

THE FLORIDA SENATE
2023-C SUMMARY OF LEGISLATION PASSED
Committee on Rules

HB 5-C — Scrutinized Companies

by Rep. Snyder and others (SB 10-C by Senator Avila)

The bill amends the Protecting Florida’s Investments Act to expand the definition of a “scrutinized company” to include those companies that do business with the government of Iran in the energy, petrochemical, financial, construction, manufacturing, textile, mining, metals, shipping, shipbuilding, and port sectors, in addition to the current sectors of oil-related activities and mineral-extraction activities. A new scrutinized company must have, on or after January 10, 2024, either: (1) at least 10 percent of its revenues or assets linked to Iran and involved in the scrutinized industry sectors, or (2) an investment that equals \$20 million or more within any 12-month period that involves one of the scrutinized industry sectors.

To conform to the expansion of the definition of a “scrutinized company,” the bill renames the “Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List” to the “Scrutinized Companies with Activities in Iran Terrorism Sectors List.”

The State Board of Administration must divest its current holdings in the Florida Retirement System’s portfolio from these scrutinized companies and may not make new investments in them.

Additionally, the bill applies current statutory contracting restrictions and requirements on scrutinized companies to the scrutinized companies with activities in Iran terrorism sectors. Specifically, the scrutinized companies are ineligible to bid on, submit a proposal for, or enter into or renew a contract with an agency or local governmental entity for goods or services of \$1 million or more if the company is on the Iran Terrorism Sectors List.

If approved by the Governor, or allowed to become law without the Governor’s signature, these provisions take effect upon becoming law.

Vote: Senate 39-0; House 100-2