from the youth travel industry; and,
- 1 representative from the space tourism industry.⁴

VISIT FLORIDA

VISIT FLORIDA, the private arm of the public/private partnership, is charged with carrying out the policies set forth by the public partner in its 4-year marketing plan and other provisions of law. VISIT FLORIDA has a board of directors made up of the 31 private sector members of the Florida Commission on Tourism. The Vice Chair of the Florida Commission on Tourism serves as the Chair of the Board of Directors of VISIT FLORIDA. This board directs the activities of the not-for-profit corporation.⁵ The private corporation is composed of the following departments: Marketing (Promotions, Creative Services & Public Relations), Sales, Partner Development, Research, Governmental Relations, New Product Development, Finance & Administration. The Board is composed of councils and committees that advise on issues related to the marketing plan and its implementation or other issues relating to tourism in the state.

Nature-based and Heritage Tourism Initiatives: Commission & VISIT FLORIDA

In 1996, the Legislature amended s. 288.1224, F.S., to require the commission to establish a statewide advisory committee to assist in the promotion and protection of natural, coastal, historical, and cultural tourism assets. Duties of the committee include: developing nature and heritage tourism policies,

² See s. 288.1224, F.S.

³ See s. 288.1223, (2)(b), F.S.

⁴ See s. 288.1223, (2)(a), F.S.

⁵ See s. 288.1226, F.S.

coordinating government and private interests in nature and heritage tourism, and integrating nature and heritage tourism marketing strategies. The representatives of the committee have changed over the years, but currently members are appointed by the commission chair and include a representative from each of the following:

- Department of Agriculture;
- Department of Environmental Protection;
- Department of Community Affairs;
- Department of Transportation;
- Department of State;
- Florida Greenways Coordinating Council;
- Florida Fish and Wildlife Conservation Commission;
- Enterprise Florida, Inc;
- Rural and non-rural economic development organizations;
- Two not-for-profit environmental organizations;
- Regional nature-based or heritage tourism committees; and
- Private sector tourism.

As mentioned earlier, VISIT FLORIDA has a New Product Development (NPD) department that has as its primary responsibility the promotion of nature, heritage, cultural, and rural tourism. The Council and Committee structure of VISIT FLORIDA that advises the Board of Directors and the NPD department on issues related to implementing the state's tourism marketing plan as it relates to nature, heritage, cultural and rural interests is comprised of over fifty tourism industry leaders. The NPD Council consists of four committees: NPD Council Steering, Cultural Heritage Tourism, Nature-based Tourism and Rural Tourism. The NPD department supports a number of programs and publications. The following are some examples:

- *Undiscovered Florida* is a publication that highlights different attractions, activities, cultural communities and events, and natural destinations throughout the state.
- *Culturally Florida* and *History & the Arts* are two publications that highlight museums, entertainment, concerts, science, diversity, and histories of peoples and areas throughout the state.
- *Rural County Pilot Projects* assist rural counties in developing and marketing their tourism product. County-specific brochures are published highlighting various natural sites and outdoor activities.
- *Worth the Drive* features themed tours, road tours, city tours, and day trips.
- Numerous site and activity specific brochures including guides to archeological sites, gardens, springs, lakes, camping, kayaking, and biking throughout the state.

According to the Florida Commission on Tourism, the statutory advisory committee voted to suspend its operations in order to allow the VISIT FLORIDA Board of Directors' committee process to work. All of the active members of the committee are members of VISIT FLORIDA Board committees. The vote to suspend operations occurred in October 2004.

Financial Disclosure – General Requirements

Public officers, employees and appointees are required by law to file one of two financial disclosure statements with the Florida Commission on Ethics. Section 8, Art. II, of the State Constitution requires "all elected constitutional officers and candidates for such offices and, as may be determined by law, other public officers, candidates, and employees" to file a Full and Public Statement of Financial Interests.⁶ Such persons must report the *total dollar value* of the following: net worth, assets including

⁶ Implemented in s. 112.3144, F.S. In addition to elected constitutional officers and candidates for those offices, the following are required to file Full Financial Disclosure: Jacksonville mayor and City Council Members; judges of compensation claims; Duval

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household goods and personal effects, liabilities in excess of \$1,000, primary and secondary sources of income, and interests in specified businesses including positions held and ownership.⁷

Section 112.3145(2)(a), F.S., requires “each state or local officer and each specified state employee” to file a Statement of Financial Interests each year.⁸ “State officer” is defined, in part, as an appointed member of each board, commission, authority, or council having statewide jurisdiction, excluding a member of an advisory body.⁹ Such persons must report primary and secondary sources of income, assets, liabilities, and interests in specified businesses including positions held and ownership, that exceed specified percentage or dollar thresholds outlined in s. 112.3145, F.S.¹⁰

Financial Disclosure – Florida Commission on Tourism & Other Public-Private Partnerships

Section 288.1223(2)(i), F.S., requires each member of the Florida Commission on Tourism to file the Full and Public Statement of Financial Interests. Other similar entities, such as Workforce Florida, Enterprise Florida, Inc, and the Black Business Investment Board, are only required to file a Statement of Financial Interests.

According to the Florida Commission on Tourism, there have been potential members whose companies would not permit them to serve if they were required to disclose the amounts of interest relative to the company which employed them.

Effect of Proposed Changes:

The bill increases the membership of the Florida Commission on Tourism from 34 to 35 with the addition of a member from a statewide association representing restaurants.

The bill also revises financial disclosure requirements for commission members, providing that a member who is not otherwise required to file a Full and Public Statement of Financial Interests, pursuant to s. 8, Art. II of the State Constitution or s. 112.3144, F.S., to file a Statement of Financial Interests, pursuant to s. 112.3145, F.S. This change conforms the requirement to that of other similarly created public-private partnerships, boards and commissions, e.g., Enterprise Florida, Inc., Black Business Investment Board, and Workforce Florida, which are required to file the statutory, rather than the constitutional financial disclosure.

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The bill takes effect July 1, 2005.

C. SECTION DIRECTORY:

Section 1. Amends s. 288.1223, F.S., relating to the Florida Commission on Tourism; increasing membership; revising financial disclosure requirements for members.

Section 2. Amends s. 288.1224, F.S., relating to the powers and duties of the Florida Commission on Tourism; deleting requirement for statewide advisory committee.

County School Superintendent; Florida Housing Finance Corporation Board of Directors; Florida Prepaid College Board, and the Florida Commission on Tourism.

⁷ Florida Commission on Ethics website, www.ethics.state.fl.us, Form 6.

⁸ Florida Commission on Ethics website, www.ethics.state.fl.us, Form 1.

⁹ See s. 112.3145(1)(c)2., F.S.

¹⁰ Florida Commission on Ethics website, www.ethics.state.fl.us, Form 1.

Section 3. Provides an effective date of July 1, 2005.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See "Fiscal Comments".

2. Expenditures:

See "Fiscal Comments".

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

There is a potential cost savings to the Florida Commission on Tourism since it would no longer be required to maintain a statewide advisory committee on nature and heritage tourism. However, the majority of these committee members serve on related committees of the Board of Directors of VISIT FLORIDA.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require municipalities or counties to expend funds, does not reduce their authority to raise revenue, and does not reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES