

Tab 1	SB 214 by McClain ; Identical to H 00273 Special District Funding
Tab 2	SB 482 by Leek ; Identical to H 01395 Artificial Intelligence Bill of Rights
Tab 3	SPB 7030 by CM ; Public Records/Investigations by the Department of Legal Affairs
Tab 4	SB 554 by Bernard ; Identical to H 00797 Nonprofit Corporations
Tab 5	SB 994 by Gruters (CO-INTRODUCERS) Martin ; Similar to H 01205 Florida Kratom Consumer Protection Act
Tab 6	SB 998 by Yarborough ; Similar to H 00741 Department of Commerce
Tab 7	SB 1004 by Gaetz (CO-INTRODUCERS) Arrington ; Compare to H 01521 Sale of Dogs and Cats
Tab 8	SB 1074 by Gaetz ; Similar to H 00951 One-cent Piece
Tab 9	SB 1076 by Calatayud ; Identical to H 00847 Research and Development Tax Credit
Tab 10	SB 1266 by Calatayud ; Similar to CS/H 01081 Cybersecurity Internships

633256 A S RCS CM, Calatayud Delete L.120 - 124. 01/21 11:51 AM

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

COMMERCE AND TOURISM
Senator Leek, Chair
Senator Arrington, Vice Chair

MEETING DATE: Wednesday, January 21, 2026

TIME: 8:30—10:30 a.m.

PLACE: *Toni Jennings Committee Room*, 110 Senate Building

MEMBERS: Senator Leek, Chair; Senator Arrington, Vice Chair; Senators Bracy Davis, Davis, DiCeglie, Mayfield, McClain, Smith, Wright, and Yarborough

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 214 McClain (Identical H 273)	Special District Funding; Revising agency agreements that provide state financial assistance to recipients or subrecipients to include certain special districts as an entity to which such agency may provide for the payment of invoices under specified circumstances; revising the definition of "rural community" to include certain special districts, etc. CM 01/21/2026 Favorable ATD FP	Favorable Yeas 10 Nays 0
2	SB 482 Leek (Identical H 1395, Compare H 659)	Artificial Intelligence Bill of Rights; Prohibiting a governmental entity from extending or renewing a contract with specified entities; creating the "Artificial Intelligence Bill of Rights"; providing the rights of Floridians relating to the use of artificial intelligence; requiring companion chatbot platforms to prohibit a minor from creating new or maintaining existing accounts unless the minor's parent or guardian consents; prohibiting artificial intelligence technology companies from selling or disclosing the personal information of users unless the information is deidentified data, etc. CM 01/21/2026 Favorable AP	Favorable Yeas 10 Nays 0
Consideration of proposed bill:			
3	SPB 7030	Public Records/Investigations by the Department of Legal Affairs; Providing an exemption from public records requirements for information relating to notifications of violations or investigations by the Department of Legal Affairs of certain companion chatbot violations; requiring certain information remain confidential and exempt upon the completion or cessation of an investigation; providing an exemption from public records requirements for information relating to notifications of violations or investigations by the department of certain bot-related consumer protection violations; providing for future legislative review and repeal of the exemption; providing a statement of public necessity, etc.	Submitted and Reported Favorably as Committee Bill Yeas 10 Nays 0

COMMITTEE MEETING EXPANDED AGENDA

Commerce and Tourism

Wednesday, January 21, 2026, 8:30—10:30 a.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
4	SB 554 Bernard (Identical H 797)	Nonprofit Corporations; Renaming the "Florida Not For Profit Corporation Act" as the "Florida Nonprofit Corporation Act"; revising the circumstances in which a domestic or foreign corporation may correct a document filed with the department; requiring all courts, public offices, and official bodies to receive all certificates issued by the department as prima facie evidence of certain facts; authorizing a corporation to register under a name that is not otherwise distinguishable on the records of the department under certain circumstances; prohibiting a corporation from paying any dividend and making distributions of any part of its net income or net earnings to its members, directors, or officers, etc. CM 01/21/2026 Favorable JU FP	Favorable Yeas 10 Nays 0
5	SB 994 Gruters (Similar H 1205)	Florida Kratom Consumer Protection Act; Requiring that finished kratom products sold to consumers at certain establishments meet certain requirements; requiring that kratom products be manufactured only by a processor who holds a certain permit issued by the Department of Agriculture and Consumer Services; providing requirements for finished kratom products produced in this state and subsequently shipped or transported out of this state for sale outside of this state; providing that a processor whose kratom product contains a controlled substance or other prohibited substances is in violation of the act, etc. CM 01/21/2026 Temporarily Postponed AEG FP	Temporarily Postponed
6	SB 998 Yarborough (Similar H 741)	Department of Commerce; Repealing provisions relating to the Florida Small Cities Community Development Block Grant Program Act; providing an exemption for certain conveyances of state lands to certain federal agencies which revert to the Board of Trustees of the Internal Improvement Trust Fund if such land is not used for its intended purposes as a military installation buffer or if the military installation closes; requiring employers who are required to use the E-Verify system to verify a new employee's employment eligibility to maintain an E-Verify case result for each employee which shows that the employee is authorized to work; requiring the department to provide an employer knowingly employing an unauthorized alien with a written determination, etc. CM 01/21/2026 Favorable ATD RC	Favorable Yeas 6 Nays 4

COMMITTEE MEETING EXPANDED AGENDA

Commerce and Tourism

Wednesday, January 21, 2026, 8:30—10:30 a.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
7	SB 1004 Gaetz (Compare H 1521, S 1356)	Sale of Dogs and Cats; Requiring that if a pet sale is terminated for certain reasons, the financing agreement must be terminated without certain costs; requiring that all financial terms be disclosed to the consumer before the sale of the animal; requiring a pet dealer to provide copies of specified medical records to a consumer; providing that violations constitute an unfair method of competition or an unfair or deceptive act or practice in violation of specified provisions and subject to penalties, etc. CM 01/21/2026 Favorable JU RC	Favorable Yeas 10 Nays 0
8	SB 1074 Gaetz (Similar H 951)	One-cent Piece; Requiring dealers to round to the nearest nickel in certain circumstances; providing procedures for such rounding; requiring that the tax due on rounded transactions be calculated on the price before rounding; providing that rounding to the nearest nickel is not a deceptive and unfair trade practice in certain circumstances, etc. CM 01/21/2026 Favorable FT AP	Favorable Yeas 10 Nays 0
9	SB 1076 Calatayud (Identical H 847)	Research and Development Tax Credit; Increasing the combined total amount of tax credits which may be granted to business enterprises under the research and development tax credit, etc. CM 01/21/2026 Favorable FT AP	Favorable Yeas 10 Nays 0
10	SB 1266 Calatayud (Identical H 1081)	Cybersecurity Internships; Creating the Cybersecurity Experiential Internship and Clearance Readiness Program within the Department of Commerce; requiring the department to enter into an agreement with the Florida Center for Cybersecurity (Cyber Florida) to implement the program in collaboration with specified universities and institutions; requiring the department, using data and analyses provided by Cyber Florida, to submit a report by a specified date and annually thereafter to the Governor and the Legislature, etc. CM 01/21/2026 Fav/CS ATD AP	Fav/CS Yeas 10 Nays 0

Other Related Meeting Documents

CourtSmart Tag Report

Room: SB 110
Caption: Senate Commerce and Tourism Committee

Case No.:

Type:
Judge:

Started: 1/21/2026 8:32:17 AM
Ends: 1/21/2026 10:13:30 AM **Length:** 01:41:14

8:32:19 AM Chair Leek calls meeting to order
8:32:26 AM Roll call
8:32:47 AM Quorum announced
8:33:04 AM Chair Leek with opening comments
8:33:14 AM SB 994, Florida Kratom Consumer Protection Act Tp'd
8:33:31 AM Tab 9, SB 1076, Research and Development Tax Credit by Senator Calatayud introduced by Chair Leek
8:33:49 AM Senator Calatayud
8:34:12 AM Chair Leek
8:34:24 AM Colton Madill, Florida Chamber of Commerce waives
8:34:27 AM Chair Leek
8:34:31 AM Closure waived
8:34:34 AM Roll call
8:34:55 AM SB 1076 reported favorably
8:35:05 AM Tab 10, SB 1266, Research and Development Tax Credit by Senator Calatayud introduced by Chair Leek
8:35:12 AM Senator Calatayud
8:36:19 AM Amendment Barcode No. 633256 introduced by Chair Leek
8:36:22 AM Senator Calatayud
8:36:24 AM Chair Leek
8:36:32 AM Closure waived
8:36:39 AM Amendment adopted
8:36:42 AM Chair Leek
8:36:52 AM Closure waived
8:36:55 AM Roll call
8:37:21 AM CS/SB 1266 reported favorably
8:37:36 AM Tab 4, SB 554, Nonprofit Corporations by Senator Bernard introduced by Chair Leek
8:37:43 AM Senator Bernard
8:38:50 AM Chair Leek
8:39:09 AM Stuart Cohn, Business Law Section, Florida Bar waives
8:39:13 AM Greg Black waives
8:39:16 AM Chair Leek
8:39:19 AM Closure waived
8:39:23 AM Roll call
8:39:31 AM SB 554 reported favorably
8:39:56 AM Tab 7, SB 1004, Sale of Dogs and Cats by Senator Gaetz introduced by Chair Leek
8:40:02 AM Senator Gaetz
8:42:26 AM Chair Leek
8:43:09 AM Speaker Laurie Hood
8:44:55 AM Chair Leek
8:45:39 AM Speaker Kate Macfall, Humane World for Animals
8:47:08 AM Chair Leek

8:47:11 AM Diana Ferguson, FL Animal Control Association waives
8:47:26 AM Debate
8:47:30 AM Senator Arrington
8:47:44 AM Chair Leek
8:47:57 AM Closure waived
8:47:59 AM Roll call
8:48:15 AM SB 1004 reported favorably
8:48:27 AM Tab 8, SB 1074, One-Cent Piece by Senator Gaetz introduced by Chair Leek
8:48:35 AM Senator Gaetz
8:49:43 AM Chair Leek
8:49:56 AM French Brown, Florida Retail Federation waives
8:50:03 AM Alli Liby-Schoonover, Florida Restaurant & Lodging Association waives
8:50:08 AM Chair Leek
8:50:14 AM Closure waived
8:50:16 AM Roll call
8:50:35 AM CS/SB 1074 reported favorably
8:50:47 AM Tab 6, SB 998, Department of Commerce by Senator Yarborough introduced by Chair Leek
8:50:51 AM Senator Yarborough
8:56:23 AM Chair Leek
8:56:32 AM Senator Bracy Davis
8:56:52 AM Senator Yarborough
8:57:14 AM Senator Bracy Davis
8:57:32 AM Senator Yarborough
9:00:22 AM Senator Bracy Davis
9:00:35 AM Senator Yarborough
9:00:52 AM Senator Davis
9:01:12 AM Senator Yarborough
9:01:46 AM Senator Davis
9:02:01 AM Senator Yarborough
9:02:41 AM Senator Davis
9:03:11 AM Senator Yarborough
9:04:13 AM Chair Leek
9:04:26 AM Secretary Alex Kelly, Florida Department of Commerce waives
9:04:29 AM Chair Leek
9:04:31 AM Debate
9:04:34 AM Senator Smith
9:10:25 AM Chair Leek
9:10:43 AM Senator Wright
9:11:00 AM Chair Leek
9:11:09 AM Senator Yarborough in closure
9:11:23 AM Roll call
9:11:48 AM SB 998 reported favorably
9:11:58 AM Tab 1, SB 214, Special District Funding by Senator McClain introduced by Chair Leek
9:12:03 AM Senator McClain
9:12:37 AM Chair Leek
9:12:40 AM Edgar Fernandez, Waccasassa Water & Wastewater Cooperative waives
9:12:44 AM Chair Leek
9:12:49 AM Closure waived
9:12:52 AM Roll call
9:13:06 AM SB 214 reported favorably
9:13:18 AM Gavel passed to Senator Arrington

9:13:27 AM Tab 2, SB 482, Artificial Intelligence Bills of Rights by Senator Leek introduced by Chair Arrington

9:13:31 AM Senator Leek

9:16:16 AM Chair Arrington

9:16:34 AM Senator Bracy Davis

9:17:00 AM Senator Leek

9:17:56 AM Senator Bracy Davis

9:18:11 AM Senator Leek

9:18:52 AM Senator Davis

9:19:26 AM Senator Leek

9:19:55 AM Senator Davis

9:20:05 AM Senator Leek

9:20:31 AM Senator Davis

9:20:53 AM Senator Leek

9:21:10 AM Senator Davis

9:21:22 AM Senator Leek

9:21:49 AM Senator Davis

9:22:08 AM Senator Leek

9:22:41 AM Senator Smith

9:24:03 AM Senator Leek

9:24:38 AM Senator Smith

9:25:22 AM Senator Leek

9:26:03 AM Senator Smith

9:27:00 AM Senator Leek

9:27:31 AM Senator Smith

9:28:07 AM Senator Leek

9:28:28 AM Senator Smith

9:28:50 AM Senator Leek

9:29:00 AM Senator Smith

9:29:38 AM Senator Leek

9:29:45 AM Senator Smith

9:30:46 AM Senator Leek

9:31:12 AM Chair Arrington

9:31:34 AM Speaker Ryan Kennedy, Florida Citizens Alliance

9:34:34 AM Speaker John Labriola, Christian Family Coalition Florida

9:35:37 AM Kathleen Murray, CDF waives

9:35:59 AM Speaker Isabella Rodriguez

9:36:53 AM Sandra Thuringer waives

9:37:13 AM Speaker Dr. Rich Templin, Florida AFL-CIO

9:39:56 AM Antonio Duhart waives

9:40:12 AM Speaker Julie Barrett

9:42:47 AM Norwood Orrick waives

9:43:01 AM Anthony Verdugo waives

9:43:23 AM Speaker Turner Loesel, The James Madison Institute

9:45:28 AM Elvin Marte waives

9:45:45 AM Speaker Adam Basford, Associated Industries of Florida

9:46:01 AM Christina Regalado waives

9:47:10 AM Speaker Amy Keith, Common Cause

9:48:57 AM Aaron DiPietro, Florida Family Voice waives

9:49:04 AM Richard Jones waives

9:49:13 AM Crystal Etienne waives

9:49:17 AM Sonia Johnson waives

9:49:25 AM Stephanie Mitchell waives
9:49:28 AM Chair Arrington
9:49:31 AM Debate
9:49:33 AM Senator Smith
9:54:10 AM Chair Arrington
9:54:13 AM Senator Davis
9:56:07 AM Chair Arrington
9:56:30 AM Senator Leek with closure
9:57:53 AM Roll call
9:58:12 AM SB 482 reported favorably
9:58:33 AM Tab 3, SPB 7030, Public Records/Investigations by the Department of Legal Affairs introduced by Chair Arrington
9:58:38 AM Senator Leek
9:58:57 AM Chair Arrington
9:59:15 AM Senator Leek moves SPB 7030 be submitted as a Committee Bill
9:59:19 AM Motion adopted
9:59:23 AM Roll call
9:59:44 AM SPB 7030 voted favorably to be submitted as a Committee Bill
9:59:59 AM Gavel passed to Senator Leek
10:00:01 AM Chair Leek
10:00:08 AM Senator Yarborough would like to be shown voting in the affirmative on Tab 9
10:00:14 AM Senator Wright would like to be shown voting in the affirmative on Tab 9
10:00:26 AM Senator Davis would like to be shown voting in the affirmative on Tabs 9, 10 and 4
10:00:34 AM Chair Leek
10:00:45 AM Meeting adjourned
10:00:50 AM

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 214

INTRODUCER: Senator McClain

SUBJECT: Special District Funding

DATE: January 20, 2026

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Renner	McKay	CM	Favorable
2. _____	_____	ATD	_____
3. _____	_____	FP	_____

I. Summary:

SB 214 amends s. 215.971, F.S., to require agency agreements to provide state or federal financial assistance to special districts located in a rural community or rural area of opportunity to include a provision allowing the agency to provide for the payment of invoices for verified and eligible performance that has been completed in accordance with the terms and conditions of the agreement in the same manner as current law authorizes for counties and municipalities in those areas.

The bill amends s. 288.0656, F.S., to revise the definition of “rural community” for the purposes of the Rural Economic Development Initiative to include special districts located in rural counties. This inclusion will allow special districts to participate in state financial assistance programs.

This bill may have an indeterminate impact on state expenditures. *See* Section V. Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

Rural Economic Development Initiative (REDI)

The Rural Economic Development Initiative (REDI) was established by the Legislature to encourage and facilitate the location and expansion of major economic development projects of significant scale in rural communities.¹ Today, the REDI operates as a statewide initiative led by the Department of Commerce (FloridaCommerce) to better serve Florida’s rural communities by

¹ Section 288.0656(1)(a), F.S.

providing a more focused and coordinated effort among state and regional agencies to improve the fiscal, economic, and community viability of these areas.²

Specified agencies and organizations³ are required to designate a high-level staff person to serve as their REDI representative. Each REDI representative is responsible for ensuring that their agency or organization is informed about REDI and helps to identify opportunities to accommodate or include rural local governments in their agency programs.

REDI is required to review and evaluate the impact of statutes and rules on rural communities and work to minimize any adverse impact and undertake outreach and capacity-building efforts.⁴ Under the REDI statute, a rural community is defined as:

- A county with a population of 75,000 or fewer;
- A county with a population of 125,000 or fewer, if the county is contiguous to a county with a population of 75,000 or fewer;
- Any municipality in a county that meets the above criteria; or
- An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer, with an employment base focused on traditional agriculture or resource-based industries, located in a county not defined as rural, and which has at least three or more economic distress factors.⁵

Each REDI member agency is required to review financial match requirements for projects in rural areas and develop a proposal to waive or reduce match requirements, and such proposals must be submitted to REDI.⁶ REDI must call a meeting within 30 days of receipt of such proposals for comment and recommendation.⁷ Waivers and reductions must be requested by the county or community, and to the fullest extent possible member organizations must expedite rule and amendment adoption to incorporate the reduction in match by rural areas in financial distress.⁸ REDI must prepare an annual report as a supplement to FloridaCommerce's annual report, which includes an evaluation on the status of changes to rules, the number of awards made with waivers, and recommendations for future changes.⁹

Based on the REDI's recommendations, the Governor may designate up to three rural areas of opportunity (RAOs) by executive order,¹⁰ which establishes certain local governments as a priority for the department. The orders also permit all state agencies and departments to use all available tools and resources to the extent permissible by law to promote the creation and

² Section 288.0656(3), F.S.

³ The Department of Transportation, Department of Environmental Protection, Department of Agriculture and Consumer Services, Department of State, Department of Health, Department of Children and Families, Department of Corrections, Department of Education, Department of Juvenile Justice, Fish and Wildlife Conservation Commission, each water management district, CareerSource Florida, Inc., VISIT Florida, the Florida Regional Planning Council Association, Agency for Health Care Administration, the Institute of Food and Agricultural Sciences (IFAS). *See* s. 288.0656(6)(a), F.S.

⁴ Section 288.0656(4), F.S.

⁵ Section 288.0656(2)(e), F.S.

⁶ Section 288.06561, F.S.

⁷ Section 288.06561(3), F.S.

⁸ Section 288.06561(4) and (7), F.S.

⁹ Section 288.06561(8), F.S.

¹⁰ Section 288.0656(7)(a), F.S.

development of projects designated by the RAO that have been recommended by the department.¹¹

Rural Area of Opportunity

A RAO is a rural community,¹² or region comprised of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster.¹³ An area may also be designated as an RAO if it presents a unique economic development opportunity of regional impact.¹⁴ The designation of an RAO must be agreed upon by the Department of Commerce, as well as the county and municipal governments, to be included in the RAO.¹⁵

This designation establishes these areas as priority assignments for REDI and allows the Governor, acting through REDI, to waive criteria, requirements, or similar provisions of any economic development initiative. Such incentives include, but are not limited to, the Quick Response Training Program¹⁶, the Quick Response Training Program for participants in the welfare transition program¹⁷, transportation projects,¹⁸ the brownfield redevelopment bonus refund¹⁹, and the rural job tax credit program.²⁰

Currently, there are three designated RAO areas:²¹

- **Northwest RAO:** Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Wakulla, and Washington counties, and portions of Bay, Okaloosa, and Walton Counties.
- **South Central RAO:** DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee counties, and the communities of Pahokee, Belle Glade, and South Bay in Palm Beach County and Immokalee in Collier County.²²
- **North Central RAO:** Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Putnam, Suwannee, Taylor, and Union counties.²³

¹¹ Executive Orders 20-170, 21-149, and 23-132 and 25-141 available at https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_20-170.pdf, https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_21-149.pdf, and <https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO-23-132.pdf> and <https://www.flgov.com/eog/sites/default/files/executive-orders/2025/EO%2025-141.pdf> (last visited Jan. 20, 2026)

¹² Section 288.0656(2)(e), F.S.

¹³ Section 288.0656(2)(d), F.S.

¹⁴ *Id.*

¹⁵ Section 288.0656(7)(b), F.S.

¹⁶ Section 288.047, F.S.

¹⁷ Section 288.047(8), F.S.

¹⁸ Section 339.2821, F.S.

¹⁹ Section 288.107, F.S.

²⁰ Sections 212.098 and 220.1895, F.S.

²¹ Florida Department of Commerce, Office of Rural Initiatives, available at <https://www.floridajobs.org/community-planning-and-development/office-of-rural-initiatives> (last visited Jan. 20, 2026).

²² The economic development organization for this RAO is Florida's Heartland Regional Economic Development Initiative, Inc. See <https://flaheartland.com/> (last visited Jan. 20, 2026).

²³ The economic development organization for this RAO is the North Florida Economic Development Partnership. See <https://nflp.org/> (last visited Jan. 20, 2026).

Agreements Funded with Federal or State Assistance

Current law requires an agency agreement that provides state financial assistance to a recipient or subrecipient,²⁴ or that provides federal financial assistance to a subrecipient, to include the following:

- A provision specifying scope of work that clearly establishes the tasks the recipient or subrecipient is required to perform;
- A provision dividing the agreement into quantifiable units of deliverables that must be received and accepted in writing by the agency before payment. Each deliverable must be directly related to the scope of work and must specify the required minimum level of service to be performed and the criteria for evaluating the successful completion of each deliverable;
- A provision specifying the financial consequences that apply if the recipient or subrecipient fails to perform the minimum level of service required in the agreement. The provision can be excluded in specified situations;
- A provision specifying that a recipient or subrecipient of federal or state financial assistance may expend funds only for allowable costs resulting from obligations incurred during the specified agreement period;
- A provision specifying that any balance of unobligated funds which has been advanced or paid must be refunded to the state agency;
- A provision specifying that any funds paid in excess of the amount to which the recipient or subrecipient is entitled must be refunded to the state agency; and
- Any additional information required pursuant to the Florida Single Audit Act.²⁵

Current law prohibits an agency agreement that provides state or federal financial assistance to local government entities within an RAO from requiring those entities to expend funds to be reimbursed. For these local government entities, an agency is authorized to advance funding based on an analysis of estimated costs, to pay service providers and vendors directly, or to pursue other options to meet the requirements of the agreement, allowing local governments in rural areas to be paid without first spending their own capital.²⁶

The Chief Financial Officer establishes and disseminates uniform procedures for grant management to ensure that services have been rendered in accordance with agreement terms before the agency processes an invoice for payment.²⁷ The procedures include, but are not limited to, monitoring and documenting recipient performance, reviewing and documenting deliverables for payment requested by recipients, and providing written certification by the grant manager of the agency's receipt of goods and services.²⁸ The grant manager must reconcile and verify all funds received against all funds expended during the grant agreement period and produce a final report that identifies any funds paid in excess by the recipient.²⁹

²⁴ Section 215.97(2)(y), F.S., defines a "subrecipient" as a nonstate entity that receives state financial assistance through another nonstate entity.

²⁵ Section 215.971(1)(a)-(g), F.S.

²⁶ Section 215.971(1) (h) F.S.

²⁷ Section 215.971(2)(b), F.S.

²⁸ *Id.*

²⁹ Section 214.971(2)(c), F.S.

Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.³⁰ Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet.³¹ A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.³² Special districts are funded through the imposition of ad valorem taxes, fees, or charges on the users of those services authorized by law.³³

Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as “dependent” if the governing body of a single county or municipality:

- Serves as governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district’s governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.³⁴

A district is classified as “independent” if it does not meet any of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of a single municipality.³⁵

Currently, there are 103 special districts within the Northwest RAO counties, 44 within the North Central RAO counties, and 57 within the South Central RAO counties.³⁶

III. Effect of Proposed Changes:

SB 214 amends s. 215.971, F.S., to require agency agreements to provide state or federal financial assistance to special districts located, in whole or in part, in a rural community or RAO to include a provision allowing the agency to provide for the payment of invoices for verified and eligible performance that has been completed in accordance with the terms and conditions of the agreement.

³⁰ See *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547 (Fla. 2019).

³¹ See ss. 189.02, 189.031(3), and 190.005(1), F.S. See generally s. 189.012(6), F.S.

³² Florida House of Representatives, Intergovernmental Affairs Subcommittee, *Local Government Formation Manual*, pg. 56, available at

<https://www.flhouse.gov/Sections/Documents/loadoc.aspx?PublicationType=Committees&CommitteeId=3304&Session=2025&DocumentType=General+Publications&FileName=Local+Government+Formation+Manual+%5b2024-2026%5d.pdf> (last visited Jan. 20, 2026).

³³ The method of financing a district must be stated in its charter. Sections 189.02(4)(g) and 189.031(3), F.S.

³⁴ Section 189.012(2), F.S.

³⁵ Section 189.012(3), F.S.

³⁶ See Florida Department of Commerce, Official List of Special Districts, <https://www.floridajobs.org/community-planning-and-development/special-districts/special-district-accountability-program/official-list-of-special-districts> (last visited Jan. 20, 2026). Some of these districts may lie outside of the portions of counties listed in the Northwest RAO and the South Central RAO.

The bill amends s. 288.0656, F.S., to revise the definition of “rural community” for the REDI to include special districts located in rural counties. This inclusion will allow special districts to participate in state financial assistance programs.

The bill takes effect July 1, 2026.

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

IV. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Expanding the eligibility for invoice payments to include special districts may have an indeterminate negative fiscal impact on agencies administering financial assistance programs. Similarly, expanding the definition of rural community to include special districts may alter which projects located in an RAO receive economic development funding.

V. Technical Deficiencies:

None.

VI. Related Issues:

None.

VII. Statutes Affected:

This bill substantially amends sections 215.971 and 288.0656 of the Florida Statutes.

VIII. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator McClain

9-00354-26

2026214__

A bill to be entitled

An act relating to special district funding; amending s. 215.971, F.S.; revising agency agreements that provide state financial assistance to recipients or subrecipients to include certain special districts as an entity to which such agency may provide for the payment of invoices under specified circumstances; providing construction; amending s. 288.0656, F.S.; revising the definition of "rural community" to include certain special districts; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (h) of subsection (1) of section 215.971, Florida Statutes, is amended to read:

215.971 Agreements funded with federal or state assistance.—

(1) An agency agreement that provides state financial assistance to a recipient or subrecipient, as those terms are defined in s. 215.97, or that provides federal financial assistance to a subrecipient, as defined by applicable United States Office of Management and Budget circulars, must include all of the following:

(h) If the agency agreement provides federal or state financial assistance to a county or municipality that is a rural community or rural area of opportunity as those terms are defined in s. 288.0656(2) or a special district whose geographic area, in whole or in part, is located in such county or

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

9-00354-26

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municipality, a provision allowing the agency to provide for the payment of invoices to the county, municipality, ~~or~~ rural area of opportunity as that term is defined in s. 288.0656(2), or special district, for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in the agreement. This provision is included to alleviate the financial hardships that such certain rural counties, ~~and~~ municipalities, or special districts encounter when administering agreements, and must be exercised by the agency if when a county, or municipality, or special district whose geographic area, in whole or in part, is located in such county or municipality demonstrates financial hardship, to the extent that federal or state law, rule, or other regulation allows such payments. This paragraph may not be construed to alter or limit any other provisions of federal or state law, rule, or other regulation.

Section 2. Paragraph (e) of subsection (2) of section 288.0656, Florida Statutes, is amended to read:

288.0656 Rural Economic Development Initiative.—

(2) As used in this section, the term:

(e) "Rural community" means:

1. A county with a population of 75,000 or fewer.
2. A county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.
3. A municipality or special district within a county described in subparagraph 1. or subparagraph 2.
4. An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer and an employment base focused on traditional agricultural or

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59 resource-based industries, located in a county not defined as
60 rural, which has at least three or more of the economic distress
61 factors identified in paragraph (c) and verified by the
62 department.

63
64 For purposes of this paragraph, population shall be determined
65 in accordance with the most recent official estimate pursuant to
66 s. 186.901.

67 Section 3. This act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

To: Senator Thomas Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: January 7, 2026

I respectfully request that **Senate Bill #214**, relating to Special District Funding, be placed on the:

- ☒ committee agenda at your earliest possible convenience.
- ☐ next committee agenda.

A handwritten signature in black ink, appearing to read "Stan McClain".

Senator Stan McClain
Florida Senate, District 9

1//21/2026

APPEARANCE RECORD

SB 214 - Special District Funding

Meeting Date

Commerce and Tourism

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name Edgar G. FernandezPhone (786) 255-5755Address 215 S. Monroe Street, Suite 601Email egfernandez.arrow@gunster.com

Street

TallahasseeFL32301

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information **OR** Waive Speaking: ☒ In Support ☐ Against**PLEASE CHECK ONE OF THE FOLLOWING:**☐ I am appearing without
compensation or sponsorship.☒ I am a registered lobbyist,
representing:

W3C Cooperative

(Waccasassa Water & Wastewater Cooperative)

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 482

INTRODUCER: Senator Leek

SUBJECT: Artificial Intelligence Bill of Rights

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McMillan	McKay	CM	Favorable
2.			AP	

I. Summary:

SB 482 creates the “Artificial Intelligence Bill of Rights” to provide that Floridians are entitled to certain rights with respect to the use of artificial intelligence. The bill provides definitions and defines “artificial intelligence” to mean an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that influence physical or virtual environments.

The “Artificial Intelligence Bill of Rights” includes the following consumer protections:

- A companion chatbot platform must prohibit a minor from entering into a contract with the platform to become an account holder or from maintaining an existing account, unless the minor’s parent or guardian provides consent. If consent is provided, the platform must authorize the consenting parent or guardian to receive certain controls over the minor’s account. Upon request, the platform must permanently delete all personal information held by the platform relating to the terminated account.
- A companion chatbot platform must provide certain disclosures to an account holder, as well as remind the account holder to take a break and that the companion chatbot is artificially generated and not human. The platform is also required to institute reasonable measures to prevent its companion chatbot from producing or sharing materials harmful to minors.
- At the beginning of an interaction between a user and a bot, and at least once every hour during the interaction, an operator is required to display a pop-up message notifying users that they are not engaging in dialogue with a human counterpart.
- An artificial intelligence technology company is prohibited from selling or disclosing personal information of users unless such information is deidentified data.
- The Department of Legal Affairs is given rulemaking and enforcement authority.

The bill places limitations on government contracting with entities for artificial intelligence technology, software, or products if such entities have certain ties to a government of a foreign country of concern.

The bill amends the section of law regulating the unauthorized publication of name or likeness to prohibit a person from publishing, printing, displaying, or otherwise publicly using for trade or for any commercial or advertising purpose the name, portrait, photograph, image, or other likeness of an individual created through generative artificial intelligence without the express written or oral consent to such use.

The bill provides an effective date of July 1, 2026.

II. Present Situation:

Government Contracting and Procurement

Currently, when state agencies wish to procure commodities or contractual services that cost more than \$35,000, a competitive solicitation¹ is required.² Depending on the type of contract and scope of work or goods sought, an agency may use one of three procurement methods:

- Invitation to bid (ITB): An agency must use an ITB when the agency is capable of specifically defining the scope of work for which a contractual service is required or when the agency can establish precise specifications defining the actual commodity or group of commodities required.³
- Request for proposals (RFP): An agency must use an RFP when the purposes and uses for which the commodity, group of commodities, or contractual service being sought can be specifically defined and the agency can identify necessary deliverables.⁴
- Invitation to negotiate (ITN): An ITN is a solicitation used by an agency that is intended to determine the best method for achieving a specific goal or solving a particular problem and identifies one or more responsive vendors with which the agency may negotiate to receive the best value.⁵

The Department of Management Services (DMS) is designated as the primary state agency overseeing procurement,⁶ and the responsibilities of DMS include creating uniform agency procurement rules,⁷ implementing the online procurement program,⁸ and procuring state term contracts.⁹ The DMS is also responsible for registering vendors that wish to provide goods or services to the state¹⁰ and maintaining lists of vendors who may not submit bids, proposals, or

¹ Section 287.012(6), F.S., defines “competitive solicitation” as the process of requesting and receiving two or more sealed bids, proposals, or replies submitted by responsive vendors in accordance with the terms of a competitive process, regardless of the method of procurement.

² See ss. 287.057 and 287.017, F.S.

³ Section 287.057(1)(a), F.S.

⁴ Section 287.057(1)(b), F.S.

⁵ Section 287.057(1)(c), F.S.

⁶ See ss. 287.032 and 287.042, F.S.

⁷ See ss. 287.032(2) and 287.042(3), (4), and (12), F.S.

⁸ See s. 287.057(24), F.S.

⁹ See ss. 287.042(2) and 287.056, F.S.

¹⁰ See ss. 287.032 and 287.042, F.S.; see also Department of Management Services, *Vendor Registration and Vendor Lists*, available at https://www.dms.myflorida.com/business_operations/state_purchasing/state_agency_resources/vendor_registration_and_vendor_lists (last visited Jan. 20, 2026).

replies to agency solicitations, such as the suspended vendor list,¹¹ the convicted vendor list,¹² the discriminatory vendor list,¹³ and the antitrust violator vendor list.¹⁴

Scrutinized List of Prohibited Companies

Companies on the Scrutinized Companies or Other Entities that Boycott Isreal List are prohibited from bidding on, submitting a proposal for, or entering or renewing a contract with an agency or local governmental entity for goods and services of \$100,000 or more.¹⁵ Similarly, companies on the Scrutinized Companies with Activities in Sudan list, on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector list, or engaged in business operations in Cuba or Syria are prohibited from bidding on, submitting a proposal for, or entering into or renewing a contract with an agency or a local governmental entity for goods or services of \$1 million or more.¹⁶ The State Board of Administration is charged with maintaining a complete list of scrutinized companies.¹⁷

Foreign Countries of Concern

In 2023, the Legislature prohibited state and local governmental entities from contracting with certain foreign affiliated entities if such contracts would grant access to individuals' personal identifying information.¹⁸ Specifically, contracts with entities that are owned by, significantly controlled by, or organized under, the following foreign countries of concern are prohibited: China, Russia, Iran, North Korea, Cuba, Venezuela (Maduro regime), and Syria.¹⁹

Beginning January 1, 2024, entities must submit a sworn affidavit confirming that they do not meet these criteria before bidding on or entering into contracts involving personal data.²⁰ Starting July 1, 2025, this restriction extends to contract renewals and extensions.²¹ Violations may result in civil penalties, contract and license ineligibility for up to five years, and placement on the suspended vendor list.²²

¹¹ Section 287.1351, F.S., provides that the "suspended vendor list" includes vendors who are in default on a contract or have repeatedly failed to fulfill the terms of state contracts. Contracts cannot be awarded to such vendors until the vendor reimburses the agency for the costs of re-procurement and the agency is satisfied that further default will not occur.

¹² Section 287.133, F.S., provides that the "convicted vendor list" includes vendors who have been disqualified due to conviction of a public entity crime, which includes fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation related to a contract for services to be provided to a public entity.

¹³ Section 287.134, F.S., provides that the "discriminatory vendor list" includes vendors who have been disqualified for violating any state or federal law prohibiting discrimination based on race, gender, national origin, disability, or religion.

¹⁴ Section 287.137, F.S., provides that the "antitrust violator vendor list" includes vendors who have been disqualified due to being convicted or held civilly liable for an antitrust violation.

¹⁵ Section 287.135(2)(a), F.S.

¹⁶ Section 287.135(2)(b), F.S.

¹⁷ See ss. 215.4725, and 215.473, F.S.

¹⁸ Ch. 2023-33, L.O.F.

¹⁹ Section 287.138 (2), F.S.

²⁰ Section 287.138(4)(a), F.S.

²¹ Section 287.138(4)(b), F.S.

²² Section 287.138(5), F.S.

Artificial Intelligence

Generally

Artificial intelligence (AI) is the development of computer systems to perform tasks that normally require human intelligence, such as learning and decision-making.²³ It enables computer systems to receive information that is either provided to them by others or gathered by them (e.g. through camera lenses or other sensors), which they can then process and respond to in some meaningful way. To a certain extent, AI systems can adapt their behavior by analyzing the effects of previous actions and working autonomously.²⁴

Investments in AI have led to many of the transformative advancements that U.S. consumers rely upon every day,²⁵ including mapping technologies, voice-assisted smartphones, handwriting recognition for mail delivery, financial trading, smart logistics, spam filtering, and language translation. AI advances have also provided significant social benefits in areas such as precision medicine, environmental sustainability, education, and public welfare.²⁶

Types of AI

AI may be generally classified in one of three classes based on its capabilities or its functionalities:²⁷

- *Artificial Narrow AI*. Also known as Weak AI, machines using Weak AI can only perform specific tasks using human-like capabilities. They can do nothing more than what they are programmed to do. Examples of Artificial Narrow AI include Siri, Alexa, and ChatGPT.²⁸
- *General AI*. Also known as Strong AI, and any machine or application using Strong AI in the future would be able to use what they have learned in the past to accomplish new tasks in different contexts without the need for additional training by human beings. In other words, they would be able to learn, perceive, understand, and function completely like human beings.²⁹
- *Super AI*. Also known as artificial superintelligence, Super AI is strictly theoretical. If ever realized, machines using Super AI would think, reason, learn, make judgments, and possess cognitive abilities surpassing those of human beings. Machines possessing Super AI capabilities would have evolved beyond the point of understanding human sentiments and experiences to feeling emotions, having needs, and possessing beliefs and desires of their own.³⁰

²³ National Conference of State Legislatures (NCSL), *Artificial Intelligence 2023 Legislation*, Jan. 12, 2024, available at <https://www.ncsl.org/technology-and-communication/artificial-intelligence-2023-legislation> (last visited Jan. 20, 2026).

²⁴ European Parliament, *What is artificial intelligence and how is it used?*, E.U. News, Jun. 20, 2023, available at <https://www.europarl.europa.eu/topics/en/article/20200827STO85804/what-is-artificial-intelligence-and-how-is-it-used> (last visited Jan. 20, 2026).

²⁵ U.S. Department of State, *Artificial Intelligence (AI)*, available at <https://www.state.gov/artificial-intelligence/> (last visited Jan. 20, 2026).

²⁶ *Id.*

²⁷ Naveen Joshi, *7 Types of Artificial Intelligence*, Jun. 19, 2019, Forbes, available at <https://www.forbes.com/sites/cognitiveworld/2019/06/19/7-types-of-artificial-intelligence/?sh=7b5ddf4d233e> (last visited Jan. 20, 2026).

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

Under the umbrella of Artificial Narrow AI or Weak AI, there are four kinds of AI based upon functionalities:³¹

- *Reactive Machine AI*. Reactive machines are AI systems with no memory. They are designed to perform very specific tasks. They can only work with presently available data because they cannot recollect previous outcomes or decisions. Reactive Machine AI stems from statistical math and can analyze vast amounts of data to produce a seemingly intelligent output. Examples of machines and applications that rely upon Reactive Machine AI include IBM Deep Blue (IBM's chess-playing supercomputer) and the Netflix recommendation engine.³²
- *Limited Memory AI*. In addition to having the capabilities of purely reactive machines, Limited Memory AI machines and applications are also capable of learning from historical data to make decisions. Almost all present-day Limited Memory AI applications, including Generative AI tools (e.g. chatbots and virtual assistants) and self-driving vehicles, are Limited Memory AI machines and applications.³³
- *Theory of Mind AI*. Theory of Mind AI is a kind of General AI that exists only in concept. It is the “next level” of AI systems that researchers are currently developing. Machines and applications using Theory of Mind level AI will be able to understand the thoughts and emotions of other entities. In theory, this will allow them to simulate humanlike relationships and to contextualize artwork and essays, which today's Generative AI tools are unable to do.³⁴
- *Self-Aware AI*. Self-Aware AI is a kind of Super AI that exists only in concept. It is strictly theoretical. If ever achieved, it will have the ability to understand its own internal conditions and traits along with human emotions and thoughts. It will also have its own set of emotions, needs, and beliefs.³⁵

Generative AI

Generative AI is a type of Limited Memory AI technology that can produce high-quality content, including text, images, audio, or video, within seconds when prompted by a user.³⁶ Although it was first introduced in the 1960s, it was not until 2014, with the introduction of generative adversarial networks, or GANs (a type of machine learning algorithm),³⁷ that

³¹ *Id.*

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ Government Accountability Office (GAO), Science, Technology Assessment, and Analytics, *Science & Tech Spotlight: Generative AI* (June 2023), available at <https://www.gao.gov/assets/gao-23-106782.pdf>; (last visited Jan. 20, 2026). George Lawton, *What is generative AI? Generative AI Explained*, TechTarget, March 13, 2025, available at <https://www.techtarget.com/searchenterpriseai/definition/generative-AI> (last visited Jan. 20, 2026).

³⁷ “A generative adversarial network (GAN) is a deep learning architecture. It trains two neural networks to compete against each other to generate more authentic new data from a given training dataset. For instance, you can generate new images from an existing image database or original music from a database of songs. A GAN is called adversarial because it trains two different networks and pits them against each other. One network generates new data by taking an input data sample and modifying it as much as possible. The other network tries to predict whether the generated data output belongs in the original dataset. In other words, the predicting network determines whether the generated data is fake or real. The system generates newer, improved versions of fake data values until the predicting network can no longer distinguish fake from original.” Amazon Web Services (AWS), *What is a GAN?*, available at <https://aws.amazon.com/what-is/gan/> (last visited Jan. 20,

Generative AI could convincingly create authentic images, videos, and audio of real people.³⁸

Generative AI systems learn patterns and relationships from massive amounts of data, which enables them to process and create new content that may be similar, but not identical, to the underlying training data. Such systems rely upon sophisticated machine learning algorithms and statistical models to work.³⁹

In order to generate new content, Generative AI users are required to submit prompts that guide the generation of new content. Many iterations may be required to produce the intended result because Generative AI is sensitive to the wording of prompts.⁴⁰

Because Generative AI can do so much, it has many potential applications, including in education, government, medicine, and law. Applications include:

- Writing a speech in a particular tone.
- Summarizing complex research.
- Assessing legal documents.
- Creating images for different applications.
- Composing music.
- Composing poems.
- Designing molecules for new drugs.
- Generating programming codes.
- Translating languages.
- Implementing chatbots.
- Deploying “deepfakes.”
- Improving dubbing for movies.
- Designing physical products and buildings.⁴¹

The U.S. Government Accountability Office has identified several opportunities and challenges in connection with the proliferation of Generative AI systems.⁴² With respect to opportunities, Generative AI can quicken access to ideas and knowledge by helping people more efficiently gather new information; help automate a wide variety of administrative and repetitive tasks; and enhance the productivity of many industries.⁴³ With respect to challenges, because Generative AI systems can respond to harmful instructions, they can increase the speed and scale of many real

2026). GAN can generate images, training data for other models, complete missing information, and generate 3D models from 2D data. *Id.*

³⁸ George Lawton, *What is generative AI? Generative AI Explained*, TechTarget, March 13, 2025, available at <https://www.techtarget.com/searchenterpriseai/definition/generative-AI> (last visited Jan. 20, 2026).

³⁹ Government Accountability Office (GAO), Science, Technology Assessment, and Analytics, *Science & Tech Spotlight: Generative AI* (June 2023), available at <https://www.gao.gov/assets/gao-23-106782.pdf> (last visited Jan. 20, 2026). Training data can include opensource information, such as text and images from the internet. *Id.*

⁴⁰ *Id.*

⁴¹ Government Accountability Office (GAO), Science, Technology Assessment, and Analytics, *Science & Tech Spotlight: Generative AI* (Jun. 2023), available at <https://www.gao.gov/assets/gao-23-106782.pdf>; (last visited Jan. 20, 2026). George Lawton, *What is generative AI? Generative AI Explained*, TechTarget, March 13, 2025, available at <https://www.techtarget.com/searchenterpriseai/definition/generative-AI> (last visited Jan. 20, 2026).

⁴² Government Accountability Office (GAO), Science, Technology Assessment, and Analytics, *Science & Tech Spotlight: Generative AI* (Jun. 2023), available at <https://www.gao.gov/assets/gao-23-106782.pdf> (last visited Jan. 20, 2026).

⁴³ *Id.*

world harms, such as facilitating the development and proliferation of false information; facilitating the use of copyrighted, proprietary, or sensitive data, without the owner's or subject's knowledge; reducing privacy for users, including minors, through the retention of personally identifiable information without consent; and facilitating the storage and use of sensitive information by foreign adversaries.⁴⁴

Companion Chatbots

AI companions are an application of Generative AI that use natural language processing and emotional recognition to simulate human relationships by mimicking human characteristics, emotions, and intentions.⁴⁵ These systems are generally designed to communicate like a friend or a confidant, which may prompt users, especially children and teens, to trust and form relationships with such systems.⁴⁶

Regulation of AI

Concerns about the potential misuse or unintended consequences of AI have prompted efforts to examine and develop standards at the federal and state levels.⁴⁷

Companion Chatbot Regulation

States including Colorado, Maine, Texas, and Utah have recently enacted legislation to require certain disclosures to be provided to consumers who interact with AI systems.⁴⁸ These disclosure laws aim to provide notice (and reminders) to consumers that they are interacting with an AI chatbot and not a human counterpart.⁴⁹

Recently, California also passed a law that regulates the use of AI chatbots.⁵⁰ Notably, the law seeks to protect minors by requiring AI operators⁵¹ to provide the following notifications to minors:

- Disclose to the minor that they are interacting with AI;
- At least every three hours, provide a clear and conspicuous notice that reminds the minor to take a break and that the companion chatbot is AI and not a human;

⁴⁴ *Id.*

⁴⁵ See Jenny Lyons-Cunha, *AI Companions are on the Rise, Offering Intimacy that Feels Real – But is it?*, available at <https://builtin.com/artificial-intelligence/ai-companions> (last visited Jan. 20, 2026). See also Federal Trade Commission, *FTC Launches Inquiry into AI Chatbots Acting as Companions*, available at <https://www.ftc.gov/news-events/news/press-releases/2025/09/ftc-launches-inquiry-ai-chatbots-acting-companions#:~:text=AI%20chatbots%20may%20use%20generative.and%20form%20relationships%20with%20chatbots> (last visited Jan. 20, 2026).

⁴⁶ See *id.*

⁴⁷ NCSL, *Artificial Intelligence 2024 Legislation*, Sep. 9, 2024, available at <https://www.ncsl.org/technology-and-communication/artificial-intelligence-2024-legislation> (last visited Jan. 20, 2026).

⁴⁸ See C.R.S. § 6-1-1701 et seq. See also Maine Revised Statutes, Title 10, §1500-DD. See also Texas Business & Commerce Code, Chapter 551. See also U.C.A. § 13-2-12.

⁴⁹ See *id.*

⁵⁰ See CA SB 243 (2025-2026).

⁵¹ See *id.* CA SB 243 defines “operator” as a person who makes a companion chatbot platform available to a user in the state.

- Institute reasonable measures to prevent its companion chatbot from producing visual material of sexually explicit conduct or directly stating that the minor should engage in such conduct; and
- Disclose on the application, the browser, or any other format that a user can use to access the companion chatbot platform that companion chatbots may not be suitable for some minors.⁵²

The California law further requires an operator to maintain a protocol for preventing the production of suicidal ideation, suicide, or self-harm content to the user, as well as requiring an operator to refer a user expressing suicidal ideation, suicide, or self-harm to crisis service providers. The operator must also publish details on such protocol on the operator's website.⁵³

Currently, the United States does not have a comprehensive federal AI law, however in December of 2025, President Trump issued Executive Order (EO) 14365 entitled "Ensuring a National Policy Framework for Artificial Intelligence."⁵⁴ The EO states that it is designed to promote the US policy of sustaining and enhancing the United States' global AI dominance through a minimally burdensome national policy framework for AI, and gives instructions to the United States Attorney General, the Secretary of Commerce, the Federal Communications Commission, and the Federal Trade Commission.⁵⁵

Deidentified Data

In 2023, the Legislature passed the "Florida Digital Bill of Rights," which requires controllers⁵⁶ in possession of deidentified data to do the following:

- Take reasonable measures to ensure that the data cannot be associated with an individual.

⁵² *Id.*

⁵³ *Id.*

⁵⁴ See 90 FR 58499.

⁵⁵ See *id.* The EO does the following: (1) instructs the US Attorney General to create an AI Task Force within 30 days to challenge state AI laws that are inconsistent with US policy; (2) instructs the Secretary of Commerce to conduct an evaluation of existing state AI laws and publish the results; (3) takes steps to make states with onerous AI laws ineligible for certain federal funds; (4) directs the Federal Communication Commission to determine whether a federal reporting and disclosure standard for AI models should be adopted; and (5) directs the Federal Trade Commission to issue a policy statement on whether state laws that require alterations to truthful outputs of AI models are preempted by federal law. Additionally, the EO directs the Special Advisor for AI and Crypto, along with the Assistant to the President for Science and Technology, to jointly prepare a legislative recommendation to establish a uniform AI policy framework – the EO states that such framework must ensure that children are protected, censorship is prevented, copyrights are respected, and communities are safeguarded.

⁵⁶ Section 501.702(9), F.S., defines "controller" as a sole proprietorship, partnership, limited liability company, corporation, association, or legal entity that meets the following requirements: (1) is organized or operated for the profit or financial benefit of its shareholders or owners; (2) conducts business in Florida; (3) collects personal data about consumers, or is the entity on behalf of which such information is collected; (4) determines the purposes and means of processing personal data about consumers alone or jointly with others; (5) makes in excess of \$1 billion in global gross annual revenues; and (5) satisfies at least one of the following: (a) derives 50 percent or more of its global gross annual revenues from the sale of advertisements online, including providing targeted advertising or the sale of ads online; (b) operates a consumer smart speaker and voice command component service with an integrated virtual assistant connected to a cloud computing service that uses hands-free verbal activation. For purposes of this sub-subparagraph, a consumer smart speaker and voice command component service does not include a motor vehicle or speaker or device associated with or connected to a vehicle which is operated by a motor vehicle manufacturer or a subsidiary or affiliate thereof; or (c) operates an app store or a digital distribution platform that offers at least 250,000 different software applications for consumers to download and install.

- Maintain and use the data in deidentified form. A controller may not attempt to reidentify the data, except that the controller may attempt to reidentify the data solely for the purpose of determining whether its deidentification processes satisfy the requirements of s. 501.714, F.S.
- Contractually obligate any recipient of the deidentified data to comply with the Florida Digital Bill of Rights.
- Implement business processes to prevent the inadvertent release of deidentified data.

Section 501.702(13), F.S., defines “deidentified data” as data that cannot reasonably be linked to an identified or identifiable individual or a device linked to that individual.

The Florida Digital Bill of Rights may not be construed to require a controller or processor⁵⁷ to do any of the following:

- Reidentify deidentified data or pseudonymous data.
- Maintain data in an identifiable form or obtain, retain, or access any data or technology for the purpose of allowing the controller or processor to associate a consumer request with personal data.
- Comply with an authenticated consumer rights request under s. 501.705, F.S.,⁵⁸ if the controller:
 - Is not reasonably capable of associating the request with the personal data or it would be unreasonably burdensome for the controller to associate the request with the personal data;
 - Does not use the personal data to recognize or respond to the specific consumer who is the subject of the personal data or associate the personal data with other personal data about the same specific consumer; and
 - Does not sell the personal data to a third party or otherwise voluntarily disclose the personal data to a third party other than a processor, except as otherwise authorized.

Additionally, a controller that discloses deidentified data must exercise reasonable oversight to monitor compliance with any contractual commitments to which the data or information is subject and must take appropriate steps to address any breach of contractual commitments.⁵⁹

Unauthorized Publication of Name or Likeness

Section 540.08, F.S., prohibits a person from publishing, printing, displaying or otherwise publicly using for purposes of trade or any commercial or advertising purpose the name, portrait,

⁵⁷ Section 501.702(24), F.S., defines “processor” as a person who processes personal data on behalf of a controller.

⁵⁸ Section 501.705, F.S., provides that a consumer is entitled to the following upon request: (1) to confirm whether a controller is processing the consumer’s personal data and to access the personal data; (2) to correct inaccuracies in the consumer’s personal data, taking into account the nature of the personal data and the purposes of the processing of the consumer’s personal data; (3) to delete any or all personal data provided by or obtained about the consumer; (4) to obtain a copy of the consumer’s personal data in a portable and, to the extent technically feasible, readily usable format if the data is available in a digital format; (5) to opt out of the processing of the personal data for purposes of targeted advertising, the sale of personal data, or profiling in furtherance of a decision that produces a legal or similarly significant effect concerning a consumer; (6) to opt out of the collection of sensitive data, including precise geolocation data, or the processing of sensitive data; and (7) to opt out of the collection of personal data collected through the operation of a voice recognition or facial recognition feature.

⁵⁹ Section 540.714(4), F.S.

photograph, or other likeness of any natural person without the express written or oral consent to such use given by:

- Such person; or
- Any other person, firm or corporation authorized in writing by such person to license the commercial use of her or his name or likeness; or
- If such person is deceased, any person, firm or corporation authorized in writing to license the commercial use of her or his name or likeness, or if no person, firm or corporation is authorized, then by any one from among a class composed of her or his surviving spouse and surviving children.⁶⁰

If the appropriate consent is not obtained, the person whose name, portrait, photograph, or other likeness is so used, or any person, firm, or corporation authorized by such person in writing to license the commercial use of her or his name or likeness, or, if the person whose likeness is used is deceased, any person, firm, or corporation having the right to give such consent, as provided hereinabove, may bring an action to enjoin such unauthorized publication, printing, display or other public use, and to recover damages for any loss or injury sustained by reason thereof, including an amount which would have been a reasonable royalty, and punitive or exemplary damages.⁶¹

If a person uses the name, portrait, photograph, or other likeness of a member of the armed forces without obtaining the appropriate consent, a court may impose a civil penalty of up to \$1,000 per violation in addition to the other applicable civil remedies.⁶²

The provisions of s. 540.08, F.S., do not apply to:

- The publication, printing, display, or use of the name or likeness of any person in any newspaper, magazine, book, news broadcast or telecast, or other news medium or publication as part of any bona fide news report or presentation having a current and legitimate public interest and where such name or likeness is not used for advertising purposes;
- The use of such name, portrait, photograph, or other likeness in connection with the resale or other distribution of literary, musical, or artistic productions or other articles of merchandise or property where such person has consented to the use of her or his name, portrait, photograph, or likeness on or in connection with the initial sale or distribution thereof; or
- Any photograph of a person solely as a member of the public and where such person is not named or otherwise identified in or in connection with the use of such photograph.⁶³

Florida's AI Laws

Election-Related Use of Artificial Intelligence

The proliferation of Generative AI use and its outpacing of government regulation has created concern among policymakers about its potentially negative effect on the electoral process.

⁶⁰ Section 540.08(1), F.S.

⁶¹ Section 540.08(2), F.S.

⁶² Section 540.08(3), F.S. Each commercial transaction constitutes a violation.

⁶³ Section 540.08(4), F.S. Additionally, s. 540.08(5), F.S., prohibits an action by reason of any publication, printing, display, or other public use of the name or likeness of a person occurring after the expiration of 40 years from and after the death of such person.

Specific concerns include, but are not limited to, voter misinformation by chatbots,⁶⁴ phishing scams on election officials through AI-generated voices, and the use of deepfakes⁶⁵ to deceive voters and damage political rivals. Over time, the use of AI may also erode trust in authentic information.⁶⁶

In 2024, the Legislature enacted a law to regulate the use of AI in political advertising.⁶⁷ If a political advertisement, an electioneering communication, or other miscellaneous advertisement of a political nature contains images, video, audio, graphics, or other digital content created in whole or in part with the use of Generative AI, if the generated content appears to depict a real person performing an action that did not actually occur, and if the generated content was created with intent to injure a candidate or to deceive regarding a ballot issue, the political advertisement, electioneering communication, or other miscellaneous advertisement must prominently state the following disclaimer: “Created in whole or in part with the use of Generative Artificial Intelligence (AI).”⁶⁸ Additionally, the disclaimer must:

- For a printed communication, be stated in bold font with a font size of at least 12 points.
- For a television or video communication, be clearly readable throughout the communication and occupy at least 4 percent of the vertical picture height.
- For an Internet public communication that includes text or graphic components, be viewable without the user taking any action and be large enough to be clearly readable.
- For any audio component of a communication, be at least 3 seconds in length and spoken in a clearly audible and intelligible manner at either the beginning or the end of the audio component of the communication.
- For a graphic communication, be large enough to be clearly readable but no less than 4 percent of the vertical height of the communication.⁶⁹

Florida Elections Commission

The Florida Elections Commission (commission) has jurisdiction⁷⁰ to investigate and determine violations of campaign finance laws and other specified provisions of the Florida Election

⁶⁴ IBM defines “chatbot” to mean a computer program that simulates human conversation with an end user (see *What is a Chatbot?*, available at <https://www.ibm.com/topics/chatbots> (last visited Jan. 20, 2026)).

⁶⁵ Although exact definitions of “deepfake” vary, all reflect a depiction of something that has not actually occurred. Merriam-Webster, for example, defines “deepfake” to mean an image or recording that has been convincingly altered and manipulated to misrepresent someone as doing or saying something that was not actually said or done (see <https://www.merriam-webster.com/dictionary/deepfake>, last visited Jan. 20, 2026).

⁶⁶ National Conference of State Legislatures, *Challenges Ahead for Lawmakers Seeking to Legislate AI in Campaigns*, available at https://www.ncsl.org/state-legislatures-news/details/challenges-ahead-for-lawmakers-seeking-to-legislate-ai-in-campaigns?utm_source=national+conference+of+state+legislatures&utm_term=0_-61bealf450-%5blist_email_id%5d&utm_campaign=8fbf8e40e8-canvass-jan-4&utm_medium=email (last visited Jan. 20, 2026).

⁶⁷ Ch. 2024-126, Laws of Fla.

⁶⁸ Section 106.145(2), F.S.

⁶⁹ Section 106.145(3), F.S.

⁷⁰ For the purposes of commission jurisdiction, a violation means the willful performance of an act prohibited by ch. 104 or 106, F.S., or the willful failure to perform an act required by such chapters. Willfulness is a determination of fact. Section 106.25(3), F.S.

Code⁷¹ upon receipt of a report by the Division of Elections⁷² or a sworn complaint.⁷³ Upon a finding of a violation of one of the laws under its jurisdiction, the commission, or in cases referred to the Division of Administrative Hearings, an administrative law judge, may impose fines up to \$2,500 per count.⁷⁴

Florida's Age Verification Law

In 2024, the Legislature enacted laws to require age verification for online access to materials that are harmful to minors.⁷⁵

Florida law requires a commercial entity that knowingly and intentionally publishes or distributes material harmful to minors on a website or application, if the website or application contains a substantial portion of material harmful to minors to use either anonymous age verification or standard age verification to verify that the age of a person attempting to access the material is 18 years of age or older and prevent access to the material by a person younger than 18 years of age.⁷⁶

“Standard age verification” means any commercially reasonable method of age verification approved by the commercial entity.⁷⁷

Any violation of the age verification law is deemed an unfair and deceptive trade practice, and the Department of Legal Affairs (department) has enforcement authority. In addition to the remedies under the Florida Deceptive and Unfair Trade Practices Act, the department may collect a civil penalty of up to \$50,000 per violation and reasonable attorney fees and court costs for a violation by a third party.⁷⁸ A commercial entity that violates the age verification requirement is liable to the minor for such access, including court costs and reasonable attorney fees as ordered by the court. Claimants may be awarded up to \$10,000 in damages. A civil action for a claim under this paragraph must be brought within 1 year from the date the complainant knew, or reasonably should have known, of the alleged violation.⁷⁹

Florida law defines the term “anonymous age verification” as a commercially reasonable method used by a government agency or a business for the purpose of age verification which is conducted by a nongovernmental, independent third party organized under the laws of a state of the United States which:

- Has its principal place of business in a state of the United States; and

⁷¹ Section 106.25(2), F.S. The commission is housed within the Department of Legal Affairs, but is not subject to the department's control, supervision, or direction. Section 106.24(1), F.S.

⁷² The Division of Elections is an administrative unit of the Department of State. Section 97.021(9), F.S.

⁷³ Section 106.25(4), F.S.

⁷⁴ Section 106.265, F.S. The fine may be multiplied by a factor of 3, not to exceed \$7,500, after a person commits three counts of the same category of offense. If applicable, the commission or administrative law judge may instead impose a civil penalty as provided in s. 104.271 or s. 106.19, F.S.

⁷⁵ Ch. 2024-42, Laws of Fla.

⁷⁶ Section 501.1737, F.S.

⁷⁷ Section 501.1737, F.S., defines “commercial entity” as a corporation, a limited liability company, a partnership, a limited partnership, a sole proprietorship, and any other legally recognized entity.

⁷⁸ *Id.*

⁷⁹ *Id.*

- Is not owned or controlled by a company formed in a foreign country, a government of a foreign country, or any other entity formed in a foreign country.⁸⁰

A third party conducting anonymous age verification:

- May not retain personal identifying information used to verify age once the age of an account holder or a person seeking an account has been verified;
- May not use personal identifying information used to verify age for any other purpose;
- Must keep anonymous any personal identifying information used to verify age; and
- Must protect personal identifying information used to verify age from unauthorized or illegal access, destruction, use, modification, or disclosure through reasonable security procedures and practices appropriate to the nature of the personal information.⁸¹

Protection of Children in Online Spaces Law

Florida law provides that any online service, product, game, or feature likely to be predominantly accessed by children under 18 years of age may not, except under certain situations:

- Process the personal information of any child if the platform has actual knowledge or willfully disregards that the processing may result in substantial harm or privacy risk to children.
- Profile a child.
- Collect, sell, share, or retain any personal information that is not necessary to provide an online service, product, or feature with which a child is actively and knowingly engaged.
- Use a child's personal information for any unstated reason.
- Collect, sell, or share any precise geolocation of data of children.
- Use dark patterns to:
 - Lead or encourage children to provide personal information beyond what personal information would otherwise be reasonably expected to be provided for that online service, product, game or feature.
 - Forego privacy protections.
 - Take any action that the online platform has actual knowledge of or willfully disregards that may result in substantial harm or privacy risk to children.
- Use collected information to estimate age or age range for any other purpose or retain that personal information longer than necessary to estimate age.⁸²

In 2024, the Legislature enacted a law to prohibit children under the age of 14 from creating a social media account.⁸³ A social media platform must do the following:

- Terminate any account held by an account holder younger than 14 years of age, including accounts that the social media platform treats or categorizes as belonging to an account holder who is likely younger than 14 years of age for purposes of targeting content or advertising, and provide 90 days for an account holder to dispute such termination.
- Allow an account holder younger than 14 years of age to request to terminate the account.

⁸⁰ Section 501.1738, F.S.

⁸¹ *Id.*

⁸² Section 501.1735, F.S.

⁸³ Ch. 2024-42, Laws of Fla.

- Allow the confirmed parent or guardian of an account holder younger than 14 years of age to request that the minor's account be terminated. Termination must be effective within 10 business days after such request.
- Permanently delete all personal information held by the social media platform relating to the terminated account, unless there are legal requirements to maintain such information.⁸⁴

A social media platform must prohibit a minor who is 14 or 15 years of age from entering into a contract with a social media platform to become an account holder, unless the minor's parent or guardian provides consent for the minor to become an account holder.⁸⁵

A social media platform must do the following:

- Terminate any account held by an account holder who is 14 or 15 years of age, including accounts that the social media platform treats or categorizes as belonging to an account holder who is likely 14 or 15 years of age for purposes of targeting content or advertising, if the account holder's parent or guardian has not provided consent for the minor to create or maintain the account. The social media platform must provide 90 days for an account holder to dispute such termination. Termination must be effective upon the expiration of the 90 days if the account holder fails to effectively dispute the termination.
- Allow an account holder who is 14 or 15 years of age to request to terminate the account. Termination must be effective within 5 business days after such request.
- Allow the confirmed parent or guardian of an account holder who is 14 or 15 years of age to request that the minor's account be terminated. Termination must be effective within 10 business days after such request.
- Permanently delete all personal information held by the social media platform relating to the terminated account, unless there are legal requirements to maintain such information.⁸⁶

Any knowing or reckless violation of s. 501.1736(2) or (3), F.S., is deemed an unfair and deceptive trade practice, and the department has enforcement authority.⁸⁷ In addition to the remedies under the Florida Deceptive and Unfair Trade Practices Act, the department may collect a civil penalty of up to \$50,000 per violation and reasonable attorney fees and court costs for a violation by a third party.⁸⁸ When the social media platform's failure to comply with the requirements is a consistent pattern of knowing or reckless conduct, punitive damages may be assessed against the social media platform.⁸⁹

A social media platform that knowingly or recklessly violates s. 501.1736(2) or (3), F.S., is liable to the minor account holder, including court costs and reasonable attorney fees as ordered by the court. Claimants may be awarded up to \$10,000 in damages. A civil action for a claim must be

⁸⁴ Section 501.1736, F.S.

⁸⁵ *Id.*

⁸⁶ Section 501.1736(4), F.S., provides that if a court enjoins the enforcement of this section, then this section should be severed and s. 501.1736(4), F.S., will take effect, which prohibits a minor who is 14 or 15 years of age from entering into a contract with a social media platform to become an account holder.

⁸⁷ Section 501.1736, F.S.

⁸⁸ *Id.*

⁸⁹ *Id.*

brought within 1 year from the date the complainant knew, or reasonably should have known, of the alleged violation.⁹⁰

Litigation Status

In October of 2024, the Computer and Communications Industry Association and NetChoice (Association) filed a lawsuit in the U.S. District Court for the Northern District of Florida to challenge Florida’s social media law that among other requirements, requires certain social media platforms to prohibit minors under age 14 from becoming an account holder or maintaining an account on such platforms, and in June of 2025, the district court granted the Association’s motion for a preliminary injunction.⁹¹ Florida appealed this decision and requested that the Eleventh Circuit “stay” the injunction to allow the law to take effect while the appeal continues.⁹² In November of 2025, the Eleventh Circuit granted Florida’s motion for a “stay,” which allows Florida to enforce the law while the appeal proceeds.⁹³ The case is currently pending before the Eleventh Circuit.⁹⁴

Florida Deceptive and Unfair Trade Practices Act (FDUTPA)

The FDUTPA is a consumer and business protection measure that prohibits unfair methods of competition, and unconscionable, deceptive, or unfair acts or practices in the conduct of trade or commerce.⁹⁵ The FDUTPA was modeled after the Federal Trade Commission Act.⁹⁶

The Department of Legal Affairs (DLA) or the state attorney’s office in the judicial circuit affected or where the violation occurs may bring actions on behalf of consumers or governmental entities when it serves the public interest.⁹⁷ The state attorney’s office may enforce violations of the FDUTPA if the violations take place within its jurisdiction.

The DLA has enforcement authority when:

- The violation is multi-jurisdictional;
- The state attorney defers to the DLA in writing; or
- The state attorney fails to act within 90 days after a written complaint is filed.⁹⁸

In certain circumstances, consumers may also file suit through private actions.⁹⁹

⁹⁰ *Id.*

⁹¹ *CCIA & NetChoice v. Uthmeier*, 2025 WL 1570007 (N.D. Fla. June 3, 2025).

⁹² *CCIA & NetChoice v. Uthmeier*, 2025 WL 3458571 (11th Cir. 2025).

⁹³ *Id.*

⁹⁴ *Id.*

⁹⁵ Section 501.202, F.S.

⁹⁶ See 15 U.S.C. s. 45.

⁹⁷ Sections 501.203(2) and 501.207(1)(c) and (2), F.S.; see also David J. Federbush, *FDUTPA for Civil Antitrust Additional Conduct, Party, and Geographic Coverage*; *State Actions for Consumer Restitution*, 76 FLA. BAR J. 52 (Dec. 2002), available at <https://www.floridabar.org/the-florida-bar-journal/fdutpa-for-civil-antitrust-additional-conduct-party-and-geographic-coverage-state-actions-for-consumer-restitution/> (analyzing the merits of FDUTPA and the potential for deterrence of anticompetitive conduct in Florida) (last visited Jan. 20, 2026).

⁹⁸ Section 501.203(2), F.S.

⁹⁹ Section 501.211, F.S.

The DLA and the state attorney's office have powers to investigate the FDUTPA claims, which include:¹⁰⁰

- Administering oaths and affirmations;
- Subpoenaing witnesses or matter; and
- Collecting evidence.

The DLA and the state attorney's office may seek the following remedies:¹⁰¹

- Declaratory judgments;
- Injunctive relief;
- Actual damages on behalf of consumers and businesses;
- Cease and desist orders;¹⁰² and
- Civil penalties of up to \$10,000 per willful violation.¹⁰³

The FDUTPA may not be applied to certain entities in certain circumstances, including:¹⁰⁴

- Any person or activity regulated under laws administered by the Office of Insurance Regulation or the Department of Financial Services; and
- Banks, credit unions, and savings and loan associations regulated by the Office of Financial Regulation or federal agencies.

III. Effect of Proposed Changes:

Government Contracting

Section 1 amends s. 287.138, F.S., which prohibits a governmental entity from contracting with entities of foreign countries of concern under certain circumstances. The bill defines “artificial intelligence” as an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that influence physical or virtual environments.

Beginning July 1, 2026, a governmental entity may not extend or renew a contract with an entity for artificial intelligence technology, software, or products, including as a portion or an option to the products or services provided under contracts if:

- The entity is owned by the government of a foreign country of concern;
- A government of a foreign country of concern has a controlling interest in the entity; or
- The entity is organized under the laws of or has its principal place of business in a foreign country of concern.

Beginning July 1, 2026, a governmental entity may not accept a bid on, a proposal for, or a reply to, or enter into a contract with, an entity to provide artificial intelligence technology software, or products, including as a portion or an option to the products or services provided under the

¹⁰⁰ Section 501.206(1), F.S.

¹⁰¹ Sections 501.207(1), 501.208, and 501.2075, F.S. Civil Penalties are deposited into general revenue. Enforcing authorities may also request attorney fees and costs of investigation or litigation. Section 501.2105, F.S.

¹⁰² Section 501.208, F.S.

¹⁰³ Section 501.2075, F.S.

¹⁰⁴ Section 501.212(4), F.S.

contract, unless the entity provides the governmental entity with a signed affidavit that is signed by an officer or representative of the entity under penalty of perjury attesting that the entity is not owned by the government of a foreign country of concern, a government of a foreign country of concern does not have a controlling interest in the entity, or the entity is not organized under the laws or have its principle place of business in a foreign country of concern.

The Artificial Intelligence Bill of Rights

Sections 2 and 3 creates part IX of ch. 501, F.S., to be entitled the “Artificial Intelligence Bill of Rights.”

Section 4 creates s. 501.9982, F.S., to enumerate the rights Floridians have relating to the use of artificial intelligence:

- The right to use artificial intelligence to improve their own lives and the lives of family members, fellow residents, and the world at large in accordance with the law.
- The right to supervise, access, limit, and control their minor children’s use of artificial intelligence.
- The right to know whether they are communicating with a human being or an artificial intelligence system, program, or chatbot.
- The right to know if artificial intelligence technology companies are collecting personal information or biometric data, and the right to expect artificial technology companies to protect and deidentify that information or data in accordance with the law.
- The right to pursue civil remedies authorized by law against persons who use artificial intelligence to appropriate the name, image, or likeness of others for commercial purposes without consent.
- The right to be protected by law from criminal acts, such as fraud, exploitation, identity theft, stalking, and cyberbullying, regardless of whether artificial intelligence is used in the commission of those acts.
- The right to be protected by law from criminal acts relating to the alteration of existing images to create sexual or lewd or lascivious images or child pornography, regardless of whether artificial technology is used in the commission of those acts.
- The right to know whether political advertisements, electioneering communications, or similar advertisements were created in whole or in part with the use of artificial intelligence.
- The right to pursue civil remedies authorized by law against others who use artificial intelligence to slander, libel, or defame them.

The bill provides that “Floridians may exercise the aforementioned rights in accordance with existing law, and such rights may not be construed as creating new or independent rights or entitlements.”

Definitions

Section 5 provides the following definitions, which apply to the sections of law that create the “Artificial Intelligence Bill of Rights:”

- “Account holder” means an individual who opens an account or creates a profile or is identified by the companion chatbot platform by a unique identifier while he or she is using

or accessing the platform, if the platform knows or has reason to believe the individual is a resident of Florida.

- “Artificial Intelligence” means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that influence physical or virtual environments.
- “Artificial intelligence technology company” means a business or organization that produces, develops, creates, designs, or manufactures artificial intelligence technology or products, collects data for use in artificial intelligence products, or implements artificial intelligence technology.
- “Bot” means an automated online software application in which all or substantially all of the actions or posts of the account are not the result of a natural person.
- “Companion chatbot” means an artificial intelligence system with a natural language interface that provides adaptive, human-like responses to user inputs and is capable of meeting a user’s social needs, including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions. The term does not include:
 - A chatbot used only for customer service, a business’s operational purposes, productivity and analysis related to source information, internal research, or technical assistance;
 - A chatbot that is a feature of a video game and is limited to replies related to the video game and does not discuss topics related to mental health, self-harm, or material harmful to minor or maintain a dialogue on other topics unrelated to the video game; or
 - A stand-alone consumer electronic device that functions as a speaker and voice command interface, acts as a voice-activated virtual assistant, and does not sustain a relationship across multiple interactions or generate outputs likely to elicit emotional responses in the user.
- “Companion chatbot platform” means a platform that allows a user to engage with companion chatbots.
- “Deidentified data” means data that cannot reasonably be linked to an identified or identifiable individual or a device linked to that individual.
- “Department” means the Department of Legal Affairs (DLA).
- “Material harmful to minors” has the same meaning as in s. 501.1737(1), F.S.
- “Operator” means a person who owns, operates, or otherwise makes available a bot to individuals in Florida.
- “Pop-up” means a visible notification on the computer, tablet, or smartphone screen of a user which may be resolved if the user interacts with or responds to the notification.
- “Resident” means an individual who has resided in Florida for more than 6 months during the preceding 12-month period.
- “User” means an individual who resides or is domiciled in Florida and who accesses an Internet website, online or cloud-computing service, online application, or mobile application.
- “Video game” means a game played on an electronic amusement device that uses a computer, microprocessor, or similar electronic circuitry and its own monitor, or is designed to be used with a television set or a computer monitor, to interact with the user of the device.

Companion Chatbot Use for Minors

Section 6 creates s. 501.9984, F.S., which provides regulations pertaining to the use of companion chatbots by minors.

The bill requires a companion chatbot platform to prohibit a minor from entering into a contract with the platform to become an account holder or from maintaining an existing account, unless the minor's parent or guardian provides consent for the minor to become an account holder or maintain an existing account.

If the parent or guardian of a minor provides consent for the minor to become an account holder or maintain an existing account, the companion chatbot platform must allow the consenting parent or guardian of the minor account holder to:

- Receive copies of all past or present interactions between the account holder and the companion chatbot;
- Limit the amount of time that the account holder may interact with the companion chatbot each day;
- Limit the days of the week and the times during the day when the account holder may interact with the companion chatbot;
- Disable any of the interactions between the account holder and third-party account holders on the companion chatbot platform; and
- Receive timely notifications if the account holder expresses to the companion chatbot a desire or an intent to engage in self-harm or to harm others.

The bill requires a companion chatbot platform to do all of the following;

- Terminate any account belonging to an account holder who is a minor if the companion chatbot platform treats or categorizes the account as belonging to a minor for purposes of targeting content or advertising and if the minor's parent or guardian has not provided consent for the minor to become an account holder or to maintain an existing account;¹⁰⁵
- Allow an account holder who is a minor to request to terminate the account;¹⁰⁶
- Allow the consenting parent or guardian of an account holder who is a minor to request the minor's account be terminated;¹⁰⁷ and
- Permanently delete all personal information held by the companion chatbot platform relating to the terminated account, unless state or federal law requires the platform to maintain the information.

In connection with all accounts held by account holders who are minors, the bill requires a companion chatbot platform to do all of the following:

- Disclose to the account holder that he or she is interacting with artificial intelligence;
- Provide by default a clear and conspicuous notification to the account holder, at the beginning of companion chatbot interactions and at least once every hour during continuing interactions, reminding the minor to take a break and that the companion chatbot is artificially generated and not human; and

¹⁰⁵ The bill requires the companion chatbot platform to provide 90 days for the account holder to dispute the termination. Termination must be effective upon the expiration of the 90 days if the account holder fails to effectively dispute the termination.

¹⁰⁶ The bill provides that termination must be effective within 5 business days after the request.

¹⁰⁷ The bill requires to termination to be effective within 10 business days after the request.

- Institute reasonable measures to prevent its companion chatbot from producing or sharing materials harmful to minors or encouraging the account holder to engage in any of the content described or depicted in materials harmful to minors.

Enforcement and Penalties

The bill establishes that a knowing or reckless violation of the section regulating companion chatbot use for minors is deemed a deceptive or unfair trade practice or act actionable under part II of ch. 501, F.S., solely by the DLA against a companion chatbot platform. The DLA is also given enforcement authority.

In addition to the other remedies under the FDUTPA, the DLA is authorized to collect a civil penalty of up to \$50,000 per violation and reasonable attorney fees and court costs.¹⁰⁸ If there is a consistent pattern of knowing or reckless conduct, punitive damages may be assessed against a companion chatbot platform.

A companion chatbot platform that knowingly or recklessly violates this section is liable to a minor account holder for up to \$10,000 in damages, as well as court costs and reasonable attorney fees as ordered by the court.¹⁰⁹ A civil claim must be brought within 1 year after the date the complainant knew, or reasonably should have known, of the alleged violation.

For the purposes of bringing an action under the section of the bill regulating companion chatbot use for minors, a companion chatbot platform that allows a minor account holder in Florida to create an account on the platform is considered to be both in substantial and not isolated activities within Florida and operating, conducting, engaging in, or carrying on business in Florida, and is therefore subject to the jurisdiction of the courts of Florida.

The bill establishes that if a companion chatbot platform allows a minor account holder to use the companion chatbot platform, the parties have entered into a contract.

The bill grants rulemaking authority to the DLA.

Consumer protections Regarding Bots

Section 7 creates s. 501.9985, F.S., to provide protection to consumers that engage with bots.

The bill requires an operator to display a pop-up message notifying users that they are not engaging with a human counterpart at the beginning of an interaction between a user and a bot, and at least once every hour during the interaction.

¹⁰⁸ The bill provides that for the purpose of bringing an action pursuant to this section, ss. 501.211 and 501.212, F.S., do not apply. Section 501.211, F.S., provides for individual remedies under the FDUTPA, and s. 501.212, F.S., provides for application of the FDUTPA.

¹⁰⁹ The bill provides that an action brought under s. 501.9984(4), F.S., may only be brought on behalf of a minor account holder.

Enforcement and Penalties

A violation of the section of the bill providing protection to consumers that engage with bots is deemed a deceptive or unfair trade practice or act actionable under part II of ch. 501, F.S., solely by the DLA on behalf of a user of a bot.¹¹⁰ The DLA is also given enforcement authority, and in addition to any other remedy under part II of ch. 501, F.S., the DLA may collect a civil penalty of up to \$50,000 per violation, as well as reasonable attorney fees and court costs.

For the purpose of bringing an action pursuant to the section of the bill providing protection to consumers that engage with bots, a person who meets the definition of an operator that owns, operates, or otherwise makes available a bot to individuals in Florida is considered to be both engaged in substantial and not isolated activities within Florida and operating, conducting, engaging in, or carrying on a business and doing business in Florida, and is therefore subject to the jurisdiction of the courts of Florida.

The bill grants rulemaking authority to the DLA.

Deidentified Data

Section 8 of the bill prohibits an artificial technology company from selling or disclosing personal information of users unless the information is deidentified data. The bill defines “deidentified data” as data that cannot reasonably be linked to an identified or identifiable individual or device linked to that individual.

The bill requires an artificial intelligence technology company in possession of deidentified data to do all of the following:

- Take reasonable measures to ensure that the data cannot be associated with an individual;
- Maintain and use the data in deidentified form;¹¹¹
- Contractually obligate a recipient of the deidentified data to comply with the section of the bill prohibiting the sell or disclosure of user’s information unless such information is deidentified data; and
- Implement business processes to prevent the inadvertent release of deidentified data.

Enforcement and Penalties

A violation of the section of the bill prohibiting the sell or disclosure of user’s information unless such information is deidentified data is deemed a deceptive or unfair trade practice or act actionable under part II of ch. 501, F.S., solely by the DLA.¹¹² The DLA is also given enforcement authority, and in addition to any other remedy under part II of ch. 501, F.S., the

¹¹⁰ The bill provides that for the purpose of bringing an action pursuant to this section, ss. 501.211 and 501.212, F.S., do not apply. Section 501.211, F.S., provides for individual remedies under the FDUTPA, and s. 501.212, F.S., provides for application of the FDUTPA.

¹¹¹ The bill provides that an artificial intelligence technology company may not attempt to reidentify the data, except the company may attempt to reidentify the data solely for the purpose of determining whether its deidentification processes satisfy the requirements of this section of the bill.

¹¹² The bill provides that for the purpose of bringing an action pursuant to this section, ss. 501.211 and 501.212, F.S., do not apply. Section 501.211, F.S., provides for individual remedies under the FDUTPA, and s. 501.212, F.S., provides for application of the FDUTPA.

DLA may collect a civil penalty of up to \$50,000 per violation, as well as reasonable attorney fees and court costs.

For the purpose of bringing an action pursuant to the section of the bill prohibiting the sell or disclosure of user's information unless such information is deidentified data, a person who meets the definition of an artificial intelligence technology company that produces, develops, creates, designs, or manufacturers artificial intelligence technology or products, collects data for use in artificial intelligence products, or implements artificial technology in Florida is considered to be both engaged in substantial and not isolated activities within Florida and operating, conducting, engaging in, or carrying on a business, and doing business in Florida, and is therefore subject to the jurisdiction of the courts of Florida.

The bill grants rulemaking authority to the DLA.

Investigations by the DLA

Section 9 of the bill creates s. 501.9987, F.S., to provide guidelines for investigations by the DLA. If, by its own inquiry or as a result of complaints, the DLA has reason to believe that a person has engaged in, or is engaging in, a practice or an act that violates the Artificial Intelligence Bill of Rights, the DLA may administer oaths and affirmations, subpoena witnesses or matter, and collect evidence.

Within 5 days, excluding weekends and legal holidays, after service of a subpoena or at any time before the return date specified in the subpoena, whichever time period is longer, the party served may file a petition for an order modifying or setting aside the subpoena. The petitioner may raise any objection or privilege that would be available upon service of a subpoena in a civil action. Additionally, the subpoena must inform the party served of the party's rights under the section of the bill providing guidelines for investigations by the DLA.

If the matter that the DLA seeks to obtain by subpoena is located outside of Florida, the person subpoenaed may make the matter available to the DLA or its representative at the place where it is located. The DLA may designate representatives, including officials of the state in which the matter is located, to inspect the matter on its behalf and respond to similar requests from officials of other states.

The bill also authorizes the DLA to request that a person who refuses to comply with a subpoena on the grounds that the testimony or matter may be self-incriminating be ordered by the court to provide the testimony or matter. Except for prosecution for perjury, a person who complies with a court order to provide testimony or matter after asserting a valid privilege against self-incrimination may not have the testimony or matter so provided, or evidence deprived from the testimony or matter, received against the person in any criminal investigation or proceeding.

A person whom a subpoena is served pursuant to an investigation under the Artificial Intelligence Bill of Rights must comply with its terms unless otherwise provided by order of the court. A person who fails to appear, with the intent to avoid, evade, or prevent compliance in whole or in part with an investigation under the Artificial Intelligence Bill of Rights, or who removes from any place, conceals, withholds, mutilates, alters, or destroys, or by any other

means falsifies any documentary material in the possession, custody, or control of a person subject to subpoena, or who knowingly conceals relevant information with the intent to avoid, evade, or prevent compliance, is liable for a civil penalty of not more than \$5,000 per week in violation, reasonable attorney fees, and costs.

The bill grants rulemaking authority to the DLA.

Unauthorized Publication of Name, Image, or Likeness

Section 10 of the bill amends s. 540.08, F.S., to prohibit a person from publishing, printing, displaying, or otherwise publicly using for trade or for any commercial or advertising purpose the name, portrait, photograph, image, or other likeness of an individual created through generative artificial intelligence without the express written or oral consent to such use. Such consent may be given by any of the following:

- The individual;
- Any other person authorized in writing by the individual to license the commercial use of the individual's name, image, or likeness; or
- If the individual is deceased, a person authorized in writing to license the commercial use of the individual's name, image, or likeness, or if a person is not authorized, any one individual from a class composed of the deceased individual's surviving spouse and surviving children.¹¹³

The bill provides the following definitions:

- “Generative artificial intelligence” means a machine-based system that can, for a given set of human-defined objectives, emulate the structure and characteristics of input data in order to generate derived synthetic content, including images, videos, audio, text, and other digital content.
- “Person” has the same meaning as in s. 1.01(3), F.S., but also includes a government or a governmental subdivision, agency, instrumentality, or public corporation.¹¹⁴
- “Servicemember” has the same meaning as in s. 250.01, F.S., and includes any officer or enlisted member who died from service-connected causes while on active duty.¹¹⁵
- “Surviving children” means an individual's immediate offspring and any children legally adopted by the individual.
- “Surviving spouse” means an individual's surviving spouse under the law of the individual's domicile at the time of the individual's death, regardless of whether the spouse later remarried.

The bill adds “image” throughout s. 540.08, F.S., to provide that a person is prohibited from publishing, printing, displaying, or otherwise publicly using for the purpose of trade or for any commercial or advertising purpose the name, portrait, photograph, image, or other likeness of an individual without express written or oral consent.

¹¹³ The bill provides that a legal parent or guardian may give consent on behalf of a minor surviving child.

¹¹⁴ Section 1.01(3), F.S., defines “person” as including individuals, children, firms, associations, joint adventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

¹¹⁵ Section 250.01, F.S., defines “servicemember” as any person serving as a member of the United States Armed Forces on active duty or state active duty and all members of the Florida National Guard and United States Reserve Forces.

The bill changes “person” to “individual” throughout s. 540.08, F.S.

The bill clarifies that a legal parent or guardian may give consent on behalf of a minor surviving child.

Incorporating Changes and Effective Date

Sections 11 and 12 of the bill amend ss. 540.10 and 743.08, F.S., to incorporate the changes made to s. 540.08, F.S.

Section 13 of the bill provides an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

Article VI, Paragraph 2 of the U.S. Constitution, commonly referred to as the Supremacy Clause, establishes that the federal constitution, and federal law generally, take precedence over state laws and constitutions. The Supremacy Clause also prohibits states from interfering with the federal government’s exercise of its constitutional powers and from assuming any functions that are exclusively entrusted to the federal government. It does not, however, allow the federal government to review or veto state laws before they take effect.¹¹⁶

The First Amendment to the U.S. Constitution guarantees that “Congress shall make no law ... abridging the freedom of speech.”¹¹⁷ Generally, “government has no power to restrict expression because of its message, its ideas, its subject matter, or its content.”¹¹⁸

¹¹⁶ Cornell Law School, Legal Information Institute, *Supremacy Clause*, https://www.law.cornell.edu/wex/supremacy_clause (last visited Jan. 20, 2026).

¹¹⁷ U.S. CONST. amend. I.

¹¹⁸ *Police Dept. of City of Chicago v. Mosley*, 408 U.S. 92, 95 (1972).

The rights guaranteed by the First Amendment apply with equal force to state governments through the due process clause of the Fourteenth Amendment.¹¹⁹

In most circumstances, these protections “are no less applicable when government seeks to control the flow of information to minors”¹²⁰ as states do not possess “a free-floating power to restrict the ideas to which children may be exposed.”¹²¹

Many of the questions regarding the constitutionality of age verification laws may concern whether such laws are sufficiently narrow to avoid inhibiting more speech than necessary. The degree of tailoring required may vary depending on whether a given law is content-based or content-neutral. In both circumstances, a law’s constitutionality depends on several factors, including the:

- Strength of the government’s interest.
- Amount of protected speech that the law directly or indirectly restricts.
- Availability of less speech-restrictive alternatives.¹²²

Content-neutral regulations on free speech are legitimate if they advance important governmental interests that are not related to suppression of free speech, do so in a way that is substantially related to those interests, and do not substantially burden more speech than necessary to further those interests.¹²³

The U.S. Supreme Court regards content-based laws, which limit communication because of the message it conveys, as presumptively unconstitutional.¹²⁴ Such a law may be justified only if the government shows that the law is required to promote a compelling state interest and that the least restrictive means have been chosen to further that articulated interest.¹²⁵

In general, the U.S. Supreme Court has held that requiring adults to prove their age to access certain content is an unconstitutional, content-based limit on free speech, when there are less restrictive means to curb access to minors, such as filters and parental controls.¹²⁶

According to Justice O’Connor’s *Reno* dissent, because technology was insufficient for ensuring that minors could be excluded while still providing adults full access to protected content, the age verification provision was viewed as ultimately

¹¹⁹ U.S. CONST. amend. XIV; *see also* FLA. CONST., art. I.

¹²⁰ *Erznoznik v. City of Jacksonville*, 422 U.S. 205, 214 (1975).

¹²¹ *Brown v. Ent. Merchants Ass’n*, 564 U.S. 786, 794 (2011).

¹²² Eric N. Holmes, Congressional Research Service, *Online Age Verification (Part III): Select Constitutional Issues* (CRS Report No. LSB11022, August 17, 2023), available at <https://crsreports.congress.gov/product/pdf/LSB/LSB11022>.

¹²³ *Turner Broadcasting System, Inc. v. F.C.C.*, 520 U.S. 180, 189 (U.S. 1997).

¹²⁴ *Reed v. Town of Gilbert*, 576 U.S. 155, 163 (2015).

¹²⁵ *Sable Commc’s of California, Inc. vs. F.C.C.*, 492 U.S. 115, 126 (1989).

¹²⁶ *Reno v. Am. C. L. Union*, 521 U.S. 844, 874 (1997); *Ashcroft v. American Civil Liberties Union*, 542 U.S. 656, 666 (2004); Ronald Kahn, *Reno v. American Civil Liberties Union* (1997), Free Speech Center at Middle Tennessee State University, Dec. 15, 2023, <https://firstamendment.mtsu.edu/article/reno-v-american-civil-liberties-union/>.

unconstitutional; however, she contemplated the possibility that future technological advances may allow for a constitutionally sound age verification law.¹²⁷

In June of 2025, the U.S. Supreme Court upheld a Texas law that requires commercial pornography websites to verify the age of their users.¹²⁸ The court applied intermediate scrutiny and upheld the law as constitutional because it merely imposes an incidental burden on adults' protected speech while serving the state's important interest in shielding children from harmful content.¹²⁹

Experts assert that age verification systems have progressed considerably from a generation ago when the U.S. Supreme Court held that age verification methods often failed and were too burdensome for law-abiding adults.¹³⁰ Currently, there are numerous minimally invasive verification techniques that do not require sharing any age verification information at all with social media platforms.¹³¹

Additionally, in determining whether laws requiring age verification to access social media platforms unconstitutionally restrict free speech, courts have found that even if “the state has the power to enforce parental prohibitions it does not follow that the state has the power to prevent children from hearing or saying anything without their parents’ prior consent.”¹³² Moreover:

[A]ge-verification requirements are more restrictive than policies enabling or encouraging users (or their parents) to control their own access to information, whether through user-installed devices and filters or affirmative requests to third-party companies. “Filters impose selective restrictions on speech at the receiving end, not universal restrictions at the source.” And “[u]nder a filtering regime, adults ... may gain access to speech they have a right to see without having to identify themselves[.]” Similarly, the State could always “act to encourage the use of filters ... by parents” to protect minors.¹³³

¹²⁷ *Reno*, 521 U.S. at 886-91 (O'Connor concurring in part and dissenting in part). The court also considered overbreadth and vagueness arguments, and determined that the Communications Decency Act of 1996 was too broad and vague. *Id.* at 883-84.

¹²⁸ *Free Speech Coalition, Inc. v. Paxton*, 606 U.S. 461 (2025).

¹²⁹ *Id.* See also *Computer & Communications Industry Association v. Uthmeier*, 95 F.4th 1022 (11th Cir. 2025), where the U.S. Court of Appeals for the Eleventh Circuit stayed the district court's preliminary injunction, and thus Florida's law that prohibits minors under 14 from having social media accounts and requires parental consent for 14- and 15-year-olds can be enforced while the appeal proceeds.

¹³⁰ Broadband Breakfast, *Improved Age Verification Allows States to Consider Restricting Social Media*, Nov. 20, 2023, <https://broadbandbreakfast.com/2023/11/improved-age-verification-allows-states-to-consider-restricting-social-media/>; *Reno*, 521 U.S. at 886 (1997); *Ashcroft*, 542 U.S. at 666.

¹³¹ The Federalist Society, *Age Verification for Social Media: A Constitutional and Reasonable Regulation*, Aug. 7, 2023, <https://fedsoc.org/commentary/fedsoc-blog/age-verification-for-social-media-a-constitutional-and-reasonable-regulation>.

¹³² *NetChoice, LLC v. Yost*, 2024 WL 104336, *8 (S.D. Ohio Jan. 9, 2024) (internal citations and quotations omitted).

¹³³ *NetChoice, LLC v. Griffin*, 2023 WL 5660155, *21 (W.D. Ark. Aug. 31, 2023) (internal citations omitted).

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Companion chatbot platforms, operators, and artificial intelligence technology companies will be required to implement the provisions of the bill.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates the following sections of the Florida Statutes: 501.9981, 501.9982, 501.9983, 501.9984, 501.9985, 501.9986, 501.9987.

The bill substantially amends the following sections of the Florida Statutes: 287.138, 540.08, 540.10, 743.08.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Leek

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1 A bill to be entitled
 2 An act relating to the Artificial Intelligence Bill of
 3 Rights; amending s. 287.138, F.S.; defining the term
 4 "artificial intelligence"; prohibiting a governmental
 5 entity from extending or renewing a contract with
 6 specified entities; prohibiting a local governmental
 7 entity from taking certain actions relating to
 8 contracting with an entity to provide artificial
 9 intelligence technology, software, or products unless
 10 certain requirements are completed; prohibiting a
 11 governmental entity from entering into a contract with
 12 an entity for artificial intelligence technology,
 13 software, or products if certain conditions are met;
 14 providing a directive to the Division of Law Revision;
 15 creating part IX of ch. 501, F.S., to be entitled the
 16 "Artificial Intelligence Bill of Rights"; creating s.
 17 501.9981, F.S.; providing a short title; creating s.
 18 501.9982, F.S.; providing the rights of Floridians
 19 relating to the use of artificial intelligence;
 20 authorizing Floridians to exercise certain rights;
 21 providing construction; creating s. 501.9983, F.S.;
 22 defining terms; creating s. 501.9984, F.S.; requiring
 23 companion chatbot platforms to prohibit a minor from
 24 creating new or maintaining existing accounts unless
 25 the minor's parent or guardian consents; requiring
 26 companion chatbot platforms to provide the minor's
 27 parent or guardian certain options; requiring
 28 companion chatbot platforms to terminate certain
 29 accounts and provide certain options; requiring

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30 companion chatbot platforms to make certain
 31 disclosures and institute certain measures to prevent
 32 their companion chatbots from producing or sharing
 33 materials harmful to minors; providing that violations
 34 are deceptive or unfair trade practices; authorizing
 35 the Department of Legal Affairs to bring actions under
 36 the Florida Deceptive and Unfair Trade Practices Act
 37 for knowing or reckless violations; authorizing the
 38 department to issue and enforce civil investigative
 39 demands under certain circumstances; providing civil
 40 penalties; authorizing punitive damages under certain
 41 circumstances; providing for private causes of action;
 42 requiring that such actions be brought within a
 43 specified timeframe; providing that certain companion
 44 chatbot platforms are subject to the jurisdiction of
 45 state courts; specifying requirements for contract
 46 formation; providing construction; authorizing the
 47 department to adopt rules; creating s. 501.9985, F.S.;
 48 requiring bot operators to periodically provide a
 49 certain notification to a user; authorizing the
 50 department to bring actions under the Florida
 51 Deceptive and Unfair Trade Practices Act for
 52 violations; authorizing the department to issue and
 53 enforce civil investigative demands under certain
 54 circumstances; providing civil penalties; providing
 55 construction; providing that certain bot operators are
 56 subject to the jurisdiction of state courts;
 57 authorizing the department to adopt rules; creating s.
 58 501.9986, F.S.; prohibiting artificial intelligence

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59 technology companies from selling or disclosing the
 60 personal information of users unless the information
 61 is deidentified data; requiring artificial
 62 intelligence technology companies in possession of
 63 deidentified data to take certain measures to ensure
 64 such data remains deidentified; authorizing the
 65 Department of Legal Affairs to bring actions under the
 66 Florida Deceptive and Unfair Trade Practices Act for
 67 violations; authorizing the department to issue and
 68 enforce civil investigative demands under certain
 69 circumstances; providing civil penalties; providing
 70 that certain artificial intelligence technology
 71 companies are subject to the jurisdiction of state
 72 courts; authorizing the department to adopt rules;
 73 creating s. 501.9987, F.S.; authorizing the department
 74 to take certain investigative and compliance actions
 75 in connection with potential violations of part IX of
 76 ch. 501, F.S.; authorizing the department to adopt
 77 rules; amending s. 540.08, F.S.; defining terms;
 78 prohibiting the commercial use of an individual's
 79 name, image, or likeness created through artificial
 80 intelligence without the individual's or an authorized
 81 individual's consent; providing requirements for the
 82 use of the name, image, or likeness of deceased
 83 persons; providing penalties for the use of the name,
 84 image, or likeness of a servicemember; conforming
 85 provisions to changes made by the act; reenacting ss.
 86 540.10 and 743.08(1)(c), F.S., relating to the
 87 exemption of news media from liability and contracts

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88 entered into by minors, respectively, to incorporate
 89 the amendments made to s. 540.08, F.S., in references
 90 thereto; providing an effective date.
 91

92 Be It Enacted by the Legislature of the State of Florida:
 93

94 Section 1. Present paragraphs (a) through (d) of subsection
 95 (1) and present subsection (7) of section 287.138, Florida
 96 Statutes, are redesignated as paragraphs (b) through (e) of
 97 subsection (1) and subsection (8), respectively, a new paragraph
 98 (a) is added to subsection (1), a new subsection (7) is added to
 99 that section, and subsection (3) of that section is amended, to
 100 read:

101 287.138 Contracting with entities of foreign countries of
 102 concern prohibited.—

103 (1) As used in this section, the term:

104 (a) "Artificial intelligence" means an engineered or
 105 machine-based system that varies in its level of autonomy and
 106 that can, for explicit or implicit objectives, infer from the
 107 input it receives how to generate outputs that influence
 108 physical or virtual environments.

109 (3) (a) Beginning July 1, 2025, a governmental entity may
 110 not extend or renew a contract with an entity listed in
 111 paragraphs (2)(a)-(c) if the contract would give such entity
 112 access to an individual's personal identifying information.
 113 Beginning July 1, 2026, a governmental entity may not extend or
 114 renew a contract with an entity listed in paragraph (7)(a),
 115 paragraph (7)(b), or paragraph (7)(c).

116 (b) Beginning July 1, 2026, a governmental entity may not

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accept a bid on, a proposal for, or a reply to, or enter into a contract with, an entity to provide artificial intelligence technology, software, or products, including as a portion or an option to the products or services provided under the contract, unless the entity provides the governmental entity with an affidavit signed by an officer or a representative of the entity under penalty of perjury attesting that the entity does not meet any of the criteria in paragraph (7) (a), paragraph (7) (b), or paragraph (7) (c).

(7) A governmental entity may not knowingly enter into a contract with an entity for artificial intelligence technology, software, or products, including as a portion or an option to the products or services provided under the contract, if:

(a) The entity is owned by the government of a foreign country of concern;

(b) A government of a foreign country of concern has a controlling interest in the entity; or

(c) The entity is organized under the laws of or has its principal place of business in a foreign country of concern.

Section 2. The Division of Law Revision is directed to create part IX of chapter 501, Florida Statutes, consisting of ss. 501.9981, 501.9982, 501.9983, 501.9984, 501.9985, 501.9986, and 501.9987, Florida Statutes, to be entitled the "Artificial Intelligence Bill of Rights."

Section 3. Section 501.9981, Florida Statutes, is created to read:

501.9981 Short title.—This part may be cited as the "Artificial Intelligence Bill of Rights."

Section 4. Section 501.9982, Florida Statutes, is created

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to read:

501.9982 Rights relating to the use of artificial intelligence.—

(1) Floridians are entitled to certain rights with respect to the use of artificial intelligence, including, but not limited to:

(a) The right to use artificial intelligence to improve their own lives and the lives of family members, fellow residents, and the world at large in accordance with the law.

(b) The right to supervise, access, limit, and control their minor children's use of artificial intelligence.

(c) The right to know whether they are communicating with a human being or an artificial intelligence system, program, or chatbot.

(d) The right to know if artificial intelligence technology companies are collecting personal information or biometric data, and the right to expect artificial intelligence technology companies to protect and deidentify that information or data in accordance with the law.

(e) The right to pursue civil remedies authorized by law against persons who use artificial intelligence to appropriate the name, image, or likeness of others for commercial purposes without their consent.

(f) The right to be protected by law from criminal acts, such as fraud, exploitation, identity theft, stalking, and cyberbullying, regardless of whether artificial intelligence is used in the commission of those acts.

(g) The right to be protected by law from criminal acts relating to the alteration of existing images to create sexual

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or lewd or lascivious images or child pornography, regardless of whether artificial intelligence is used in the commission of those acts.

(h) The right to know whether political advertisements, electioneering communications, or similar advertisements were created in whole or in part with the use of artificial intelligence.

(i) The right to pursue civil remedies authorized by law against others who use artificial intelligence to slander, libel, or defame them.

(2) Floridians may exercise the rights described in this section in accordance with existing law. This section may not be construed as creating new or independent rights or entitlements.

Section 5. Section 501.9983, Florida Statutes, is created to read:

501.9983 Definitions.—As used in this part, the term:

(1) "Account holder" means an individual who opens an account or creates a profile or is identified by the companion chatbot platform by a unique identifier while he or she is using or accessing the platform, if the platform knows or has reason to believe the individual is a resident of this state.

(2) "Artificial intelligence" means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that influence physical or virtual environments.

(3) "Artificial intelligence technology company" means a business or organization that produces, develops, creates, designs, or manufactures artificial intelligence technology or

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products, collects data for use in artificial intelligence

products, or implements artificial intelligence technology.

(4) "Bot" means an automated online software application in which all or substantially all of the actions or posts of the account are not the result of a natural person.

(5) "Companion chatbot" means an artificial intelligence system with a natural language interface that provides adaptive, human-like responses to user inputs and is capable of meeting a user's social needs, including by exhibiting anthropomorphic features and being able to sustain a relationship across multiple interactions. The term does not include:

(a) A chatbot used only for customer service, a business's operational purposes, productivity and analysis related to source information, internal research, or technical assistance;

(b) A chatbot that is a feature of a video game and is limited to replies related to the video game and does not discuss topics related to mental health, self-harm, or material harmful to minors or maintain a dialogue on other topics unrelated to the video game; or

(c) A stand-alone consumer electronic device that functions as a speaker and voice command interface, acts as a voice-activated virtual assistant, and does not sustain a relationship across multiple interactions or generate outputs likely to elicit emotional responses in the user.

(6) "Companion chatbot platform" means a platform that allows a user to engage with companion chatbots.

(7) "Deidentified data" means data that cannot reasonably be linked to an identified or identifiable individual or a device linked to that individual.

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- 233 (8) "Department" means the Department of Legal Affairs.
- 234 (9) "Material harmful to minors" has the same meaning as in
- 235 s. 501.1737(1).
- 236 (10) "Minor" means any person 17 years of age or younger.
- 237 (11) "Operator" means a person who owns, operates, or
- 238 otherwise makes available a bot to individuals in this state.
- 239 (12) "Pop-up" means a visible notification on the computer,
- 240 tablet, or smartphone screen of a user which may be resolved if
- 241 the user interacts with or responds to the notification.
- 242 (13) "Resident" means an individual who has resided in this
- 243 state for more than 6 months during the preceding 12-month
- 244 period.
- 245 (14) "User" means an individual who resides or is domiciled
- 246 in this state and who accesses an Internet website, online or
- 247 cloud-computing service, online application, or mobile
- 248 application.
- 249 (15) "Video game" means a game played on an electronic
- 250 amusement device that uses a computer, microprocessor, or
- 251 similar electronic circuitry and its own monitor, or is designed
- 252 to be used with a television set or a computer monitor, to
- 253 interact with the user of the device.
- 254 Section 6. Section 501.9984, Florida Statutes, is created
- 255 to read:
- 256 501.9984 Companion chatbot use for minors.—
- 257 (1) A companion chatbot platform shall prohibit a minor
- 258 from entering into a contract with the platform to become an
- 259 account holder or from maintaining an existing account, unless
- 260 the minor's parent or guardian provides consent for the minor to
- 261 become an account holder or maintain an existing account.

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- 262 (a) If the minor's parent or guardian provides consent for
- 263 the minor to become an account holder or maintain an existing
- 264 account, the companion chatbot platform must allow the
- 265 consenting parent or guardian of the minor account holder to:
- 266 1. Receive copies of all past or present interactions
- 267 between the account holder and the companion chatbot;
- 268 2. Limit the amount of time that the account holder may
- 269 interact with the companion chatbot each day;
- 270 3. Limit the days of the week and the times during the day
- 271 when the account holder may interact with the companion chatbot;
- 272 4. Disable any of the interactions between the account
- 273 holder and third-party account holders on the companion chatbot
- 274 platform; and
- 275 5. Receive timely notifications if the account holder
- 276 expresses to the companion chatbot a desire or an intent to
- 277 engage in self-harm or to harm others.
- 278 (b) A companion chatbot platform shall do all of the
- 279 following:
- 280 1. Terminate any account belonging to an account holder who
- 281 is a minor if the companion chatbot platform treats or
- 282 categorizes the account as belonging to a minor for purposes of
- 283 targeting content or advertising and if the minor's parent or
- 284 guardian has not provided consent for the minor to become an
- 285 account holder or to maintain an existing account. The companion
- 286 chatbot platform shall provide 90 days for the account holder to
- 287 dispute the termination. Termination must be effective upon the
- 288 expiration of the 90 days if the account holder fails to
- 289 effectively dispute the termination.
- 290 2. Allow an account holder who is a minor to request to

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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291 terminate the account. Termination must be effective within 5
 292 business days after the request.

293 3. Allow the consenting parent or guardian of an account
 294 holder who is a minor to request that the minor's account be
 295 terminated. Termination must be effective within 10 business
 296 days after the request.

297 4. Permanently delete all personal information held by the
 298 companion chatbot platform relating to the terminated account,
 299 unless state or federal law requires the platform to maintain
 300 the information.

301 (2) In connection with all accounts held by account holders
 302 who are minors, the companion chatbot platform shall do all of
 303 the following:

304 (a) Disclose to the account holder that he or she is
 305 interacting with artificial intelligence.

306 (b) Provide by default a clear and conspicuous notification
 307 to the account holder, at the beginning of companion chatbot
 308 interactions and at least once every hour during continuing
 309 interactions, reminding the minor to take a break and that the
 310 companion chatbot is artificially generated and not human.

311 (c) Institute reasonable measures to prevent its companion
 312 chatbot from producing or sharing materials harmful to minors or
 313 encouraging the account holder to engage in any of the conduct
 314 described or depicted in materials harmful to minors.

315 (3) A knowing or reckless violation of this section is
 316 deemed a deceptive or unfair trade practice or act actionable
 317 under part II of this chapter solely by the department against a
 318 companion chatbot platform. If the department has reason to
 319 believe that a companion chatbot platform is in violation of

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320 this section, the department, as the enforcing authority, may
 321 bring an action against such platform for a deceptive or unfair
 322 trade practice or act. For the purpose of bringing an action
 323 pursuant to this section, ss. 501.211 and 501.212 do not apply.
 324 In addition to other remedies under part II of this chapter, the
 325 department may collect a civil penalty of up to \$50,000 per
 326 violation and reasonable attorney fees and court costs. If the
 327 companion chatbot platform's failure to comply with this section
 328 is part of a consistent pattern of knowing or reckless conduct,
 329 punitive damages may be assessed against the companion chatbot
 330 platform.

331 (4)(a) A companion chatbot platform that knowingly or
 332 recklessly violates this section is liable to a minor account
 333 holder for up to \$10,000 in damages plus court costs and
 334 reasonable attorney fees as ordered by the court.

335 (b) A civil action for a claim under this subsection must
 336 be brought within 1 year after the date the complainant knew, or
 337 reasonably should have known, of the alleged violation.

338 (c) An action brought under this subsection may be brought
 339 only on behalf of a minor account holder.

340 (5) For purposes of bringing an action under this section,
 341 a companion chatbot platform that allows a minor account holder
 342 in this state to create an account on the platform is considered
 343 to be both engaged in substantial and not isolated activities
 344 within this state and operating, conducting, engaging in, or
 345 carrying on a business and doing business in this state, and is
 346 therefore subject to the jurisdiction of the courts of this
 347 state.

348 (6) If a companion chatbot platform allows a minor account

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holder to use the companion chatbot platform, the parties have entered into a contract.

(7) This section does not preclude any other available remedy at law or equity.

(8) The department may adopt rules to implement this section.

Section 7. Section 501.9985, Florida Statutes, is created to read:

501.9985 Consumer protections regarding bots.-

(1) At the beginning of an interaction between a user and a bot, and at least once every hour during the interaction, an operator shall display a pop-up message notifying users that they are not engaging in dialogue with a human counterpart.

(2) A violation of this section is deemed a deceptive or unfair trade practice or act actionable under part II of this chapter solely by the department on behalf of a user of a bot. If the department has reason to believe that an operator is in violation of this section, the department, as the enforcing authority, may bring an action against the operator for a deceptive or unfair trade practice or act. For the purpose of bringing an action pursuant to this section, ss. 501.211 and 501.212 do not apply. In addition to any other remedy under part II of this chapter, the department may collect a civil penalty of up to \$50,000 per violation and reasonable attorney fees and court costs.

(3) This section does not preclude any other available remedy at law or equity.

(4) For purposes of bringing an action pursuant to this section, a person who meets the definition of an operator that

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owns, operates, or otherwise makes available a bot to individuals in this state is considered to be both engaged in substantial and not isolated activities within this state and operating, conducting, engaging in, or carrying on a business, and doing business in this state, and is therefore subject to the jurisdiction of the courts of this state.

(5) The department may adopt rules to implement this section.

Section 8. Section 501.9986, Florida Statutes, is created to read:

501.9986 Consumer protections regarding deidentified data.-

(1) An artificial intelligence technology company may not sell or disclose personal information of users unless the information is deidentified data.

(2) An artificial intelligence technology company in possession of deidentified data shall do all of the following:

(a) Take reasonable measures to ensure that the data cannot be associated with an individual.

(b) Maintain and use the data in deidentified form. An artificial intelligence technology company may not attempt to reidentify the data, except that the artificial intelligence technology company may attempt to reidentify the data solely for the purpose of determining whether its deidentification processes satisfy the requirements of this section.

(c) Contractually obligate a recipient of the deidentified data to comply with this section.

(d) Implement business processes to prevent the inadvertent release of deidentified data.

(3) A violation of this section is deemed a deceptive or

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unfair trade practice or act actionable under part II of this chapter solely by the department. If the department has reason to believe that an artificial intelligence technology company is in violation of this section, the department, as the enforcing authority, may bring an action against the artificial intelligence technology company for a deceptive or unfair trade practice or act. For the purpose of bringing an action pursuant to this section, ss. 501.211 and 501.212 do not apply. In addition to any other remedy under part II of this chapter, the department may collect a civil penalty of up to \$50,000 per violation and reasonable attorney fees and court costs.

(4) For purposes of bringing an action pursuant to this section, a person who meets the definition of an artificial intelligence technology company that produces, develops, creates, designs, or manufactures artificial intelligence technology or products, collects data for use in artificial intelligence products, or implements artificial intelligence technology in this state is considered to be both engaged in substantial and not isolated activities within this state and operating, conducting, engaging in, or carrying on a business, and doing business in this state, and is therefore subject to the jurisdiction of the courts of this state.

(5) The department may adopt rules to implement this section.

Section 9. Section 501.9987, Florida Statutes, is created to read:

501.9987 Investigations.—

(1) If, by its own inquiry or as a result of complaints, the department has reason to believe that a person has engaged

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in, or is engaging in, a practice or an act that violates this part, the department may administer oaths and affirmations, subpoena witnesses or matter, and collect evidence. Within 5 days, excluding weekends and legal holidays, after service of a subpoena or at any time before the return date specified in the subpoena, whichever time period is longer, the party served may file in the circuit court in the county in which it resides or in which it transacts business and serve upon the enforcing authority a petition for an order modifying or setting aside the subpoena. The petitioner may raise any objection or privilege that would be available upon service of a subpoena in a civil action. The subpoena must inform the party served of the party's rights under this subsection.

(2) If the matter that the department seeks to obtain by subpoena is located outside this state, the person subpoenaed may make the matter available to the department or its representative at the place where it is located. The department may designate representatives, including officials of the state in which the matter is located, to inspect the matter on its behalf and may respond to similar requests from officials of other states.

(3) Upon the failure of a person, without lawful excuse, to obey a subpoena and upon reasonable notice to all persons affected, the department may apply to the circuit court for an order compelling compliance.

(4) The department may request that a person who refuses to comply with a subpoena on the grounds that the testimony or matter may be self-incriminating be ordered by the court to provide the testimony or matter. Except in a prosecution for

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perjury, a person who complies with a court order to provide testimony or matter after asserting a valid privilege against self-incrimination may not have the testimony or matter so provided, or evidence derived from the testimony or matter, received against the person in any criminal investigation or proceeding.

(5) A person upon whom a subpoena is served pursuant to this part must comply with its terms unless otherwise provided by order of the court. A person who fails to appear, with the intent to avoid, evade, or prevent compliance in whole or in part with an investigation under this part, or who removes from any place, conceals, withholds, mutilates, alters, or destroys, or by any other means falsifies any documentary material in the possession, custody, or control of a person subject to a subpoena, or who knowingly conceals relevant information with the intent to avoid, evade, or prevent compliance, is liable for a civil penalty of not more than \$5,000 per week in violation, reasonable attorney fees, and costs.

(6) The department may adopt rules to implement this section.

Section 10. Section 540.08, Florida Statutes, is amended to read:

540.08 Unauthorized publication of name, image, or likeness.—

(1) As used in this section, the term:

(a) "Generative artificial intelligence" means a machine-based system that can, for a given set of human-defined objectives, emulate the structure and characteristics of input data in order to generate derived synthetic content, including

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images, videos, audio, text, and other digital content.

(b) "Person" has the same meaning as in s. 1.01(3) but also includes a government or a governmental subdivision, agency, instrumentality, or public corporation.

(c) "Servicemember" has the same meaning as in s. 250.01 and includes any officer or enlisted member who died from service-connected causes while on active duty.

(d) "Surviving children" means an individual's immediate offspring and any children legally adopted by the individual.

(e) "Surviving spouse" means an individual's surviving spouse under the law of the individual's domicile at the time of the individual's death, regardless of whether the spouse later remarried.

(2) A person may not publish, print, display, or otherwise publicly use for trade or for any commercial or advertising purpose the name, portrait, photograph, image, or other likeness of an individual created through generative artificial intelligence without the express written or oral consent to such use given by any of the following:

(a) The individual.

(b) Any other person authorized in writing by the individual to license the commercial use of the individual's name, image, or likeness.

(c) If the individual is deceased:

1. A person authorized in writing to license the commercial use of the individual's name, image, or likeness; or

2. If a person is not authorized, any one individual from a class composed of the deceased individual's surviving spouse and surviving children. A legal parent or guardian may give consent

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on behalf of a minor surviving child.

(3) A ~~no~~ person may not ~~shall~~ publish, print, display or otherwise publicly use for purposes of trade or for any commercial or advertising purpose the name, portrait, photograph, image, or other likeness of an individual ~~any natural person~~ without the express written or oral consent to such use given by any of the following:

(a) The individual. ~~Such person; or~~

(b) Any other person, ~~firm or corporation~~ authorized in writing by the individual ~~such person~~ to license the commercial use of the individual's ~~her or his~~ name, image, or likeness; ~~or~~

(c) If the individual ~~such person~~ is deceased; ~~or~~

1. A ~~any~~ person, ~~firm or corporation~~ authorized in writing to license the commercial use of the deceased individual's ~~her or his~~ name, image, or likeness; ~~or~~

2. If a ~~no~~ person, ~~firm or corporation~~ is not ~~so~~ authorized, ~~then by~~ any one individual from among a class composed of the individual's ~~her or his~~ surviving spouse and surviving children. A legal parent or guardian may give consent on behalf of a minor surviving child.

~~(4)(2)~~ If ~~in the event~~ the consent required in subsection (2) or subsection (3) ~~(4)~~ is not obtained, the individual ~~person~~ whose name, portrait, photograph, image, or other likeness is ~~so~~ used, or a ~~any~~ person, ~~firm, or corporation~~ authorized by the individual ~~such person~~ in writing to license the commercial use of the individual's ~~her or his~~ name, image, or likeness, or, if the individual ~~person~~ whose likeness is used is deceased, a ~~any~~ person, ~~firm, or corporation~~ having the right to give ~~such~~ consent, as provided in subsection (2) or subsection (3)

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~~hereinafter~~, may bring an action to enjoin ~~the~~ ~~such~~ unauthorized publication, printing, display, or other public use, and ~~to~~ recover damages for any loss or injury resulting from the unauthorized publication ~~sustained by reason thereof~~, including an amount that ~~which~~ would have been a reasonable royalty, and punitive or exemplary damages.

~~(5)(3)~~ If a person uses the name, portrait, photograph, image, or other likeness of a servicemember ~~member of the armed forces~~ without obtaining the consent required in subsection (2) or subsection (3) ~~(4)~~ and the ~~such~~ use is not subject to an ~~any~~ exception listed in this section, a court may impose a civil penalty of up to \$1,000 per violation in addition to the civil remedies contained in subsection (4) ~~(2)~~. Each commercial transaction constitutes a violation under this section. ~~As used in this section, the term "member of the armed forces" means an officer or enlisted member of the Army, Navy, Air Force, Marine Corps, Space Force, or Coast Guard of the United States, the Florida National Guard, and the United States Reserve Forces, including any officer or enlisted member who died as a result of injuries sustained in the line of duty.~~

~~(6)(4)~~ The ~~provisions of~~ This section does ~~shall~~ not apply to any of the following:

(a) The publication, printing, display, or use of the name, image, or likeness of an individual ~~any person~~ in a ~~any~~ newspaper, magazine, book, news broadcast or telecast, or other news medium or publication if used as part of ~~a~~ ~~any~~ bona fide news report or presentation having a current and legitimate public interest and if the ~~where~~ such name, image, or likeness is not used for advertising purposes; ~~or~~

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581 (b) The use of an individual's ~~such~~ name, portrait,
 582 photograph, image, or other likeness in connection with the
 583 resale or other distribution of literary, musical, or artistic
 584 productions or other articles of merchandise or property with
 585 ~~the individual's consent where such person has consented to the~~
 586 ~~use of her or his name, portrait, photograph, or likeness~~ on or
 587 in connection with the initial sale or distribution of the
 588 productions, articles, or merchandise. thereof; or

589 (c) A ~~Any~~ photograph of an individual ~~a person~~ solely as a
 590 member of the public if the individual ~~and where such person~~ is
 591 not named or otherwise identified in or in connection with the
 592 use of the ~~such~~ photograph.

593 (7)(5) ~~An~~ No action may not ~~shall~~ be brought under this
 594 section by reason of a ~~any~~ publication, printing, display, or
 595 other public use of the name, image, or likeness of an
 596 individual a person occurring more than after the expiration of
 597 40 years from and after the death of the individual ~~such person.~~

598 ~~(6) As used in this section, a person's "surviving spouse"~~
 599 ~~is the person's surviving spouse under the law of her or his~~
 600 ~~domicile at the time of her or his death, whether or not the~~
 601 ~~spouse has later remarried; and a person's "children" are her or~~
 602 ~~his immediate offspring and any children legally adopted by the~~
 603 ~~person. Any consent provided for in subsection (1) shall be~~
 604 ~~given on behalf of a minor by the guardian of her or his person~~
 605 ~~or by either parent.~~

606 (8)(7) ~~The remedies provided for~~ in this section are ~~shall~~
 607 ~~be~~ in addition to and not in limitation of the remedies and
 608 rights of any person under the common law against the invasion
 609 of her or his privacy.

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610 Section 11. For the purpose of incorporating the amendment
 611 made by this act to section 540.08, Florida Statutes, in a
 612 reference thereto, section 540.10, Florida Statutes, is
 613 reenacted to read:

614 540.10 Exemption of news media from liability.—No relief
 615 may be obtained under s. 540.08 or s. 540.09, against any
 616 broadcaster, publisher or distributor broadcasting, publishing
 617 or distributing paid advertising matter by radio or television
 618 or in a newspaper, magazine, or similar periodical without
 619 knowledge or notice that any consent required by s. 540.08 or s.
 620 540.09, in connection with such advertising matter has not been
 621 obtained, except an injunction against the presentation of such
 622 advertising matter in future broadcasts or in future issues of
 623 such newspaper, magazine, or similar periodical.

624 Section 12. For the purpose of incorporating the amendment
 625 made by this act to section 540.08, Florida Statutes, in a
 626 reference thereto, paragraph (c) of subsection (1) of section
 627 743.08, Florida Statutes, is reenacted to read:

628 743.08 Removal of disabilities of minors; artistic or
 629 creative services; professional sports contracts; judicial
 630 approval.—

631 (1) A contract made by a minor or made by a parent or
 632 guardian of a minor, or a contract proposed to be so made, may
 633 be approved by the probate division of the circuit court or any
 634 other division of the circuit court that has guardianship
 635 jurisdiction, where the minor is a resident of this state or the
 636 services of the minor are to be performed or rendered in this
 637 state, where the contract sought to be approved is one under
 638 which:

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639 (c) The minor will endorse a product or service, or in any
640 other way receive compensation for the use of right of publicity
641 of the minor as that right is defined by s. 540.08.

642 Section 13. This act shall take effect July 1, 2026.

1/21/26

Meeting Date

Commerce and Tourism

Committee

Name Adam Basford

Address 516 N ADAMS ST

Street

Tallahassee

City

FL

State

32301

Zip

The Florida Senate
APPEARANCE RECORD

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SB 482

Bill Number or Topic

Amendment Barcode (if applicable)

Phone 850-224-7173

Email abasford@aif.com

Speaking: ☐ For ☐ Against ☒ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Associated Industries of Florida

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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The Florida Senate

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1/21/26
Meeting Date

Commerce & Tourism
Committee

SB 482
Bill Number or Topic

Amendment Barcode (if applicable)

Name Amy Keith Phone 727 342 0730

Address 333 3rd Ave N Email akeith@commoncause.org
Street

St Petersburg FL 33701
City State Zip

Speaking: ☐ For ☐ Against ☒ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Common Cause

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Phone

Address

Email

Street

City

State

Zip

Speaking:



For



Against



Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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1/21/26

Meeting Date

SB 482

Bill Number or Topic

Commerce

Committee

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Amendment Barcode (if applicable)

Name Dr. Rich Templin

Phone 850-224-6926

Address 135 S. Monroe
Street

Email _____

Tallahassee FL 32301
City State Zip

Speaking: ☒ For ☐ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Florida AFL-CIO

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. § 11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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Meeting Date

The Florida Senate
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SB 482
Bill Number or Topic

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Committee

Amendment Barcode (if applicable)

Name Isabella Rodriguez

Phone 305 300 5093

Address 12903 SW 50 LN
Street

Email IRodriguez@CCDFUSG.com

Miami FL 33175
City State Zip

Speaking: ☒ For ☐ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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1/21/26
Meeting Date

Commerce & Tourism
Committee

482
Bill Number or Topic

Amendment Barcode (if applicable)

Name John Labriola

Phone 954-515-2084

Address PO Box 650216
Street

Email John Labriola@cfcflorida.net

Miami FL 33265
City State Zip

Speaking: ☒ For ☐ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Christian Family Coalition Florida

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

1/21/20
Meeting Date

The Florida Senate
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SB 482
Bill Number or Topic

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Commerce and Tourism
Committee

Name Ryan Kennedy Phone 239-871-5733

Address PO BOX 697 Email ryan@goFLa.org
Street

Marco Island FL 34946
City State Zip

Speaking: ☒ For ☐ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Florida Citizens
Alliance

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

January 21, 2026

Meeting Date

Commerce & Tourism

Committee

The Florida Senate

APPEARANCE RECORD

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SB 482 AI Bill of Rights

Bill Number or Topic

Amendment Barcode (if applicable)

Name **Julie Barrett**

Phone **206-251-6954**

Address **2012 Misty Sunrise Trl**
Street

Email **julie@conservativeladiesofamerica.com**

Sarasota
City

FL
State

34240
Zip

Speaking: ☐ For ☒ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

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Commerce + Tourism

Committee

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SB 482

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Turner Loesel (Low-zell)

Phone

561-401-8625

Address

100 N Duval Street

Street

Email

tlloesel@jamesmadison.org

Tallahassee

City

FL

State

32301

Zip

Speaking:

☐

For

☒

Against

☐

Information

OR

Waive Speaking:

☐

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

The James Madison Institute

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1, [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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Amendment Barcode (if applicable)

Committee

Name

Christina Regalado

Phone

Address

920 E. 22nd Ave

Email

chrisregalado@gmail.com

Street

Tampa

State

FL

Zip

33605

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

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11/21/26

Meeting Date

Commerce & Tourism

Committee

482

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Aaron DiPietro

Phone

Address

Street

Email

aaronde@flfamily.org

City

State

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

Florida Family Voice

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

482

Meeting Date

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Bill Number or Topic

1/21/26
Commerce & Tourism

Committee

Amendment Barcode (if applicable)

Name

RICHARD JONES

Phone

941 628 0813

Address

25397 Kowloon Ln

Email

RJONES@DC78.ORG

Street

Punta Gorda FL 33983

City

State

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☐

I am not a lobbyist, but received
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(travel, meals, lodging, etc.),
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1-21-26

Meeting Date

SB 482

Bill Number or Topic

Commerce and Tourism

Committee

Deliver both copies of this form to
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Amendment Barcode (if applicable)

Name

Crystal Etienne

Phone

305-496-0398

Address

14082 SW 126th TER

Email

crystal.etienne2921@gmail.com

Street

Miami

City

FL

State

33177

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☐

I am not a lobbyist, but received
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The Florida Senate

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1-21-2026
Meeting Date

SB 482
Bill Number or Topic

Committee

Name Sonia Johnson

Amendment Barcode (if applicable)
Phone 561-602-1599

Address 8480 Winnipesaukee Way
Street

Email SUJohnson5@aol.com

Lake Worth FL 33462
City State Zip

Speaking: ☐ For ☐ Against ☐ Information **OR** Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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S-001 (08/10/2021)

01-21-2026

Meeting Date

APPEARANCE RECORDDeliver both copies of this form to
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SB 482

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name Stephanie MitchellPhone 561-358-5835Address 1726 Hollyhock RdEmail stef2mitch@gmail.comWellington FL 33414
City State ZipSpeaking: ☐ For ☐ Against ☐ Information **OR** Waive Speaking: ☒ In Support ☐ Against**PLEASE CHECK ONE OF THE FOLLOWING:**☒ I am appearing without
compensation or sponsorship.☐ I am a registered lobbyist,
representing:☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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S-001 (08/10/2021)

The Florida Senate
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2/21/

Meeting Date

Commerce

Committee

SB 482

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Norwood Orrick

Phone

813 255 3281

Address

980 E 22nd

Email

Street

TAMPA

City

State

33605

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☐

I am not a lobbyist, but received
something of value for my appearance
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S-001 (08/10/2021)

The Florida Senate

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1-21-26

Meeting Date

Commerce

Committee

SB 482

Bill Number or Topic

Amendment Barcode (if applicable)

Name Antonio Duhart

Phone _____

Address 6109 scorpio circle apt 247

Street

Email _____

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
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1/21/2024
Meeting Date

Commerce & Tourism
Committee

SB 0482
Bill Number or Topic

Amendment Barcode (if applicable)

Name Sandra Thuringer

Phone 407-840-2932

Address 6315 Point Hancock Dr
Street

Email sthuringer60cc@a@gmail.com

Winter Garden FL 34787
City / State Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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The Florida Senate

APPEARANCE RECORD

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Senate professional staff conducting the meeting

21 JAN 26

Meeting Date

COMMERCE

Committee

482

Bill Number or Topic

Amendment Barcode (if applicable)

Name Kathleen Murray

Phone 757-438-6790

Address 11674 Gran Crigue Ct N

Email kmurray@ccdfusa.com

Jax FL 32223

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☒ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

CDF

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

01-21-26

Meeting Date

Commerz

Committee

SB 482

Bill Number or Topic

Amendment Barcode (if applicable)

Name

Elvin Marte

Phone

813.495.9836

Address

Street

Email

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒ I am appearing without
compensation or sponsorship.

☐ I am a registered lobbyist,
representing:

☐ I am not a lobbyist, but received
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This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 7030

INTRODUCER: For consideration by the Commerce and Tourism Committee

SUBJECT: Public Records/Artificial Intelligence Bill of Rights

DATE: January 22, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McMillan	McKay	CM	Favorable
2.			AP	

I. Summary:

SB 7030 creates public records exemptions for information received by the Department of Legal Affairs (DLA) pursuant to a notification of a violation under ss. 501.9984, 501.9985, or 501.9986, F.S., or received pursuant to an investigation made by the DLA. Such information is confidential and exempt until the investigation is completed or ceases to be active.

The bill permits the DLA to disclose confidential and exempt information during an active investigation under specific circumstances.

Once an investigation is completed or once an investigation ceases to be active, the following information received by the DLA will remain confidential and exempt:

- All information to which another public record exemption applies;
- Personal identifying information;
- A computer forensic report;
- Information that would otherwise reveal weaknesses in data security; and
- Information that would disclose proprietary information.

The bill provides for the repeal of the exemptions on October 2, 2031, unless they are reenacted by the Legislature under the Open Government Sunset Review Act.

The bill takes effect on the same day as SB 482, takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes law.

II. Present Situation:

Access to Public Records - Generally

The State Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.¹ The right to inspect or copy applies to the official business of any public body, officer, or employee of the state, including all three branches of state government, local governmental entities, and any person acting on behalf of the government.²

Additional requirements and exemptions related to public records are found in various statutes and rules, depending on the branch of government involved. For instance, s. 11.0431, F.S., provides public access requirements for legislative records. Relevant exemptions are codified in s. 11.0431(2)-(3), F.S., and adopted in the rules of each house of the legislature.³ Florida Rule of Judicial Administration 2.420 governs public access to judicial branch records.⁴ Lastly, ch. 119, F.S., known as the Public Records Act, provides requirements for public records held by executive agencies.

Executive Agency Records – The Public Records Act

The Public Records Act provides that all state, county and municipal records are open for personal inspection and copying by any person, and that providing access to public records is a duty of each agency.⁵

Section 119.011(12), F.S., defines “public records” to include:

[a]ll documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connections with the transaction of official business by any agency.

The Florida Supreme Court has interpreted this definition to encompass all materials made or received by an agency in connection with official business that are used to “perpetuate, communicate, or formalize knowledge of some type.”⁶

¹ FLA. CONST. art. I, s. 24(a).

² *Id.* See also, *Sarasota Citizens for Responsible Gov’t v. City of Sarasota*, 48 So. 3d 755, 762-763 (Fla. 2010).

³ See Rule 1.48, *Rules and Manual of the Florida Senate*, (2022-2024) and Rule 14.1, *Rules of the Florida House of Representatives*, Edition 2, (2022-2024).

⁴ *State v. Wooten*, 260 So. 3d 1060 (Fla. 4th DCA 2018).

⁵ Section 119.01(1), F.S. Section 119.011(2), F.S., defines “agency” as “any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.”

⁶ *Shevin v. Byron, Harless, Schaffer, Reid and Assoc., Inc.*, 379 So. 2d 633, 640 (Fla. 1980).

The Florida Statutes specify conditions under which public access to public records must be provided. The Public Records Act guarantees every person's right to inspect and copy any public record at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record.⁷ A violation of the Public Records Act may result in civil or criminal liability.⁸

The Legislature may exempt public records from public access requirements by passing a general law by a two-thirds vote of both the House and the Senate.⁹ The exemption must state with specificity the public necessity justifying the exemption and must be no broader than necessary to accomplish the stated purpose of the exemption.¹⁰

General exemptions from the public records requirements are contained in the Public Records Act.¹¹ Specific exemptions are often placed in the substantive statutes relating to a particular agency or program.¹²

When creating a public records exemption, the Legislature may provide that a record is "exempt" or "confidential and exempt." There is a difference between records the Legislature has determined to be exempt from the Public Records Act and those which the Legislature has determined to be exempt from the Public Records Act *and confidential*.¹³ Records designated as "confidential and exempt" are not subject to inspection by the public and may only be released under the circumstances defined by statute.¹⁴ Records designated as "exempt" may be released at the discretion of the records custodian under certain circumstances.¹⁵

Open Government Sunset Review Act

The provisions of s. 119.15, F.S., known as the Open Government Sunset Review Act¹⁶ (the Act), prescribe a legislative review process for newly created or substantially amended¹⁷ public records or open meetings exemptions, with specified exceptions.¹⁸ The Act requires the repeal of

⁷ Section 119.07(1)(a), F.S.

⁸ Section 119.10, F.S. Public records laws are found throughout the Florida Statutes, as are the penalties for violating those laws.

⁹ FLA. CONST. art. I, s. 24(c).

¹⁰ *Id. See, e.g., Halifax Hosp. Medical Center v. News-Journal Corp.*, 724 So. 2d 567 (Fla. 1999) (holding that a public meetings exemption was unconstitutional because the statement of public necessity did not define important terms and did not justify the breadth of the exemption); *Baker County Press, Inc. v. Baker County Medical Services, Inc.*, 870 So. 2d 189 (Fla. 1st DCA 2004) (holding that a statutory provision written to bring another party within an existing public records exemption is unconstitutional without a public necessity statement).

¹¹ *See, e.g., s. 119.071(1)(a), F.S.* (exempting from public disclosure examination questions and answer sheets of examinations administered by a governmental agency for the purpose of licensure).

¹² *See, e.g., s. 213.053(2)(a), F.S.* (exempting from public disclosure information contained in tax returns received by the Department of Revenue).

¹³ *WFTV, Inc. v. The Sch. Bd. of Seminole County*, 874 So. 2d 48, 53 (Fla. 5th DCA 2004).

¹⁴ *Id.*

¹⁵ *Williams v. City of Minneola*, 575 So. 2d 683 (Fla. 5th DCA 1991).

¹⁶ Section 119.15, F.S.

¹⁷ An exemption is considered to be substantially amended if it is expanded to include more records or information or to include meetings as well as records. Section 119.15(4)(b), F.S.

¹⁸ Section 119.15(2)(a) and (b), F.S., provides that exemptions required by federal law or applicable solely to the Legislature or the State Court System are not subject to the Open Government Sunset Review Act.

such exemption on October 2 of the fifth year after its creation or substantial amendment, unless the Legislature reenacts the exemption.¹⁹

The Act provides that a public records or open meetings exemption may be created or maintained only if it serves an identifiable public purpose and is no broader than is necessary.²⁰ An exemption serves an identifiable purpose if the Legislature finds that the purpose of the exemption outweighs open government policy and cannot be accomplished without the exemption and it meets one of the following purposes:

- It allows the state or its political subdivisions to effectively and efficiently administer a governmental program, and administration would be significantly impaired without the exemption;²¹
- It protects sensitive, personal information, the release of which would be defamatory, cause unwarranted damage to the good name or reputation of the individual, or would jeopardize the individual's safety. If this public purpose is cited as the basis of an exemption, however, only personal identifying information is exempt;²² or
- It protects information of a confidential nature concerning entities, such as trade or business secrets.²³

The Act also requires specified questions to be considered during the review process.²⁴ In examining an exemption, the Act directs the Legislature to question the purpose and necessity of reenacting the exemption.

If the exemption is continued and expanded, then a public necessity statement and a two-thirds vote for passage are again required.²⁵ If the exemption is continued without substantive changes or if the exemption is continued and narrowed, then a public necessity statement and a two-thirds vote for passage are *not* required. If the Legislature allows an exemption to expire, the previously exempt records will remain exempt unless otherwise provided by law.²⁶

Artificial Intelligence

SB 482 creates the “Artificial Intelligence Bill of Rights,” and provides consumer protections including regulations aimed at companion chatbot platforms. These regulations include prohibiting a minor from entering into a contract with the platform to become an account holder

¹⁹ Section 119.15(3), F.S.

²⁰ Section 119.15(6)(b), F.S.

²¹ Section 119.15(6)(b)1., F.S.

²² Section 119.15(6)(b)2., F.S.

²³ Section 119.15(6)(b)3., F.S.

²⁴ Section 119.15(6)(a), F.S. The specified questions are:

- What specific records or meetings are affected by the exemption?
- Whom does the exemption uniquely affect, as opposed to the general public?
- What is the identifiable public purpose or goal of the exemption?
- Can the information contained in the records or discussed in the meeting be readily obtained by alternative means? If so, how?
- Is the record or meeting protected by another exemption?
- Are there multiple exemptions for the same type of record or meeting that it would be appropriate to merge?

²⁵ See generally s. 119.15, F.S.

²⁶ Section 119.15(7), F.S.

or from maintaining an existing account, unless the minor's parent or guardian gives consent. If consent is provided, the platform must authorize the consenting parent or guardian to receive certain controls over the minor's account. Upon request, the platform must permanently delete all personal information held by the platform relating to the terminated account. A companion chatbot must also provide certain disclosures to an account holder, as well as remind the account holder to take a break and that the companion chatbot is artificially generated and not human. The platform is also required to institute reasonable measures to prevent its companion chatbot from producing or sharing materials harmful to minors.

Additionally, at the beginning of an interaction between a user and a bot, and at least once every hour during the interaction, an operator is required to display a pop-up message notifying users that they are not engaging in dialogue with a human counterpart.

Further, an artificial intelligence technology company is prohibited from selling or disclosing personal information of users unless such information is deidentified data.

Companion chatbot platforms, operators, and artificial intelligence technology companies must act to accommodate the consumer protections provided in SB 482.

SB 482 grants the DLA authority to institute appropriate legal proceedings against businesses that it believes have violated or are violating the provisions in the "Artificial Intelligence Bill of Rights."

As created, then, any information obtained by the DLA during an investigation of the consumer protection provisions in SB 482 is subject to disclosure under ch. 119, F.S. This could present a hurdle to the DLA's investigation and enforcement because it could stifle the disclosure of pertinent information to the DLA. Additionally, the release of consumer personal information could subject consumers to identity theft or further harm.

III. Effect of Proposed Changes:

SB 7030 makes information received by the DLA pursuant to a notification of a violation under ss. 501.9984, 501.9985, or 501.9986, F.S., or received pursuant to an investigation made by the DLA, confidential and exempt. Such information is confidential and exempt until the investigation is completed or ceases to be active.

During an active investigation, the DLA may disclose confidential and exempt information:

- In furtherance of its official duties and responsibilities;
- For print, publication, or broadcast if the DLA determines that such release would assist in notifying the public or locating or identifying a person believed to be a victim of the improper use or disposal of customer records; or
- To another governmental entity in the furtherance of its official duties and responsibilities.

Once an investigation is completed or once an investigation ceases to be active, the following information received by the DLA will remain confidential and exempt:

- All information to which another public record exemption applies;
- Personal identifying information;

- A computer forensic report;
- Information that would otherwise reveal weaknesses in data security; and
- Information that would disclose proprietary information.

For the purposes of these public records exemptions, “proprietary information” means information that:

- Is owned and controlled by the companion chatbot platform, the bot, or the artificial intelligence technology company;
- Is intended to be private and is treated by the companion chatbot platform, the bot, or the artificial intelligence technology company as private because disclosure would harm such entities or their business operations;
- Has not been disclosed except as required by law or private agreement that provides that the information will not be released to the public;
- Is not publicly available or otherwise readily ascertainable through proper means from another source in the same configuration as received by the DLA; or
- Reveals competitive interests, the disclosure of which would impair the competitive advantage of the companion chatbot platform, the bot, or the artificial intelligence technology company that is the subject of the information.

The provisions will be subject to an Open Government Sunset Review in accordance with s. 119.15, F.S., and will stand repealed on October 2, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

The bill will become effective on the same date that SB 482 (2026) or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

B. Public Records/Open Meetings Issues:

Vote Requirement

Article I, s. 24(c) of the State Constitution requires a two-thirds vote of the members present and voting for final passage of a bill creating or expanding an exemption to the public records requirements. The bill creates new public records exemptions. Thus, the bill requires a two-thirds vote to be enacted.

Public Necessity Statement

Article I, s. 24(c) of the State Constitution requires a bill creating or expanding an exemption to the public records requirements to state with specificity the public necessity justifying the exemption. Sections 2, 4, and 6 of the bill contain the public necessity statements.

Breadth of Exemption

Article I, s. 24(c) of the State Constitution requires an exemption to the public records requirements to be no broader than necessary to accomplish the stated purpose of the law. The bill creates public records exemptions for information relating to a notification of a violation under ss. 501.9984, 501.9985, or 501.9986, F.S., or received pursuant to an investigation made by the DLA, as well as information to which another public record exemption applies, personal identifying information, a computer forensic report, information that would otherwise reveal weaknesses in a business' data security, and information that would disclose a companion chatbot's proprietary information. The exemptions do not appear to be broader than necessary to accomplish the purpose of the law.

C. Trust Funds Restrictions:

None identified.

D. State Tax or Fee Increases:

None identified.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None identified.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 501.9984, 501.9985, and 501.9986.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

FOR CONSIDERATION By the Committee on Commerce and Tourism

577-01840-26

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1 A bill to be entitled
 2 An act relating to public records; amending s.
 3 501.9984, F.S.; providing an exemption from public
 4 records requirements for information relating to
 5 notifications of violations or investigations by the
 6 Department of Legal Affairs of certain companion
 7 chatbot violations; providing construction;
 8 authorizing the department to disclose such
 9 information during an active investigation; requiring
 10 certain information remain confidential and exempt
 11 upon the completion or cessation of an investigation;
 12 defining the term "proprietary information"; providing
 13 for future legislative review and repeal of the
 14 exemption; providing a statement of public necessity;
 15 amending s. 501.9985, F.S.; providing an exemption
 16 from public records requirements for information
 17 relating to notifications of violations or
 18 investigations by the department of certain bot-
 19 related consumer protection violations; providing
 20 construction; authorizing the department to disclose
 21 such information during an active investigation for
 22 specified purposes; requiring that certain information
 23 remain confidential and exempt upon the completion or
 24 cessation of an investigation; defining the term
 25 "proprietary information"; providing for future
 26 legislative review and repeal of the exemption;
 27 providing a statement of public necessity; amending s.
 28 501.9986, F.S.; providing an exemption from public
 29 records requirements for information relating to

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30 notifications of violations or investigations by the
 31 department of certain deidentified data-related
 32 consumer protection violations; providing
 33 construction; authorizing the department to disclose
 34 such information during an active investigation for
 35 specified purposes; requiring that certain information
 36 remain confidential and exempt upon the completion or
 37 cessation of an investigation; defining the term
 38 "proprietary information"; providing for future
 39 legislative review and repeal of the exemption;
 40 providing a statement of public necessity; providing a
 41 contingent effective date.
 42

43 Be It Enacted by the Legislature of the State of Florida:

44
 45 Section 1. Present subsection (8) of section 501.9984,
 46 Florida Statutes, as created by SB 482 or similar legislation,
 47 2026 Regular Session, is redesignated as subsection (9), and a
 48 new subsection (8) is added to that section, to read:

49 501.9984 Companion chatbot use for minors.—

50 (8)(a) All information held by the department pursuant to a
 51 notification of a violation of this section or an investigation
 52 of a violation of this section is confidential and exempt from
 53 s. 119.07(1) and s. 24(a), Art. I of the State Constitution,
 54 until such time as the investigation is completed or ceases to
 55 be active. This exemption shall be construed in conformity with
 56 s. 119.071(2)(c).

57 (b) During an active investigation, information made
 58 confidential and exempt pursuant to paragraph (a) may be

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disclosed by the department:

1. In the furtherance of its official duties and responsibilities;

2. For print, publication, or broadcast if the department determines that such release would assist in notifying the public or locating or identifying a person who the department believes to be a victim of an improper use or disposal of customer records, except that information made confidential and exempt by paragraph (c) may not be released pursuant to this subparagraph; or

3. To another governmental entity in the furtherance of such entity's official duties and responsibilities.

(c) Upon completion of an investigation or once an investigation ceases to be active, the following information held by the department remains confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

1. Information that is otherwise confidential or exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

2. Personal identifying information.

3. A computer forensic report.

4. Information that would otherwise reveal weaknesses in the data security of a companion chatbot platform.

5. Information that would disclose the proprietary information of a companion chatbot platform.

(d) For purposes of this section, the term "proprietary information" means information that:

1. Is owned or controlled by the companion chatbot platform.

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2. Is intended to be private and is treated by the companion chatbot platform as private because disclosure would harm the companion chatbot platform or its business operations.

3. Has not been disclosed except as required by law or a private agreement that provides that the information will not be released to the public.

4. Is not publicly available or otherwise readily ascertainable through proper means from another source in the same configuration as received by the department.

5. Reveals competitive interests, the disclosure of which would impair the competitive advantage of the companion chatbot platform that is the subject of the information.

(e) This subsection is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 2. The Legislature finds that it is a public necessity that all information held by the Department of Legal Affairs pursuant to a notification or investigation of a violation of s. 501.9984, Florida Statutes, be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution for the following reasons:

(1) A notification of a violation of s. 501.9984, Florida Statutes, may result in an investigation of such violation. The premature release of such information could frustrate or thwart the investigation and impair the ability of the department to effectively and efficiently administer s. 501.9984, Florida Statutes. In addition, release of such information before completion of an active investigation could jeopardize the

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ongoing investigation.

(2) Release of information that is otherwise confidential or exempt from public records requirements once an investigation is completed or ceases to be active would undo the specific statutory exemption protecting that information, thus clarifying that any protections currently afforded to such information are not removed.

(3) An investigation of a violation of s. 501.9984, Florida Statutes, is likely to result in the gathering of sensitive personal identifying information, which could include identification numbers, unique identifiers, professional or employment-related information, and personal financial information. Such information could be used for the purpose of identity theft. The release of such information could subject families to possible privacy violations, as it would reveal information of a sensitive personal nature.

(4) Notices received by the department and information generated during an investigation of a violation of s. 501.9984, Florida Statutes, are likely to contain proprietary information. Such information derives independent economic value, actual or potential, from being generally unknown to, and not readily ascertainable by, other persons who might obtain economic value from its disclosure or use. Allowing public access to proprietary information through a public records request could destroy the value of the proprietary information and cause a financial loss to the companion chatbot platform. Release of such information could give business competitors an unfair advantage.

(5) Information held by the department may contain a

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computer forensic report or information that could reveal weaknesses in the data security of a companion chatbot platform. The release of this information could result in the identification of vulnerabilities in the cybersecurity system of the companion chatbot platform and be used to harm the companion chatbot platform and its clients.

(6) The harm that may result from the release of information held by the department pursuant to a notification or an investigation of a violation of s. 501.9984, Florida Statutes, could impair the effective and efficient administration of the investigation and thus outweighs the public benefit that may be derived from the disclosure of the information.

Section 3. Present subsection (5) of section 501.9985, Florida Statutes, as created by SB 482 or similar legislation, 2026 Regular Session, is redesignated as subsection (6), and a new subsection (5) is added to that section, to read:

501.9985 Consumer protections regarding bots.—

(5)(a) All information held by the department pursuant to a notification of a violation of this section or an investigation of a violation of this section is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution, until such time as the investigation is completed or ceases to be active. This exemption shall be construed in conformity with s. 119.071(2)(c).

(b) During an active investigation, information made confidential and exempt pursuant to paragraph (a) may be disclosed by the department:

1. In the furtherance of its official duties and

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responsibilities;

2. For print, publication, or broadcast if the department determines that such release would assist in notifying the public or locating or identifying a person who the department believes to be a victim of an improper use or disposal of customer records, except that information made confidential and exempt by paragraph (c) may not be released pursuant to this subparagraph; or

3. To another governmental entity in the furtherance of such entity's official duties and responsibilities.

(c) Upon completion of an investigation or once an investigation ceases to be active, the following information held by the department shall remain confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

1. Information that is otherwise confidential or exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

2. Personal identifying information.

3. A computer forensic report.

4. Information that would otherwise reveal weaknesses in the data security of a bot.

5. Information that would disclose the proprietary information of a bot.

(d) For purposes of this section, the term "proprietary information" means information that:

1. Is owned or controlled by the operator of a bot.

2. Is intended to be private and is treated by the operator of a bot as private because disclosure would harm the operator of the bot or its business operations.

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3. Has not been disclosed except as required by law or a private agreement that provides that the information will not be released to the public.

4. Is not publicly available or otherwise readily ascertainable through proper means from another source in the same configuration as received by the department.

5. Reveals competitive interests, the disclosure of which would impair the competitive advantage of the operator of the bot that is the subject of the information.

(e) This subsection is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 4. The Legislature finds that it is a public necessity that all information held by the Department of Legal Affairs pursuant to a notification of a violation of s. 501.9985, Florida Statutes, or an investigation of a violation of that section, be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution for the following reasons:

(1) A notification of a violation of s. 501.9985, Florida Statutes, may result in an investigation of such violation. The premature release of such information could frustrate or thwart the investigation and impair the ability of the department to effectively and efficiently administer s. 501.9985, Florida Statutes. In addition, release of such information before completion of an active investigation could jeopardize the ongoing investigation.

(2) The release of information that is otherwise

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confidential or exempt from public records requirements once an investigation is completed or ceases to be active would undo the specific statutory exemption protecting that information, thus clarifying that any protections currently afforded to such information are not removed.

(3) An investigation of a violation of s. 501.9985, Florida Statutes, is likely to result in the gathering of sensitive personal identifying information, which could include identification numbers, unique identifiers, professional or employment-related information, and personal financial information. Such information could be used for the purpose of identity theft. The release of such information could subject families to possible privacy violations, as it would reveal information of a sensitive personal nature.

(4) Notices received by the department and information generated during an investigation of a violation of s. 501.9985, Florida Statutes, are likely to contain proprietary information. Such information derives independent economic value, actual or potential, from being generally unknown to, and not readily ascertainable by, other persons who might obtain economic value from its disclosure or use. Allowing public access to proprietary information through a public records request could destroy the value of the proprietary information and cause a financial loss to the operator of a bot. Release of such information could give business competitors an unfair advantage.

(5) Information held by the department may contain a computer forensic report or information that could reveal weaknesses in the data security of an operator of a bot. The release of this information could result in the identification

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of vulnerabilities in the cybersecurity system of the operator of a bot and be used to harm the operator of the bot and its clients.

(6) The harm that may result from the release of information held by the department pursuant to a notification or an investigation of a violation of s. 501.9985, Florida Statutes, could impair the effective and efficient administration of the investigation and thus outweighs the public benefit that may be derived from the disclosure of the information.

Section 5. Present subsection (5) of section 501.9986, Florida Statutes, as created by SB 482 or similar legislation, 2026 Regular Session, is redesignated as subsection (6), and a new subsection (5) is added to that section, to read:

501.9986 Consumer protections regarding deidentified data.—

(5)(a) All information held by the department pursuant to a notification of a violation of this section or an investigation of a violation of this section is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution, until such time as the investigation is completed or ceases to be active. This exemption shall be construed in conformity with s. 119.071(2)(c).

(b) During an active investigation, information made confidential and exempt pursuant to paragraph (a) may be disclosed by the department:

1. In the furtherance of its official duties and responsibilities;

2. For print, publication, or broadcast if the department determines that such release would assist in notifying the

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public or locating or identifying a person who the department believes to be a victim of an improper use or disposal of customer records, except that information made confidential and exempt by paragraph (c) may not be released pursuant to this subparagraph; or

3. To another governmental entity in the furtherance of such entity's official duties and responsibilities.

(c) Upon completion of an investigation or once an investigation ceases to be active, the following information held by the department shall remain confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

1. Information that is otherwise confidential or exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

2. Personal identifying information.

3. A computer forensic report.

4. Information that would otherwise reveal weaknesses in the data security of an artificial intelligence technology company.

5. Information that would disclose the proprietary information of an artificial intelligence technology company.

(d) For purposes of this section, the term "proprietary information" means information that:

1. Is owned or controlled by the artificial intelligence technology company.

2. Is intended to be private and is treated by the artificial intelligence technology company as private because disclosure would harm the artificial intelligence technology company or its business operations.

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3. Has not been disclosed except as required by law or a private agreement that provides that the information will not be released to the public.

4. Is not publicly available or otherwise readily ascertainable through proper means from another source in the same configuration as received by the department.

5. Reveals competitive interests, the disclosure of which would impair the competitive advantage of the artificial intelligence technology company that is the subject of the information.

(e) This subsection is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 6. The Legislature finds that it is a public necessity that all information held by the Department of Legal Affairs pursuant to a notification of a violation of s. 501.9986, Florida Statutes, or an investigation of a violation of that section, be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution for the following reasons:

(1) A notification of a violation of s. 501.9986, Florida Statutes, may result in an investigation of such violation. The premature release of such information could frustrate or thwart the investigation and impair the ability of the department to effectively and efficiently administer s. 501.9986, Florida Statutes. In addition, release of such information before completion of an active investigation could jeopardize the ongoing investigation.

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349 (2) Release of information that is otherwise confidential
350 or exempt from public records requirements once an investigation
351 is completed or ceases to be active would undo the specific
352 statutory exemption protecting that information, thus clarifying
353 that any protections currently afforded to such information are
354 not removed.

355 (3) An investigation of a violation of s. 501.9986, Florida
356 Statutes, is likely to result in the gathering of sensitive
357 personal identifying information, which could include
358 identification numbers, unique identifiers, professional or
359 employment-related information, and personal financial
360 information. Such information could be used for the purpose of
361 identity theft. The release of such information could subject
362 families to possible privacy violations, as it would reveal
363 information of a sensitive personal nature.

364 (4) Notices received by the department and information
365 generated during an investigation of a violation of s. 501.9986,
366 Florida Statutes, are likely to contain proprietary information.
367 Such information derives independent economic value, actual or
368 potential, from being generally unknown to, and not readily
369 ascertainable by, other persons who might obtain economic value
370 from its disclosure or use. Allowing public access to
371 proprietary information through a public records request could
372 destroy the value of the proprietary information and cause a
373 financial loss to the artificial intelligence technology
374 company. Release of such information could give business
375 competitors an unfair advantage.

376 (5) Information held by the department may contain a
377 computer forensic report or information that could reveal

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378 weaknesses in the data security of an artificial intelligence
379 technology company. The release of this information could result
380 in the identification of vulnerabilities in the cybersecurity
381 system of the artificial intelligence technology company and be
382 used to harm the artificial intelligence technology company and
383 its clients.

384 (6) The harm that may result from the release of
385 information held by the department pursuant to a notification or
386 an investigation of a violation of s. 501.9986, Florida
387 Statutes, could impair the effective and efficient
388 administration of the investigation and thus outweighs the
389 public benefit that may be derived from the disclosure of the
390 information.

391 Section 7. This act shall take effect on the same date that
392 SB 482 or similar legislation takes effect, if such legislation
393 is adopted in the same legislative session or an extension
394 thereof and becomes a law.

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The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Committee Code Not Found

BILL: SB 554

INTRODUCER: Senator Bernard

SUBJECT: Nonprofit Corporations

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Dike	McKay	CM	Favorable
2.			JU	
3.			FP	

I. Summary:

SB 554 is a comprehensive amendment to the Florida Not for Profit Corporation Act (FNCA), ch. 617, F.S. Representatives of the Florida Bar's Business Law Section recommended these revisions to modernize the FNCA and harmonize its provisions with the updated Florida Business Corporation Act (FBCA), ch. 607, F.S.

The bill takes effect on July 1, 2026.

II. Present Situation:

The Model Nonprofit Corporation Act

Recently, the Business Law Section of the American Bar Association adopted the fourth edition of the Model Nonprofit Corporation Act (MNCA) to bring the model act in alignment with the 2016 update to the Model Business Corporation Act (MBCA).¹ Originally drafted in 1952 by a committee under the American Bar Association, the MNCA closely tracks the language of the MBCA as nonprofit corporations operate similarly to business corporations rather than charitable trusts.² This parallelism allows lawyers to apply case law concerning the MBCA to similar provisions in the MNCA.³

¹ Willard L. Boyd III, ABA, *The New Model Nonprofit Corporation Act*, (Oct. 16, 2023), available at https://www.americanbar.org/groups/business_law/resources/business-law-today/2023-october/the-new-model-nonprofit-corporation-act/ (last visited Jan. 20, 2026).

² *Id.*

³ *Id.*

The Florida Not for Profit Corporation Act

Florida generally follows the revised MNCA as a basis for its laws that govern not-for-profit organizations.⁴ As the FNCA has not been significantly amended in over fifteen years, the Business Law Section of The Florida Bar convened a Ch. 617 Task Force (task force) consisting of experienced attorneys to harmonize portions of the FNCA to the recent changes adopted in the FBCA.⁵ These changes prevent confusion in the application of similar provisions in both acts and clarifies and updates existing provisions.⁶

For ease of understanding, further discussion of the present situation is included below in the Effect of Proposed Changes.

III. Effect of Proposed Changes:

General Provisions (Sections 1-11)

The FNCA requires nonprofit corporations⁷ (hereinafter “nonprofit corporation” or “corporation”) that seek to transact business in Florida to register and file articles of incorporation and annual reports with the Department of State (department).⁸ The department determines whether submitted filings meet relevant statutory requirements to file.⁹ If the department refuses to file documents within thirty days of receipt, the filing corporation may attempt to remedy the defect or may appeal the issue to a court of competent jurisdiction.¹⁰ Currently, there is no way for a corporation to withdraw an incorrect filing.

Section 1 amends s. 617.01011, F.S., renaming the chapter as the “Florida Nonprofit Corporation Act.”

Section 9 amends s. 617.01401, F.S., creating and changing definitions for use in ch. 617, F.S.

The bill makes several changes throughout by substituting the word “act” with “chapter” to refer to the FNCA, ch. 617, F.S., and replacing the phrase “Department of State” with “department.”

Filing Requirements

Section 2 amends s. 617.01201, F.S., altering the requirements for registering with the department to allow for filed documents to depend upon facts outside the document. When the

⁴ See THE FLORIDA BAR, Business Law Section, *The Florida Bar Business Law Section Task Force Report and Recommendations Fl. Stat. Ch. 617: The Florida Not for Profit Corporation Act*, available at https://flabizlaw.org/wp-content/uploads/2025/09/Ch-617-NonProfit-White-Paper_Final.pdf (last visited Jan. 20, 2026).

⁵ *Id.* The FBCA was substantially amended in 2019. See ch. 607, F.S.

⁶ *Id.*

⁷ “Nonprofit corporation” means a corporation no part of the income or profit of which is distributable to its members, directors, or officers, except as otherwise provided under this chapter.

⁸ See DIV. OF CORP., *Instructions for Articles of Incorporation (FL Non-Profit)*, available at <https://dos.fl.gov/sunbiz/start-business/efile/fl-nonprofit-corporation/instructions/> (last visited Jan. 20, 2026).

⁹ Section 617.0125, F.S.

¹⁰ Section 617.0126, F.S.

chapter allows for a filed document¹¹ to depend upon facts objectively ascertainable outside the plan¹² or filed document, the following apply:

- The document must explain how the facts will be relied upon in conjunction with its terms.
- The facts may include, but are not limited to:
 - Any of the following which are available in a nationally recognized news or information medium:
 - Statistical or market indices;
 - Market prices of any security or group of securities;
 - Interest rates;
 - Currency exchange rates; and
 - Similar economic or financial data.
 - A determination or action by a person or body, including the corporation or any other party to the document.
 - The terms of, or actions taken under, an agreement to which the corporation is a party, or any other agreement or document.

However, the following provisions of a plan or filed document may not rely upon outside facts:

- The name and address of any person required.
- The registered office of any entity¹³ required.
- The registered agent of any entity required.
- The effective date of a filed document.
- Any required statement in a filed document of the date on which the underlying transaction was approved or the way that approval was given.

If a provision of a filed document depends on facts outside of it and the fact is not ascertainable either (1) in one of the acceptable sources or (2) a document that is a matter of public record and the affected members do not have not received notice of that fact from the corporation, then the corporation must file articles of amendment with the department.

Section 3 amends s. 607.0123, F.S., providing that a document accepted for filing under ch. 617, F.S., may specify a delayed effective date. For initial articles of incorporation, a prior effective date may be specified if such date is within five business days before the date of filing. A document accepted for filing is effective on specific dates and times depending on the information contained in the filing. Under the bill, if the record does not specify the time zone or place at which the date or time is to be determined, the date or time will be that of the place of filing in this state.

Articles of Correction

Section 4 amends s. 617.0124, F.S., providing that articles of correction may not contain a delayed effective date for the correction. Unless otherwise provided, a filing delivered to the

¹¹ “Filed document” means a document filed with the department pursuant to ch. 617, F.S., except for a document filed pursuant to ss. 617.1501-617.1532, F.S.

¹² “Plan” means a plan of merger, plan of conversion, or plan of domestication.

¹³ “Entity” includes corporations and foreign corporations; unincorporated associations; business trusts, estates, limited liability companies, partnerships, trusts, and two or more persons having a joint or common economic interest; any state, the United States, or any foreign government.

department may be withdrawn before it takes effect by delivering a withdrawal statement to the department. A withdrawal statement must be signed by each person who signed the filing being withdrawn except as otherwise agreed, identify the filing to be withdrawn, and state that the filing is withdrawn in agreement with all people who signed it (if not signed by all persons who signed the filing being withdrawn). Once the department files the withdrawal statement, the action or transaction evidenced by the original filing does not take effect.

Appeals

Section 5 amends s. 617.0126, F.S., allowing corporations to petition the Circuit Court of Leon County to compel filing of a document if the department refuses to file a document within thirty days of receipt. The department's explanation for its refusal must be attached to such petition. The court may decide the matter in a summary proceeding, summarily order the department to file the document, or take other action.

Section 6 amends s. 617.0127, F.S., providing that all certificates issued by the department pursuant to ch. 617, F.S., must be taken as prima facie evidence of the facts in it.

Section 7 amends s. 617.0128, F.S., making non-substantive verbiage changes.

Section 8 amends s. 617.01301, F.S., mandating that interrogatories directed to a corporation must be answered by an authorized officer, director, member, or fiduciary.

Notice

Section 10 amends s. 617.0141, F.S., providing that written notice under ch. 617, F.S., may be communicated by mail, e-mail, or fax. When oral notice is allowed, it may be communicated in person, by phone, or other electronic means through which all persons participating can hear one another.

Qualified Director

Section 11 creates s. 617.0143, F.S., defining "qualified director" generally as someone who has neither a material interest nor material relationship that would cloud their independent judgment in the outcome of a conflict transaction, derivative action, or indemnification decision. A director is not automatically prevented from being a qualified director in certain circumstances.

Incorporation and Corporate Name (Sections 12-18)

Nonprofit corporations must file articles of incorporation with the department before they may transact business in the state. However, designated classes of nonprofit corporations formed under special provisions in other statutes are not governed under ch. 617, F.S. Generally, s. 617.0202, F.S., requires that a corporation's articles of incorporation include the corporate name, address, and purpose, information on membership and the election of directors, and information about the registered agent.

Section 12 amends s. 617.0202, F.S., specifying the articles of incorporation include any provision that lawfully limits the corporate powers authorized under ch. 617, F.S. Additionally,

the articles must include the transferability or nontransferability of membership to the extent consistent with s. 617.0605, F.S.

Section 13 amends s. 617.0204, F.S., removing the “except” clause to allow for valid contracts by promoters and third parties prior to a corporation’s formation. If a person acting on behalf of the corporation knows there was no incorporation, they are jointly and severally liable for any liability they caused preincorporation.

Section 14 amends s. 617.0206, F.S., providing that the initial bylaws of a corporation must be adopted by the board of directors unless that power is reserved to the members in the articles of incorporation.

Section 15 amends s. 617.0302, F.S., removing a nonprofit’s power to have succession by its corporate name for the period listed in the articles of incorporation. The bill allows nonprofits to increase or decrease the number of directors, subject to the minimum number required under s. 617.0803, F.S. The bill gives a nonprofit corporation the power to be a promoter, incorporator, partner, member, associate, or manager of any corporation, joint venture, or other entity. Additionally, the bill makes non-substantive verbiage changes and amends provisions to harmonize the statute with the FBCA.

Section 16 amends s. 617.0304, F.S., clarifying that courts may not award damages for anticipated profits in proceedings under s. 617.0304(2)(a), F.S.

Section 17 amends s. 617.0401, F.S., permitting a corporation to register under a name that is not otherwise distinguishable on the records of the department if:

- The other entity consents to the use and submits a request to change its name to something distinguishable from the applying corporation; or
- The applicant delivers to the department a certified copy of a court’s final judgement establishing the applicant has the right to use the name.

Moreover, a corporate name as filed with the department is for public notice only—it does not create a presumption of ownership over the name. The bill states that this section does not apply to the use of fictitious names.

Section 18 amends s. 617.0403, F.S., clarifying language so that foreign nonprofit corporations can conduct business affairs in this state after registering their name according to this section.

Registered Agent and Office (Sections 19-23)

A nonprofit corporation transacting business in Florida must designate and maintain a registered agent and registered office in the state.¹⁴ The registered agent may be either an individual who resides in the state or another corporation whose business address is the same as the registered office.¹⁵

¹⁴ Section 617.0501, F.S.

¹⁵ *Id.*

Section 19 amends s. 617.0501, F.S., creating duties for the registered agent:

- To forward a process, notice, or demand pertaining to the corporation which is served on the agent to the nonprofit corporation; and
- If the registered agent resigns, provide the notice required under s. 617.0502, F.S., to the corporation.

This section also removes the definition for “authorized entity,” which was added to the definitions in s. 617.01401, F.S.

Section 20 amends s. 617.0502, F.S., requiring that if the street address of the current registered office is to be changed, the nonprofit needs to file a statement of change with the department.

Section 21 creates s. 617.05021, F.S., providing that a registered agent may resign from a nonprofit corporation regardless of whether the corporation has active status. The registered agent must deliver a signed resignation statement to the department and mail a copy of such to the corporation. If a registered agent is resigning from multiple corporations that have each been dissolved for at least ten years, they may file a composite statement of resignation for all the corporations. A composite statement of resignation must include the names and dates of dissolution for each corporation. A registered agent is terminated upon the earlier of either (1) the 31st day after the department files the statement of resignation or (2) when a statement of change or other record designating a new registered agent is filed by the department. When a statement of resignation takes effect, the registered agent does not hold responsibility for a matter tendered to them as agent for the corporation after the fact.

Section 22 creates s. 617.05022, F.S., providing that if a registered agent changes their name or business address, the agent may deliver to the department a statement of change which includes:

- The name of the corporation represented by the registered agent.
- The name of the registered agent as currently shown in the records of the department for the corporation.
- If the name and/or address of the registered agent has changed, their new name and/or address.
- A statement that the registered agent has given notice to the corporation of the change.

The registered agent must promptly give notice to the represented corporation of the statement of change and its contents. The bill further states that:

- A statement of change is effective when filed by the department.
- The changes described above may also be made on the corporation’s annual report, in an application for reinstatement, or in an amendment to or restatement of the corporation’s articles of incorporation.
- The department shall collect a fee for filings authorized under this section.

Section 23 amends s. 617.0503, F.S., harmonizing the statute with the FBCA with verbiage changes. The bill removes definitions which are not applicable to nonprofit corporations.

Shares and Distributions (Sections 24, 171-172)

Nonprofit corporations in Florida may not pay dividends or make distributions of any part of their net income or earnings to their members, directors, or officers. There are certain exceptions to this prohibition, including:

- Purchase of membership interest by a mutual benefit corporation under s. 617.1302, F.S.;
- Compensation paid to members, directors, or officers for services rendered;
- Distributions upon partial liquidation, dissolution, or full liquidation;
- Refunds to members of exempt utility corporations; and
- Disbursal of refunds, credits, insurance proceeds, or settlements for certain corporations pursuant to s. 617.0505, F.S.

Section 24 amends s. 617.0505, F.S., consolidating all the distribution provisions in ch. 617, F.S., into one section. There are no material changes in substance to distributions for nonprofit corporations under this chapter.

Sections 171-172 repeal ss. 617.1301-617.1302, F.S., the provisions regarding distributions.

Members (Sections 25-33, 179)

Nonprofit corporations may have one or more classes of members or no members. A member is someone who has membership rights in a nonprofit corporation in accordance with the articles of incorporation. The rights and interests of members are detailed in the articles of incorporation. Under ch. 617, F.S., nonprofit corporations must keep a list of members with their names and addresses on record.

Section 25 amends s. 617.0601, F.S., removing the requirement that affiliated chapters of certain nonprofit corporations had to register with the Department of Agriculture if they had a right to vote. Under the bill:

- If a nonprofit corporation has no members, or does not have members entitled to vote, then legal notice of a matter is satisfied by notice to, the presence of, or the vote, consent, or other action by the board of directors.
- Except as otherwise provided in the articles of incorporation or bylaws:
 - Each member has the same rights and obligations as every other member.
 - The board of directors may accept members for consideration,¹⁶ which may take any form, including promissory notes, intangible property, or past or future services.
- If membership of a nonprofit corporation is limited to property owners in a specific geographic area, the articles of incorporation may provide for termination of membership upon ceasing to be a property owner within that boundary.
- A nonprofit corporation may not be a member of itself or exercise the rights of a member for itself. If a corporation purchases its own membership interest, that interest is canceled.

¹⁶ “Consideration simply ‘is the inducement to a contract.’ ‘[I]t is the cause motive, price, or impelling influence which induces one to enter into a contract.’” *Koung v. Giordano*, 346 So. 3d 108, 115 (Fla. 1st DCA 2022) (internal citation omitted).

Section 26 amends s. 617.0603, F.S., providing that a corporation may pay compensation to its members, directors, officers, agents, and employees for services rendered and may confer benefits onto its members. Upon dissolution or liquidation, the corporation may make distributions to its members or others as allowed under ch. 617, F.S. Such payments and benefits are not considered a dividend or distribution of income or earnings.

Section 179 repeals s. 617.2102, F.S., removing the provision regarding fines and penalties against members.

Liability of Members

Section 27 amends s. 617.0604, F.S., authorizing nonprofit corporations to levy dues, assessments, and fees on its members as allowed by the articles of incorporation or bylaws. Such costs may be imposed on members of the same class in different amounts or members may be exempt. The amount and method of collection of dues, assessments, and fees may be fixed by the articles of incorporation or bylaws, the board of directors, or the members. The articles of incorporation or bylaws may list the means of enforcement of collection of such costs.

Moreover, a creditor of a corporation may not bring a proceeding to reach the liability of a member until a final judgement has been rendered from a court of competent jurisdiction and the execution of such has been returned unsatisfied. All creditors of a corporation may intervene¹⁷ in any other creditors' proceedings brought pursuant to s. 617.0604(5), F.S.

Additionally, any member who owes an unpaid amount to the corporation may be joined¹⁸ in the proceeding. If a member owes unpaid amounts to a corporation, the corporation can satisfy its debt owed to a creditor, and the member can satisfy its debt owed to the corporation, through payment by the member to the creditor of such unpaid amounts.

Transfer of Membership Interests

Section 28 amends s. 617.0605, F.S., allowing membership interests and rights to be transferred pursuant to the articles of incorporation.

Resignation, Termination, Expulsion, and Suspension

Section 29 amends s. 617.0606, F.S., providing that members may resign at any time for any reason from a nonprofit corporation.

Section 30 amends s. 617.0607, F.S., specifying that the expulsion, suspension, or termination of a member does not relieve that member of their obligations to the corporation made prior to the expulsion, suspension, or termination. Additionally, the corporation may fine or penalize its members if allowed by the articles of incorporation or bylaws. Such fine or penalty may not be levied until the corporation provides notice and an opportunity to be heard to the member.

¹⁷ “Intervention is the procedure by which third persons, not originally parties to a lawsuit but claiming an interest in the subject matter, enter the case to protect their rights or to interpose a claim.” *Berenyi v. Fla. Dep’t of Child. & Fams.*, 257 So. 3d 1182, 1184 (Fla. 3d DCA 2018).

¹⁸ “Joinder is the process to consolidate claims or parties into one case.” Legal Information Institute, *Joinder*, available at <https://www.law.cornell.edu/wex/joinder#> (last visited Jan. 20, 2026).

Purchase of Membership

Section 31 amends s. 617.0608, F.S., authorizing nonprofit corporations, other than 501(c)(3) organizations, to purchase membership interests if allowed by the articles of incorporation or bylaws. Such purchase may not be considered a dividend or distribution of income or earnings. The corporation may only purchase membership interests if, after completing the purchase, (1) the corporation is able to pay its debts as they become due and (2) the total assets of the corporation are at least equal to its total liabilities.

Meetings

Section 32 amends s. 617.0701, F.S., stating that a corporation with members may hold meetings of members for business at times set out by the corporation or in accordance with the articles of incorporation or bylaws. Annual, regular, and special meetings of the members may be held in or out of the state. The failure to hold an annual meeting as outlined in the articles of incorporation or bylaws does not affect the validity of any corporate action.

The bill further specifies that:

- Special meetings of the members may be called by either:
 - The board of directors or the person authorized under the articles of incorporation or bylaws.
 - Members holding at least 10% of all votes, or the amount specified in the articles of incorporation or bylaws, entitled to be cast on an issue being considered at a meeting. Such members must sign, date, and deliver to the corporation's secretary one or more written demands for the meeting describing its purpose.
- A written demand for a special meeting may be revoked by submitting a writing to the corporation to that effect before the corporation receives the demands sufficient in number to hold a special meeting.
- Special meetings of members may be held in or out of this state at a place stated in or fixed in accordance with the articles of incorporation or bylaws in the notice of the special meeting. If there is no fixed location in the articles of incorporation or the bylaws, special meetings must be held at the corporation's principal office.

Under the statute, members may take action, that is required or permitted to be taken at the special meeting, without meeting, notice, or vote under certain circumstances. To be effective, the action must be evidenced by written consent. Under the bill, the action taken by written consent is effective when it is signed by the members entitled to cast the required number of votes on the action and delivered to the corporation. If the articles of incorporation or bylaws require that notice of proposed corporate action be delivered to members not entitled to vote on the action and the action is to be taken by consent of the members entitled to vote, notice must be given within thirty days to those members not entitled to vote.

Further, the bill requires that a member may waive any notice required under ch. 617, F.S., the articles of incorporation, or the bylaws before or after the date and time stated in the notice. Such waiver must be in writing, signed, and delivered to the corporation for filing. If a member attends a meeting, they waive objection to:

- Lack of notice or defective notice, unless the member objects at the beginning of the meeting and does not vote on action taken at the meeting; and
- Consideration of a particular matter at the meeting not within the stated purpose in the meeting notice, unless the member objects when the matter is presented.

Appointment of Proxy for Member Voting

Section 33 amends s. 617.0721, F.S., permitting members, or their attorney, to appoint a proxy to vote or act for the member by:

- Signing an appointment form via electronic signature or other reasonable means;
- Transmitting an electronic signature to the person who will be the proxy, a proxy solicitation firm, a registrar, or an agent authorized by the person who will be the proxy; or
- Using other means as provided in the articles of incorporation or bylaws.

Under the bill, an appointment form must detail information which shows the member or their attorney authorized the appointment of the proxy. Such appointment is effective when a signed appointment in a record is received by the inspectors of election, the officer or agent authorized to count votes, or the secretary. A member may revoke appointment of a proxy unless the appointment form or transmission states the appointment is irrevocable and coupled with an interest. Moreover, the death or incapacity of the member appointing a proxy does not affect the right of the corporation to accept the proxy's authority, unless notice of the death is received by the inspectors of election, the officer or agent authorized to count votes, or the secretary before the proxy exercises their authority. The corporation may reject a vote, ballot, consent, waiver, demand, or proxy appointment if the person authorized to accept or reject such action has a reasonable basis to doubt the validity of the signature on it or the signatory's authority for it.

Remote Meeting of Members

Section 33 also authorizes the board of directors to make a members' meeting remote, so long as the articles of incorporation, bylaws, or demands of members do not require such meeting to be held at a specific geographic location. The board of directors may authorize members, or their attorney or proxy, to participate in meetings via remote communication. Members are deemed to be present at such remote meetings if the corporation has implemented reasonable measures to verify whether the member, or their attorney or proxy, is a member.

Derivative Actions (Sections 34-40, 168)

Currently, ch. 617, F.S., allows for members to initiate derivative actions. A derivative action is a legal proceeding brought by a member to enforce a right of action that exists on behalf of the corporation.¹⁹ A member may not initiate a proceeding until they have submitted a demand to the board of directors and the demand was refused or ignored for at least 90 days.

Section 168 repeals s. 617.07401, F.S., which contained provisions outlining derivative actions by members, to move those provisions into sections mirroring the FBCA.

¹⁹ "A derivative action is generally defined as a cause of action on behalf of a stockholder to enforce a right of action that exists on behalf of the corporation... It seeks redress for an injury suffered by the corporation or the stockholders generally." *Fox v. Pro. Wrecker Operators of Fla., Inc.*, 801 So. 2d 175, 179 (Fla. 5th DCA 2001) (internal citation omitted).

Sections 34-40 create ss. 617.0741-617.0747, F.S., to harmonize the FNCA's provisions on derivative actions with the FBCA and re-word the provisions repealed under s. 617.0401, F.S. The bill substantively alters these provisions by:

- Allowing directors and officers to bring derivative actions, not just members.
- Removing the requirement that a plaintiff needs to bring a demand on the corporation and wait 90 days for the corporation to reject or ignore the demand before initiating the action.

Directors and Officers (Sections 41-54)

Nonprofit corporations are managed and subject to oversight by their board of directors. All corporate powers must be exercised under the board's authority. Florida law requires a director to be a natural person and over the age of eighteen. Unless the articles of incorporation or bylaws require otherwise, a director does not need to be a resident of the state or member of the corporation.²⁰

Directors

Section 41 amends s. 617.0803, F.S., requiring that a nonprofit corporation's board of directors consist of at least one person, unless it is a 501(C)(3) organization, in which case the board of directors must consist of at least three people.

Section 42 creates s. 617.0804, F.S., making requirements for the selection of a board of directors. For membership corporations, aside from any initial directors named in the articles of incorporation or elected by the incorporators, the directors must be elected by the members entitled to vote at each annual meeting, unless the articles of incorporation or bylaws specify another manner for election.

For non-membership corporations, aside from any initial directors named in the articles of incorporation or elected by the incorporators, the directors must be elected, appointed, or designated as provided in the articles of incorporation. If the articles of incorporation or bylaws do not set forth a method, then the directors are elected by the board of directors.

Further, if members are divided into classes, the articles of incorporation or bylaws may allow the election of directors by the holders of one or more authorized classes of members.

Section 43 creates s. 617.0805, F.S., prescribing that unless otherwise specified by the articles of incorporation or bylaws:

- The term of a director is one year.
- The term of a director elected to fill a vacancy expires at the end of the term the director is filling.
- The director continues to serve until the director's successor is elected, appointed, or designated and until the director's successor takes office.

²⁰ Sections 617.0801-617.0802, F.S.

The bill also sets out that a decrease in the number of directors of term of offices does not shorten an incumbent director's term.

Removal and Vacancies of Directors

Section 44 amends s. 617.0808, F.S., removing the provision regarding removal of directors of 501(c) corporations. Directors can still be removed through other means, such as methods detailed in the articles of incorporation.

Section 45 amends s. 617.0809, F.S., revising provisions regarding a vacancy occurring on a corporation's board of directors. Vacancies typically will be filled by a majority of the remaining directors in office, even if the remaining directors constitute less than a quorum, except as otherwise provided in the articles of incorporation and bylaws and except in the following circumstances:

- When a director was elected by a voting group of members, the vacancy may be filled only during the first three months that the vacancy occurs and only by that voting group.
- When the director was appointed by people, other than the members, the vacancy may be filled only by those people.
- When the director was designated in the articles of incorporation or bylaws, the vacancy may not be filled by the board of directors.

Section 46 creates s. 617.08091, F.S., authorizing courts to remove a director from office in a proceeding commenced in the right of the corporation, if the court finds that:

- The director engaged in fraudulent conduct, grossly abused the position of director, or intentionally inflicted harm on the corporation; and
- Removal is in the best interest of the corporation, considering the director's conduct and the inadequacy of other remedies.

In addition to removal, the court may bar the director from reelection, redesignation, or reappointment and may order any other relief or remedy within its power. Further, only a member, officer, or director may bring an action under this section, and such action must comply with the derivative action requirements under ss. 617.0742-617.0747, F.S. The action must be brought by a member, or multiple members, having no less than 10% of the corporation's voting power.

Meetings of the Board of Directors

Section 47 amends s. 617.0820, F.S., providing that unless the articles of incorporation or the bylaws detail otherwise:

- Meetings of the board of directors may be called and noticed by the chair of the board, the president or similarly situated officer, or 20% of the directors then in office.
- Regular meetings of the board of directors may be held without notice of the date, time, place, or purpose of the meeting.
- Special meetings of the board of directors must be noticed at least two days prior, detailing the date, time, and place. The notice does not need to contain the purpose of the meeting.

Section 48 amends s. 617.0821, F.S., allowing a board of directors to take action without a meeting if written consent is signed by each director and delivered to the corporation. A

director's consent may be withdrawn by signed revocation, delivered to the corporation before the written consent is delivered to the corporation.

Section 169 repeals s. 617.0822, F.S., consolidating the notice provisions into s. 617.0820(5)-(6), F.S.

Section 49 amends s. 617.0823, F.S., altering the waiver of notice of meeting provision to require a director to not vote for or consent to action taken at a meeting when the director is objecting to the date, place, time, or way the meeting was called.

General Standards for Directors

Section 50 amends s. 617.0830, F.S., updating Florida's business judgment rule and clarifying the standard of care with which directors must act. Specifically, directors must act in good faith and in manner the director reasonably believes is in the best interests of the corporation when discharging their duties. When becoming informed in connection with a decision-making function or devoting attention to an oversight function, the director shall discharge their duties with the care an ordinarily prudent person would believe appropriate in similar circumstances. Additionally, this section expands the group of experts and other people, as laid out in s. 617.0830(5), F.S., upon which the director can rely when making decisions and discharging their duties. Last, this section provides that a director is not a trustee with respect to the corporation or property held by the corporation in trust.

Section 51 amends s. 617.0832, F.S., regarding director conflict of interest.²¹ The bill requires that conflict of interest transactions be fair to the corporation²² at the time they are authorized. Additionally, there is a shifting burden provision which outlines the legal burden on each party in a proceeding challenging the validity of a director's conflict of interest transaction or seeking relief with respect to that transaction. If a disinterested majority of directors or members, who received advance notice of the conflict, authorized the transaction, then the burden is on the person challenging the transaction to prove it was not valid. If such authorization was not attained, then the burden is on the defendant to prove the fairness and validity of the transaction.

The bill also allows parties to challenge transactions on the grounds that a director or member was not disinterested when voting or approving the transaction. Moreover, the bill provides an exception to required quorum for directors or members to vote under applicable law in these transactions.

Standards of Conduct for Officers

Section 54 creates s. 617.0844, F.S., updating Florida's business judgment rule and clarifying the standard of care with which officers must act. Specifically, directors must act in good faith

²¹ "Director's conflict of interest transaction" means a transaction between a corporation and one or more of its directors, or another entity in which one or more of the corporation's directors is directly or indirectly a party to the transaction, other than being an indirect party as a result of being a member of the corporation, and has a direct or indirect material financial interest or other material interest.

²² "Fair to the corporation" means that the transaction, as a whole, is beneficial to the corporation and its members, taking into appropriate account whether it is: 1. Fair in terms of the director's dealings with the corporation in connection with that transaction; and 2. Comparable to what might have been obtainable in an arm's length transaction.

and in manner the officer reasonably believes is in the best interests of the corporation when discharging their duties. The bill provides a substantively similar provision to officers as it does for directors, allowing officers to rely on certain people and information to act. The bill further specifies the duty of an officer includes informing officers and the board of directors of material information about the affairs of the corporation and actual and probable material violations of law.

Liability of Directors and Officers

Section 52 amends s. 617.0834, F.S., harmonizing this provision with the FBCA. The bill applies this section of liability of directors²³ and officers²⁴ to all nonprofit corporations in the state, not just 501(c) corporations. The bill also sets out that:

- In a derivative action, the director or officer's breach of, or failure to perform, their duties constitutes a conscious disregard for the best interest of the corporation or willful or intentional misconduct.
- If a transaction and its benefits are not prohibited by state or federal laws and regulations and the transactions is fair to the corporation, a director or officer has not obtained an improper personal benefit.

Prohibited Activities by Private Foundations

Section 53 amends s. 617.0835, F.S., narrowing an exception under this section for certain nonprofit corporations engaging in prohibited actions which would give rise to liability under federal law.

Amending the Articles of Incorporation (Sections 55-57)

Nonprofit corporations can change their articles of incorporation at any time pursuant to s. 617.1001, F.S. Under s. 617.1006, F.S., the articles of amendment must include the name of the corporation, the text of each amendment adopted, and the date of adoption of the amendment by the members. If the nonprofit corporation has no members, or if members are not entitled to vote, then the articles of amendment must include the date of adoption by the board of directors.

Authority

Section 55 amends s. 617.1001, F.S., adding that the corporation may amend its articles of incorporation to add or change a provision that is required or permitted in the articles or to delete those that are not required or permitted.

Procedure

Section 56 amends s. 617.1002, F.S., specifying that the amendment must be adopted by the board of directors and approved by the members, unless otherwise provided by the articles of incorporation or other portions in this section. Additionally, the board of directors:

²³ For the purposes of s. 617.0834, F.S., "director" means a person who serves as a director, trustee, or member of the governing board of an organization.

²⁴ For the purposes of s. 617.0834, F.S., "officer" means a person who serves as an officer without compensation except reimbursement for actual expenses incurred or to be incurred.

- Must inform the members of the conflict or special circumstances that led the board to not recommend the proposed amendment.
- May set conditions for the approval or effectiveness of the amendment.

However, the board of directors may adopt amendments without approval of the members to:

- Extend the duration of the corporation;
- Delete the names and addresses of the initial directors, initial registered agent, or registered office;
- Delete information in the articles of incorporation which is solely of historical interest;
- Change the corporate name by substituting the words “corporation” and “incorporated” or altering a geographical attribute to the name.
- Restate without change all of the then operative provisions of the articles of incorporation as provided in s. 617.1007.

Further, the corporation must give proper notice to the members if their approval is required to be given at a meeting. Unless otherwise provided in this chapter, articles of incorporation, or the board of directors, the approval of the amendment requires a quorum of members. If the corporation does not have members and the amendment changes provisions regarding appointment of directors by people other than the board, those people must approve the amendment by vote.

Content

Section 57 amends s. 617.1006, F.S., providing that articles of amendment take effect on the effective date determined pursuant to s. 617.0123, F.S. The bill also requires the corporation to deliver the amendment to the department for filing and include:

- The name of the corporation;
- The text of each amendment adopted, or the information required by s. 617.01201(10), F.S.;
- Provisions for implementing the amendment if it exchanges, reclassifies, or cancels memberships;
- The date of each amendment’s adoption; and
- A statement about the amendment in specified circumstances.

Merger (Sections 58-64, 170)

Under Florida law, two or more domestic, nonprofit corporations may merge into one corporation pursuant to a merger plan approved under s. 617.1101, F.S. Currently, the surviving corporate entity of such merger must be a nonprofit. The plan for merger must be adopted by the board of directors and, if the corporation has members entitled to vote, must be approved by a majority of the members.

Plan of Merger

Section 58 amends s. 617.1101, F.S., permitting two or more domestic or foreign, eligible corporate entities to merge into a domestic corporation. Domestic or foreign eligible entities²⁵

²⁵ “Eligible entity” means a domestic or foreign: 1. Corporation or corporation for profit; 2. General partnership, including a limited liability partnership; 3. Limited partnership, including a limited liability limited partnership; 4. Limited liability

that are not corporations may also be a party to a merger, or be created as the survivor in a merger, with a domestic corporation. To do so, the parties of the merger must comply with requirements in ch. 617, F.S., and the merger must be permitted by the organic law of the eligible entity that is not a corporation. Further, a plan of merger must include:

- The name, jurisdiction of formation, and type of entity of each party;
- The surviving entity's name, jurisdiction of formation, type of entity, and statement if the survivor is to be created in the merger;
- The terms and conditions of the merger;
- The articles of incorporation of the corporation or the public organic record²⁶ of any eligible entity;
- The effective date and time of the merger; and
- Any other provision required by the laws under which any party of the merger is organized.

The bill also sets out that terms of a plan of merger may depend on facts objectively ascertainable outside the plan pursuant to s. 617.01201(10), F.S. A plan of merger may be amended only with the consent of each party. The bill details how a domestic party to a merger may approve an amendment to the plan.

Limitation on Merger

Section 59 amends s. 617.1102, F.S., allowing nonprofit corporations that hold property for a charitable purpose²⁷ to merge with another entity, only if the surviving entity is a nonprofit.

Approval and Abandonment of Merger Plan

Section 60 amends s. 617.1103, F.S., requiring the board of directors to inform the members of the basis of the lack of recommendation for the plan of merger, if the board cannot make a recommendation to the members due to a conflict of interest or other special circumstances. The bill also sets out that:

- The board of directors may set conditions for the approval or effectiveness of the proposed merger.
- The corporation must give adequate notice to the members entitled to vote if the approval of the merger is to be given at a meeting. Such notice must include the purpose of the meeting, a copy of the plan, and other specified information.

company; or 5. Other unincorporated entity. (b) The term does not include: 1. An individual; 2. An association or relationship that is not a partnership solely by reason of s. 620.8202(2) or a similar provision of the law of another jurisdiction; 3. A decedent's estate; or 4. A government or a governmental subdivision, agency or instrumentality.

²⁶ "Public organic record" means a record, the filing of which by a governmental body is required to form an entity, and an amendment to or restatement of such record. When a public organic record has been amended or restated, the term means the public organic record as last amended or restated. The term includes any of the following: (a) The articles of incorporation of a corporation for profit. (b) The articles of incorporation of a nonprofit corporation. (c) The certificate of limited partnership of a limited partnership. (d) The articles of organization, certificate of organization, or certificate of formation of a limited liability company. (e) The articles of incorporation of a general cooperative association or a limited cooperative association. (f) The certificate of trust of a statutory trust or similar record of a business trust. (g) The articles of incorporation of a real estate investment trust.

²⁷ "Charitable purpose" means a purpose that: (a) Would make a corporation organized and operated exclusively for that purpose eligible to be exempt from taxation under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, or (b) Is considered charitable under the law of this state other than as set forth in the Internal Revenue Code of 1986, as amended.

- Unless otherwise required, approval of the plan of merger shall require the approval of the members at a meeting at which the current required quorum exists by a majority of the votes entitled to be cast on the plan.
- Separate voting on a plan of merger is required for each class of members that is to be converted under the plan of merger into securities, interests, or obligations; rights to acquire securities or other interests; or cash, other property, or any combination thereof.
- The articles of incorporation may expressly limit or eliminate the separate voting rights as to any class of members.
- If the corporation has no members, or the members are not allowed to vote, then the board of directors may approve the plan via a majority vote.
- After a plan of merger has been approved and before the articles of merger are effective, the plan may be abandoned (as detailed in the plan) in the same manner it was approved. If the merger is abandoned after the articles of merger are delivered to the department but before the articles of merger become effective, a statement of abandonment must be filed with the department with specified information.

Short-form Merger

Section 61 amends s. 617.1104, F.S., allowing for merger between a parent company and its subsidiary, so long as the parent owns at least 80% of the voting power of the subsidiary. Such mergers do not require the approval of the board of directors or members unless the articles of incorporation or organic rules²⁸ of the parent entity specify otherwise. Within ten days of the effective date of the merger, the parent entity must notify each of the subsidiary's members that the merger has become effective.

Articles of Merger

Section 62 amends s. 617.1105, F.S., mandating that articles of merger include:

- The name, jurisdiction of formation, and type of entity of each party, including the survivor entity if not already identified;
- The amendment to the survivor's articles of incorporation, if they are being amended;
- The articles of incorporation of the new corporation if a new domestic corporation is being created because of merger;
- A statement that the plan was approved by the members or by separate voting groups, if necessary;
- A statement explaining that the plan of merger did not require approval by the members, if necessary;
- A statement that the participation of the foreign corporation, party to the merger, was authorized in accordance with the foreign corporation's organic law;
- A statement that the participation of a domestic or foreign eligible entity, party to the merger, was authorized in accordance with that entity's organic law;
- A statement that the corporation does not hold any property for a charitable purpose, if the surviving entity is not a domestic or foreign corporation or other eligible entity organized as a nonprofit; and
- Any other provision not prohibited by law.

²⁸ "Organic rules" means the public organic records and private organic rules of an entity.

Additionally, the articles of merger must be delivered to the department for filing and may be combined with any other filing required under the organic law governing any other domestic eligible entity involved in the transaction. Last, with respect to the merger with foreign corporations or entities, the merger becomes effective at the later of: (1) when all requisite documents filed in foreign jurisdictions become effective or (2) when the articles of merger take effect.

Effect of Merger

Section 63 amends s. 617.1106, F.S., specifying that when a merger becomes effective:

- The survivor entity comes into existence;
- The separate existence of the merging entities ceases;
- All property, contract rights, and other rights possessed by each merging entity vests into the survivor;
- All debts, obligations, and liabilities are transferred to the survivor;
- The name of the survivor may be substituted in any pending proceedings with the names of now non-existing entities;
- Neither the rights of creditors nor liens upon corporate property are impaired;
- If a survivor is a domestic eligible entity, the articles of incorporation and the bylaws or the organic rules of the survivor are amended per the merger;
- The articles of incorporation and bylaws or the organic rules of the survivor, that is created in the merger, are effective;
- The interests of each merging entity which are to be canceled or converted in the merger are canceled or converted;
- Except as provided by law or the plan of merger, all the rights, privileges, franchises, and immunities of each eligible entity that is a party to the merger, other than the survivor, become the rights, privileges, franchises, and immunities of the survivor; and
- If the survivor exists before the merger:
 - All the property and contract and other rights of the survivor remain its property and contract and other rights without transfer, reversion, or impairment;
 - The survivor remains subject to all of its debts, obligations, and other liabilities; and
 - Except as provided by law or the plan of merger, the survivor continues to hold all of its rights, privileges, franchises, and immunities.

Furthermore, the merger does not constitute a dissolution or termination of one of the entities and does not give rise to any rights an interest holder²⁹ or third party would have upon dissolution, liquidation, or winding up. If there is property held in trust or dedicated to a charitable purpose before a merger becomes effective, such property may not be diverted from the purposes for which it was dedicated, except as otherwise specified. If a bequest, deviser, gift, promise, or similar grant is made to an eligible party to a merger, such conveyance applies to the survivor. Last, the bill details how trust obligations are to be transferred upon merger.

²⁹ “Interest holder” means any of the following persons: (a) A shareholder of a corporation for profit. (b) A member of a nonprofit corporation. (c) A general partner of a general partnership. (d) A general partner of a limited partnership. (e) A limited partner of a limited partnership. (f) A member of a limited liability company. (g) A shareholder or beneficial owner of a real estate investment trust. (h) A beneficiary or beneficial owner of a statutory trust, business trust, or common law business trust. (i) Another direct holder of an interest.

Merger of Domestic and Foreign Corporations

Section 64 amends s. 617.1107, F.S., specifying that if an eligible entity is a foreign entity following a merger under s. 617.1101, F.S., it must comply with the provisions of ch. 617, F.S. Foreign eligible entities are to be governed by the laws of their jurisdiction.

Section 170 repeals s. 617.1108, F.S., as the merger of nonprofit corporations is detailed in other sections of this bill.

Sale of Assets (Section 65)

Section 65 amends s. 617.1202, F.S., requiring that if the corporation wishes to sell or otherwise dispose of its property, then the board must first adopt a resolution to sell assets and make a recommendation to the members. The board may set conditions for approval of disposition of assets or, if there is a conflict of interest or special circumstances preventing the board's recommendation, provide a reason for such lack of recommendation for disposition. Then, in a meeting noticed to the members with requisite information, the members may vote on the disposition. A majority of votes of the required quorum are needed to approve the disposition. Assets disposed of during a dissolution of a corporation are not governed under this section.

Dissolution (Sections 66-83)

Generally, dissolution is the act of terminating a corporate entity. In Florida, voluntary dissolution requires a nonprofit corporation to petition a circuit court in the county of its principal office.³⁰ A circuit court may dissolve a corporation via the Department of Legal Affairs if the corporation perpetuated abuse or fraud, in a proceeding brought by a specified number of members, or in a proceeding by a creditor in specific situations.³¹

Sections 66-71 amend ss. 617.1401-607.1407, F.S., minorly updating the provisions regarding distribution of assets, receivership of corporation, property held in trust through the dissolution of a nonprofit corporation, and resolution of payment of unknown claims. Primarily, a circuit court may appoint a trustee, custodian, receiver, or provisional director for any property owned by a corporation during the dissolution process if a director of officers is not available.

Known Claims

Section 72 amends s. 617.1408, F.S., defining a known claim as any claim or liability that, as of the date of the giving of written notice: (1) has matured sufficiently on or before the date of dissolution to be legally capable of assertion against the dissolved corporation; or (2) is unmatured as of the date of dissolution but will mature in the future solely because of the passage of time. Under the bill, a dissolved corporation or successor entity may dispose of known claims within a specified time by giving written notice. Such written notice must:

- State the name of the corporation that is the subject of dissolution;
- State the corporation is the subject of the dissolution;
- Include the effective date of dissolution;

³⁰ Section 617.1402, F.S.

³¹ Section 617.1430, F.S.

- Specify the information that must be included in a claim;
- State the claim must be in writing and provide a mailing address;
- State the deadline for the corporation to receive the claim;
- State the claim will be barred if not received by the deadline;
- State the dissolved corporation or successor entity may make distributions thereafter; and
- Be accompanied by a copy of ss. 617.1405-617.14091, F.S.

The bill also specifies how the corporation may reject a claim and when a claim is barred. A claim is barred either (1) if a claimant who is given written notice does not deliver the claim by the specified deadline or (2) if the claim was timely received by the dissolved corporation but was timely rejected and the claimant does not commence an action in circuit court.

Court Proceedings for Claims

Section 73 creates s. 617.1409, F.S., providing that if a dissolved corporation has filed or published proper notice, may file an application in the circuit court of applicable jurisdiction for a determination of the amount and form of payment of unknown claims. Under this section of the bill, the corporation must give notice of the proceedings to known claimants, and a court may appoint a guardian ad litem to unknown claimants.

Liability and Claims

Section 74 creates s. 617.14091, F.S., providing that directors of dissolved corporations are not personally liable to claimants of a dissolved corporation. For claims that are not barred by ss. 617.1407-617.1408, F.S., limiting actions may be enforced (1) against the dissolved corporation to the extent of its undistributed assets or (2) against a member to the extent of their share of the claim or corporate assets.

Administrative Dissolution

Sections 75-76 amend ss. 617.1420-617.1421, F.S., mandating that the department serve a notice of intent onto a corporation when it determines there are grounds for administrative dissolution under s. 617.1420, F.S. The corporation has sixty days after receiving notice to correct each ground for dissolution. If the corporation fails to do so, the department shall dissolve the corporation administratively and issue a notice to the corporation. The notices under these sections may be made via electronic transmission if the department has a corporate email address on file.

Judicial Dissolution

Section 77 amends s. 617.1430, F.S., specifying that a circuit court may dissolve a corporation, or pursue other available remedies, in a proceeding with at least fifty members, or members holding at least 10% of voting power, if the directors of the corporation have, are, or will act in a fraudulent manner, or if the corporation has insufficient assets and cannot assemble a quorum of members or directors.

Section 78 amends s. 617.1431, F.S., permitting courts to award attorney fees and costs when parties bring an action in bad faith under s. 617.1430, F.S.

Sections 79-80 and 83 amend ss. 617.1432-617.1433, and 617.1440, F.S., making clarifying changes that do not substantively affect existing law.

Section 81 amends s. 617.1434, F.S., allowing a court in a judicial dissolution proceeding broader discretion to order remedies other than those outlined in statute to avoid dissolution.

Section 82 creates s. 617.1435, F.S., providing that a court may appoint a provisional director in a proceeding under s. 617.1430, F.S. The bill also limits liability of provisional directors, outlines their duties, details reasonable compensation for the responsibility.

Foreign Nonprofit Corporations (Sections 84-100, 173-174)

In Florida, foreign nonprofit corporations operate under a certificate of authority issued by the Department and, like domestic corporations, must notify the Department of their registered agent, principal office, and other pertinent information. A foreign corporation must amend its certificate of authority to reflect any change in its operating document within 90 days of the occurrence. If a foreign corporation attempts to file for a certificate of authority under a name that is already in use by another business entity, it must find a distinguishable alternative or, pursuant to changes made to s. 617.1506, F.S., in **Section 89**, it may register under a name that is not distinguishable with the written consent of the other entity.

Corporate Name

Section 89 amends s. 617.1506, F.S., setting out that a foreign corporation whose name is unavailable under or whose name does not otherwise comply with s. 617.0401, F.S., must use an alternate name in compliance to transact business in Florida. However, a foreign corporation may register under a name that is not distinguishable from another registered entity if:

- The other entity consents to its use and changes its name with the department; or
- The applicant sends the department a certified copy of a final judgement establishing their right to use the name.

If the foreign corporation chooses to use an alternate name because its actual name does not comply with statutory requirements, the alternate name must be cross-referenced to the actual name of the foreign corporation in the records of the Division of Corporations. The bill provides additional requirements if the foreign corporation wishes subsequently to change its alternate name.

Registered Agent and Office

Sections 90-92 amend ss. 617.1507-617.1509, F.S., to parallel the requirements regarding a foreign corporation's registered agent and office to those of a domestic corporation's registered agent and office.

Notice

Section 93 amends s. 617.15091, F.S., providing that foreign corporations must give notice or other communication under ch. 617, F.S., via delivery by hand, the U.S. Postal Service, a commercial delivery service, and electronic transmission. Delivery is only effective once the department has received the notice or communication.

Certificate of Authority

Section 84 creates s. 617.15015, F.S., providing that the laws of this state, or other jurisdiction under which a foreign corporation exists, govern the organization, internal affairs, and interest holder liability³² of its members. Moreover, a foreign corporation may not be denied a certificate of authority because of different laws of its jurisdiction of formation.

Section 85 amends s. 617.1502, F.S., specifying that a foreign corporation's organic law applies when the corporation fails to have a certificate of authority to transact business in Florida, and the Florida Secretary of State is the designated agent for the corporation should any unauthorized transactions occur in Florida.

Sections 86 and 88 amend ss. 617.1503 and 617.1505, F.S., making clarifying changes that do not substantively affect existing law.

Section 87 amends s. 617.1504, F.S., requiring that a foreign corporation amend its certificate of authority when the corporation changes the name and street address of its registered agent in the state.

Section 94 amends s. 617.1520, F.S., allowing a foreign corporation to cancel its certificate of authority by filing a notice of withdrawal signed by an officer and stating:

- The name of the foreign corporation;
- The name of the foreign corporation's jurisdiction of incorporation;
- The date the foreign corporation was authorized to conduct affairs in Florida;
- That the foreign corporation is withdrawing its certificate of authority;
- That the foreign corporation revokes the authority of its registered agent to accept service of process and the Secretary of State is now its agent for service of process;
- Mailing and email addresses; and
- A commitment to notify the department in the future of change in addresses.

Section 95 creates s. 617.1521, F.S., deeming a certificate of authority to be withdrawn if the foreign corporation converts into a domestic organization.

Section 96 creates s. 617.1522, F.S., mandating foreign corporations to deliver a notice of withdrawal of certificate of authority to the department if:

- The foreign corporation has dissolved and completed winding up;
- The foreign corporation has merged into a foreign eligible entity not authorized to conduct business in Florida; or
- The foreign corporation has converted to an entity that is not formed through public filing of a record in Florida.

³² "Interest holder liability" means: (a) Personal liability for a liability of an entity which arises, except as otherwise provided in the organic rules of the entity, when the entity incurs the liability and which is imposed on a person: 1. Solely by reason of the status of the person as an interest holder; or 2. By the organic rules of the entity which make one or more specified interest holders or categories of interest holders liable in their capacity as interest holders for all or specified liabilities of the entity; or (b) An obligation of an interest holder under the organic rules of an entity to contribute to the entity.

Section 97 creates s. 617.1523, F.S., granting the Department of Legal Affairs authority to bring legal action to enjoin a foreign corporation from conducting affairs in violation of ch. 617, F.S.

Section 98 amends s. 617.1530, F.S., permitting the department to revoke a certificate of authority if:

- The foreign corporation does not deliver for filing a statement of change under s. 617.1508, F.S.;
- The foreign corporation has failed to amend its certificate of authority; or
- The foreign corporation's period of duration stated in its articles of incorporation has expired.

The bill further outlines details for the date that revocation must occur each year and issuance of notice of revocation by the department. The foreign corporation has sixty days after receiving a notice of intent to revoke a certificate of authority to correct each ground for revocation to the satisfaction of the department.

Section 99 creates s. 617.15315, F.S., permitting foreign corporations to apply for reinstatement after the effective date of revocation of the certificate of authority. The corporation must pay all fees and penalties alongside an application for reinstatement signed by a registered agent and officer/director, and including the following information:

- Name and street address of the foreign corporation;
- The jurisdiction of the corporation's formation;
- The foreign corporation's federal employer identification number;
- The name, title or capacity, and address of at least one officer or director; and
- Any other necessary information.

Under the bill, the corporation may apply for reinstatement alongside its annual report. The department must reinstate the corporation if it meets the statutory requirements to do so.

Section 100 amends s. 617.1532, F.S., providing that the department must serve a corporation with a written notice explaining its reason for denial if the department denies an application for reinstatement after revocation of the certificate of authority. The foreign corporation may appeal the department's denial to the Circuit Court of Leon County.

Sections 173-174 amend ss. 617.1531 and 617.1533, F.S., as the bill amends and creates other provisions regarding withdrawal/cancellation of a certificate of authority.

Records and Reports (Sections 101-107)

Maintenance of Records

Section 101 amends s. 617.1601, F.S., mandating that corporations maintain the following records:

- Articles of incorporation and bylaws.
- The minutes of all members' meetings and records of all member action taken over the last three years.
- The minutes of all board of directors' meetings, a record of all actions taken by the board without a meeting, and a record of all actions taken by a committee on behalf of the board.

- All written communications within the past three years to members, including financial statements.
- A list of names and street addresses of current directors and officers.
- The most recent annual report delivered to the department under s. 617.1622, F.S.

Moreover, the bill provides additional requirements for records to be maintained in a specific manner.

Inspection of Records by Members

Section 102 amends s. 617.1602, F.S., altering the provisions allowing members to inspect a corporation's records. Importantly, the bill provides that the corporation may impose reasonable restrictions on the disclosure, use, and distribution of such records but the corporation may not abolish or limit access to records under its articles of incorporation or bylaws. The bill further limits members from distributing information from records and limits the sale or commercial use of membership lists.

Section 103 amends s. 617.1603, F.S., allowing corporations to give copies of records via electronic delivery to members for inspection.

Section 104 amends s. 617.1604, F.S., excusing a corporation from court-ordered inspection of records if a member did not agree to reasonable restrictions on the disclosure and confidentiality of corporate records.

Section 105 amends s. 617.1605, F.S., mandating a corporation make available, on its website or through other generally recognized means, the latest financial statements to members within five business days of a request for such records. If the annual financial statements have not been prepared for the fiscal year requested, then the corporation must notify the member within five business days and make the statements available within a specified period after the request. Even so, the corporation may decline to make available financial statements if it determines the member's request was not made in good faith, or the corporation may make reasonable restrictions on the confidentiality, use, and distribution of the financial statements.

If the corporation does not respond to the member's request, the requesting member may seek a court order to access the requested statements. The court may order access to the statements and impose reasonable restrictions on access. In such legal proceedings, the corporation has the burden to demonstrate it reasonably determined the member's request was not in good faith or for a proper purpose. The court may order the corporation to give the member access to requested statements; the corporation is liable for the member's expenses and attorney fees.

Inspection Rights of Directors

Section 106 creates s. 617.16051, F.S., permitting directors of a corporation to inspect and copy the books, records, and documents of the corporation at any reasonable time in a reasonable manner. A circuit court may order a corporation to allow the director to inspect such records, unless the corporation establishes the director is not entitled to do so. The corporation may be liable for the director's costs and attorney fees if it improperly denies access to records.

Annual Report to Department

Section 107 amends s. 617.1622, F.S., establishing that an annual report is considered a statement of change if the name/address of the registered agent differs from the information in the records of the department. If a corporation submits multiple annual reports for a calendar year, the first shall be considered the annual report and subsequent filings considered amended annual reports. As a condition of merger, conversion, or domestication, the corporation must be active and current in filings its annual reports in the records of the department through December 31 of the calendar year in which the articles of merger/conversion/domestication are submitted.

Domestication (Sections 108-112)

Domestication is the process for a foreign corporation to become a domestic corporation in Florida by filing certain documents with the department.³³ **Section 108** creates s. 617.180301, F.S., establishing that a foreign corporation may become a domestic corporation if it is permitted by the organic law of the foreign corporation. The corporation must enter into a plan of domestication, which must include:

- The name of the domesticating corporation;
- The name and governing jurisdiction of the domesticated corporation;
- The manner and basis of cancelling or converting the eligible interests³⁴ or other rights of the domesticated corporation;
- The proposed organic rules of the domesticated corporation, which must be in writing; and
- The other terms and conditions of domestication.

Moreover, if a protected agreement³⁵ of a domesticating corporation contains a provision applying to a merger of the corporation, the provision applies to a domestication of the corporation as if the domestication were a merger, until the provision is amended.

Plan of Domestication

Section 109 creates s. 617.18031, F.S., prescribing plans of domestication be adopted as follows:

- The plan must first be adopted by the board of directors.
 - The board may set conditions for approval or effectiveness of the plan.
 - If the board does not recommend the plan, it must include its basis for doing so.
- If the corporation has members, the plan must be approved by the members upon recommendation and with notice by the board.
 - The bill provides voting requirements, specifically that quorum of the voting group exists at a meeting to vote on domestication.

³³ Section 617.1803, F.S.

³⁴ “Eligible interest” means: (a) A share; (b) A membership; or (c) Either or both of the following rights under the organic rules governing the entity: 1. The right to receive distributions from the entity either in the ordinary course of business or upon liquidation. 2. The right to receive notice or vote on issues involving its internal affairs, other than as an agent, assignee, proxy, or person responsible for managing its business, activities, or affairs.

³⁵ “Protected agreement” means any of the following: (a) A document evidencing indebtedness of a domestic corporation or eligible entity and any related agreement in effect immediately before July 1, 2026. (b) An agreement that is binding on a domestic corporation or eligible entity immediately before July 1, 2026. (c) The articles of incorporation or bylaws of a domestic corporation or the organic rules of a domestic eligible entity, in each case in effect immediately before July 1, 2026. (d) An agreement that is binding on any of the interest holders, directors, or other governors of a domestic corporation or eligible entity, in their capacities as such, immediately before July 1, 2026.

- The articles of incorporation may expressly limit or eliminate separate voting rights, except in specific circumstances.
- If a member would become subject to interest holder liability via the domestication, approval of the plan requires that member to sign a written consent.
- The plan of domestication must be approved in writing by any person whose approval is required under the articles of incorporation or bylaws.

Articles of Domestication

Section 110 creates s. 617.18032, F.S., specifying that articles of domestication must be signed by the domesticating corporation after (1) a plan of domestication has been adopted/approved and (2) a foreign corporation that is the domesticating corporation has approved the domestication pursuant to ch. 617, F.S., and the foreign corporation's organic laws.

The bill requires articles of domestication to include the names and governing jurisdictions of the domesticating and domesticated corporations, alongside a statement that the plan was approved in accordance with either this chapter or the foreign corporation's organic law. The bill further sets out:

- If the domesticated corporation is to be a domestic corporation, articles of incorporation must be attached to the articles of domestication.
- The articles of domestication must be delivered to the department of filing and take effect on a date pursuant to s. 617.0123, F.S. The bill also details domestication dates.
- If the domesticating corporation is a foreign corporation authorized to do business in Florida, its certificate of authority is automatically canceled when the domestication becomes effective.
- A copy of the articles of domestication may be filed in the official records of any county in Florida in which the domesticating corporation holds an interest in real property.

Amendment to a Plan of Domestication

Section 111 creates s. 617.18033, F.S., permitting a plan of domestication to be amended either (1) in the same manner as the plan of domestication was approved or (2) in the manner provided in the plan of domestication. However, an interest holder who was entitled to vote on/consent to approval of the plan is entitled to vote on/consent to any amendment to the plan which will change:

- The amount or kind of eligible interests or other rights, obligations, rights to acquire eligible interests, cash, or other property to be received by any of the interest holders of the domesticating corporation under the plan;
- The organic rules of the domesticated corporation that are to be in writing and that will be in effect immediately after the domestication becomes effective; or
- Any other terms or conditions of the plan, if the change would adversely affect the interest holder in any material aspect.

Furthermore, domestication may be abandoned by the corporation in the same manner the plan was approved after it has been adopted/approved but before the articles of domestication become effective. If domestication is abandoned after the articles of domestication are delivered to the

department, a statement of abandonment signed by the corporation must be delivered to the department before the domestication becomes effective.

Effect of Domestication

Section 112 creates s. 617.18034, F.S., detailing the effects of domestication as follows:

- All property, rights, and liabilities become the property/rights/liabilities of the domesticated corporation.
- The name of the domesticated corporation may be substituted for the name of the domesticating corporation in any pending action or proceeding.
- The organic rules of the domesticated corporation become effective.
- The eligible interests or other rights are cancelled or reclassified into eligible interests or other rights according to the terms of the domestication.
- The domesticated corporation is:
 - Incorporated under and subject to the organic law of the domesticated corporation;
 - The same corporation as the domesticating corporation; and
 - Deemed to have been incorporated on the date the domesticating corporation was originally incorporated.
- Regarding the interest holder liability of an interest holder before the domestication becomes effective:
 - The domestication does not discharge that liability.
 - The organic law of the domesticating corporation must continue to apply as if the domestication had not occurred.
 - The interest holder shall have rights of contribution as provided by the organic law of the domesticating corporation.
 - The interest holder may not have liability with respect to liabilities incurred after the domestication becomes effective.
- An interest holder who becomes subject to liability as a result of domestication only holds such liability for liabilities arising after the domestication becomes effective.
- Domestication does not constitute or cause the dissolution of the domesticating corporation.
- Property previously held in trust for a charitable purpose may not be diverted from that original purpose.
- A bequest, device, gift, grant, or promise inures to the domesticated corporation.
- Trust obligations apply to property that is to be transferred to the domesticated corporation.

Conversions (Sections 113-119, 175-178)

Conversion is the process by which a for-profit corporation becomes a nonprofit corporation.

Sections 175-178 repeal ss. 617.1803 and 617.1805-617.1807, F.S., the existing provisions dealing with conversion of a domestic or foreign for-profit corporation.

Section 113 creates s. 617.1804, F.S., allowing domestic corporations to become domestic or foreign eligible entities by complying with new requirements in subsequent sections. Domestic and foreign eligible entities may also become domestic corporations.

Section 114 creates s. 617.18041, F.S., prohibiting a domestic corporation that holds property for a charitable purpose from becoming a domestic eligible entity or a foreign eligible entity, except by domestication to become a foreign corporation.

Plan of Conversion

Section 115 creates s. 617.18042, F.S., requiring domestic corporations to approve a plan of conversion to become a domestic or foreign eligible entity, which must include:

- The name of the domestic converting corporation.
- The name, governing jurisdiction, and type of entity of the converted eligible entity.
- The manner and basis of canceling or converting the eligible interest or other rights of the domestic corporation into shares, securities, eligible interests, obligations, rights, cash, and other property and rights.
- The other terms and conditions of conversion.
- The full text of the organic rules of the converted eligible entity in writing.

Section 116 creates s. 617.18043, F.S., prescribing the plan of conversion to be adopted by the board of directors and voted on by the members. The board of directors may set conditions for approval or effectiveness of the plan and must provide a recommendation or reasoning for lack of recommendation to the members. Members must receive sufficient notice of the meeting to vote and there must be a quorum of voting members at such meeting. The plan must also be approved in writing by any person whose approval is required under the articles of incorporation or bylaws. Additionally, the bill expounds on the conversion's effect on interest holder liability and conversion of partnerships and limited partnerships.

Articles of Conversion

Section 117 creates s. 617.18044, F.S., requiring articles of conversion to be signed by the converting eligible entity and include specific information in the articles. The articles must be delivered to the department for filing and are effective pursuant to s. 617.0123, F.S. The bill also specifies when a conversion is effective, when a certificate of authority is canceled, and when a copy of the articles of conversion may be filed in county records.

Amendment to a Plan of Conversion

Section 118 creates s. 617.18045, F.S., permitting a plan of conversion to be amended in the same manner as the plan was approved or in a manner provided in the plan. The plan of conversion may be abandoned by a domestic corporation, before the articles of conversion become effective and after the plan of conversion has been adopted, in a manner set out in the plan of conversion or board of directors. If the conversion is abandoned after the articles of conversion have been delivered but before they become effective, a statement of abandonment must be signed by the converting eligible entity and delivered to the department for filing.

Effect of Conversion

Section 119 creates s. 617.18046, F.S., detailing the effects of conversion, which are substantially similar to the effects of domestication listed in s. 617.18034, F.S., in the bill.

Miscellaneous Provisions

Sections 120-167 amend ss. 617.2005, 617.2006, 39.8298, 381.00316, 605.1025, 617.0102, 617.0121, 617.0122, 617.0125, 617.02011, 617.0203, 617.0205, 617.0301, 617.0504, 617.0806, 617.0824, 617.0825, 617.0831, 617.0901, 617.1008, 617.1009, 617.1404, 617.1422, 617.1423, 617.1501, 617.1510, 617.1606, 617.1623, 617.1701, 617.1702, 617.1703, 617.1711, 617.1808, 617.1809, 617.1904, 617.1907, 617.1908, 617.2001, 617.2002, 617.2003, 617.2007, 617.2101, 617.221, 620.2108, 620.8918, 628.910, 768.38, and 893.055, F.S., making clarifying changes that do not substantively affect the meaning of the law.

Sections 180-189 reenact ss. 617.1007, 295.21, 409.987, 718.1265, 719.128, 720.316, 718.3027, 720.3033, 721.13, 718.111, F.S., for the purpose of incorporating the amendments made by this bill.

Section 190 sets forth an effective date of July 1, 2026.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Indeterminate. There will likely be little impact on the department as it already manages filings of corporations in Florida.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 617.01011, 617.01201, 617.0123, 617.0124, 617.0126, 617.0127, 617.0128, 617.01301, 617.01401, 617.0141, 617.0202, 617.0204, 617.0206, 617.0302, 617.0304, 617.0401, 617.0403, 617.0501, 617.0502, 617.0503, 617.0505, 617.0601, 617.0604, 617.0605, 617.0606, 617.0607, 617.0608, 617.0701, 617.0721, , 617.0742, 617.0803, 617.0808, 617.0809, 617.0820, 617.0821, 617.0823, 617.0830, 617.0832, 617.0834, 617.0835, 617.1001, 617.1002, 617.1006, 617.1101, 617.1102, 617.1103, 617.1105, 617.1106, 617.1107, 617.1202, 617.1401, 617.1402, 617.1403, 617.1405, 617.1406, 617.1407, 617.1408, 617.1420, 617.1421, 617.1430, 617.1431, 617.1432, 617.1433, 617.1440, 617.1502, 617.1503, 617.1504, 617.1505, 617.1506, 617.1507, 617.1508, 617.1509, 617.1520, 617.1530, 617.1532, 617.1601, 617.1602, 617.1603, 617.1604, 617.1605, 617.1622, 617.2005, 617.2006, 39.8298, 381.00316, 605.1025, 617.0102, 617.0121, 617.0122, 617.0125, 617.02011, 617.0203, 617.0205, 617.0301, 617.0504, 617.0806, 617.0824, 617.0825, 617.0831, 617.0901, 617.1008, 617.1009, 617.1404, 617.1422, 617.1423, 617.1501, 617.1510, 617.1606, 617.1623, 617.1701, 617.1702, 617.1703, 617.1711, 617.1808, 617.1809, 617.1904, 617.1907, 617.1908, 617.2001, 617.2002, 617.2003, 617.2007, 617.2101, 617.221, 620.2108, 620.8918, 628.910, 768.38, 893.055, 617.1007, 295.21, 409.987, 718.1265, 719.128, 720.316, 718.3027, 720.3033, 721.13, 718.111.

This bill creates the following sections of the Florida Statutes: 617.0143, 617.05021, 617.05022, 617.0603, 617.0741 617.0743, 617.0744, 617.0745, 617.0746, 617.0747, 617.0804, 617.0805, 617.08091, 617.0844, 617.1104,, 617.1409, 617.14091, 617.1434, 617.1435, 617.15015, 617.15091, 617.1521, 617.1522, 617.1523, 617.15315, 617.16051, 617.180301, 617.18031, 617.18032, 617.18033, 617.18034, 617.1804, 617.18041, 617.18042, 617.18043, 617.18044, 617.18045, 617.18046.

This bill repeals the following sections of the Florida Statutes: 617.07401, 617.0822, 617.1108, 617.1301, 617.1302, 617.1531, 617.1533, 617.1803, 617.1805, 617.1806, 617.1807, 617.2102.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Bernard

24-00209-26

2026554

1 A bill to be entitled
 2 An act relating to nonprofit corporations; amending s.
 3 617.01011, F.S.; renaming the "Florida Not For Profit
 4 Corporation Act" as the "Florida Nonprofit Corporation
 5 Act"; amending s. 617.01201, F.S.; providing
 6 applicability; providing that provisions of a plan or
 7 filed document may not be made dependent upon facts
 8 outside the plan or filed document; requiring a
 9 corporation to file articles of amendment with the
 10 Department of State under certain circumstances;
 11 providing that articles of amendment are deemed to be
 12 authorized by the authorization of the original filed
 13 document to which they relate; providing that such
 14 articles of amendment may be filed by the corporation
 15 without further action by the board of directors or
 16 the members; defining the terms "filed document" and
 17 "plan"; making technical changes; amending s.
 18 617.0123, F.S.; providing that a document accepted for
 19 filing may specify an effective time and a delayed
 20 effective date; providing that a previous effective
 21 date may be specified in the initial articles of
 22 incorporation if such date is within a specified
 23 timeframe; specifying when a document accepted for
 24 filing is effective; providing that the date or time
 25 at which a document is filed is the time and date at
 26 the place of filing in this state; amending s.
 27 617.0124, F.S.; revising the circumstances in which a
 28 domestic or foreign corporation may correct a document
 29 filed with the department; prohibiting articles of

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30 correction from containing a delayed effective date
 31 for the correction; authorizing a corporation to
 32 withdraw a filing delivered to the department before
 33 it takes effect by delivering a withdrawal statement
 34 to the department for filing; specifying what
 35 information must be included in a withdrawal
 36 statement; providing that the action or transaction
 37 evidenced by the original filing does not take effect
 38 upon the filing of a withdrawal statement by the
 39 department; amending s. 617.0126, F.S.; revising what
 40 a domestic or foreign corporation may do if the
 41 department refuses to file a document delivered to its
 42 office for filing; amending s. 617.0127, F.S.;
 43 requiring all courts, public offices, and official
 44 bodies to receive all certificates issued by the
 45 department as prima facie evidence of certain facts;
 46 amending s. 617.0128, F.S.; requiring the department
 47 to issue, upon request, a certificate of status for a
 48 domestic corporation or a certificate of authorization
 49 for a foreign corporation; amending s. 617.01301,
 50 F.S.; revising who must answer interrogatories
 51 directed at a corporation; making technical changes;
 52 amending s. 617.01401, F.S.; defining, revising, and
 53 deleting terms; amending s. 617.0141, F.S.; requiring
 54 written and oral notice to be communicated in a
 55 specified manner; making technical changes; creating
 56 s. 617.0143, F.S.; defining terms; providing that a
 57 director is not automatically prevented from being a
 58 qualified director under certain circumstances;

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59 amending s. 617.0202, F.S.; revising the contents of
 60 the articles of incorporation; amending s. 617.0204,
 61 F.S.; deleting an exception for liability for
 62 preincorporation transactions; amending s. 617.0206,
 63 F.S.; providing an exception when the initial bylaws
 64 of a corporation must be adopted by its board of
 65 directors; amending s. 617.0302, F.S.; revising the
 66 corporate powers of nonprofit corporations; amending
 67 s. 617.0304, F.S.; making technical changes; amending
 68 s. 617.0401, F.S.; authorizing a corporation to
 69 register under a name that is not otherwise
 70 distinguishable on the records of the department under
 71 certain circumstances; providing that the corporate
 72 name as filed with the department is for public notice
 73 only and does not alone create any presumption of
 74 ownership of such name; providing applicability;
 75 amending s. 617.0403, F.S.; authorizing a foreign
 76 corporation that has registered its name to conduct
 77 its affairs in this state; making technical changes;
 78 amending s. 617.0501, F.S.; specifying the duties of a
 79 registered agent; deleting the definition for the term
 80 "authorized entity"; authorizing a court to stay a
 81 proceeding commenced by a corporation until the
 82 corporation is in compliance; making technical
 83 changes; amending s. 617.0502, F.S.; revising the
 84 information required in a statement filed with the
 85 department for a corporation requesting to change its
 86 registered office or its registered agent; deleting a
 87 provision that a registered agent may resign by

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88 signing and delivering to the department a statement
 89 of resignation; revising the statement of resignation
 90 requirements; deleting the notification requirements
 91 for a registered agent who changes his or her business
 92 name or business address; deleting a provision that a
 93 registered office or registered agent may be changed
 94 on the corporation's annual report form filed with the
 95 department; deleting a requirement that the department
 96 collect a fee for filings; creating s. 617.05021,
 97 F.S.; authorizing a registered agent to resign as
 98 agent for a corporation in a specified manner under
 99 certain circumstances; providing applicability;
 100 providing that a registered agent is terminated upon
 101 the department filing certain documents; providing
 102 that a registered agent ceases to have responsibility
 103 for any matter tendered to the agent once a statement
 104 of resignation takes effect; authorizing a registered
 105 agent to resign from a corporation regardless of
 106 whether the corporation has active status; creating s.
 107 617.05022, F.S.; authorizing a registered agent
 108 seeking to change the registered agent's name or
 109 business address to file with the department a
 110 statement of change; specifying the information to be
 111 included in the statement of change; requiring a
 112 registered agent to furnish notice of the statement of
 113 change to the represented corporation; providing that
 114 the statement of change is effective when filed by the
 115 department; providing that such changes may be made by
 116 the corporation with other filings by the department;

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117 requiring the department to collect a fee for filings;
 118 amending s. 617.0503, F.S.; deleting applicability for
 119 alien business organizations; revising the testimony
 120 and records required to be produced for the Department
 121 of Legal Affairs by certain domestic or foreign
 122 corporations; deleting definitions; making technical
 123 changes; amending s. 617.0505, F.S.; prohibiting a
 124 corporation from paying any dividend and making
 125 distributions of any part of its net income or net
 126 earnings to its members, directors, or officers;
 127 revising exceptions; providing that a dividend or
 128 distribution by a nonprofit insurance company
 129 subsidiary is not a distribution under certain
 130 circumstances; making technical changes; amending s.
 131 617.0601, F.S.; providing that, for certain nonprofit
 132 corporations, notice to, the presence of, or the vote,
 133 consent, or other action by a board of directors
 134 satisfies a specified requirement; requiring
 135 corporation members who have no other rights except as
 136 provided in the articles of incorporation or the
 137 bylaws to have the same rights and obligations as
 138 every other member; authorizing a corporation to admit
 139 members for no consideration or for such consideration
 140 as determined by the board of directors; providing
 141 that such consideration may take any form; providing
 142 that payment of such consideration may be made as set
 143 forth in or authorized by the articles of
 144 incorporation, the bylaws, or the action of the board
 145 of directors; prohibiting a corporation from being a

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146 member of itself or exercising the rights of a member
 147 with respect to itself; providing that a corporation's
 148 purchase of its own membership interest is canceled
 149 under certain circumstances; making technical changes;
 150 creating s. 617.0603, F.S.; authorizing a corporation
 151 to pay certain compensation to and confer certain
 152 benefits upon its members, directors, officers,
 153 agents, and employees; authorizing a corporation to
 154 make certain distributions to its members and others
 155 upon dissolution or final liquidation; providing that
 156 such payments, benefits, or distributions may not be
 157 deemed to be a dividend or a distribution of income or
 158 earnings; amending s. 617.0604, F.S.; authorizing a
 159 corporation to levy dues, assessments, and fees on its
 160 members to the extent authorized by the articles of
 161 incorporation or bylaws; providing that such dues,
 162 assessments, and fees may be imposed on members of the
 163 same class in alike or different amounts or
 164 proportions, and imposed on a different basis on
 165 different classes of members; providing that certain
 166 members may be made exempt from such dues,
 167 assessments, and fees to the extent provided in the
 168 articles of incorporation or bylaws; providing that
 169 the amount and method of collecting such dues,
 170 assessments, and fees may be fixed in the articles of
 171 incorporation or bylaws, or by the board of directors
 172 or its members; providing that the articles of
 173 incorporation or bylaws may provide reasonable means
 174 to enforce the collection of such dues, assessments,

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175 and fees; prohibiting a creditor of a corporation from
 176 bringing a proceeding to reach the liability of a
 177 member of the corporation unless certain conditions
 178 are met; authorizing all creditors of a corporation to
 179 intervene in any other creditor's proceeding brought
 180 to reach and apply unpaid amounts due from the
 181 corporation; authorizing all members who owe unpaid
 182 amounts to the corporation to be joined in the
 183 proceeding; providing that satisfaction of a debt owed
 184 to a creditor by the corporation through payment of a
 185 member who owes unpaid amounts to the corporation
 186 satisfies the debt of the corporation to the creditor
 187 and the debt of the member to the corporation to the
 188 extent so paid by the member to the creditor; amending
 189 s. 617.0605, F.S.; revising the process by which
 190 membership interests of a corporation may be
 191 transferred; amending s. 617.0606, F.S.; authorizing a
 192 member to resign at any time for any reason; amending
 193 s. 617.0607, F.S.; providing that a member who had a
 194 membership suspended or terminated may be liable to
 195 the corporation for dues, assessments, or fees for
 196 obligations incurred or commitments made before the
 197 expulsion, suspension, or termination; providing that
 198 any such expulsion, suspension, or termination does
 199 not relieve the member of any obligations or
 200 commitments made before the expulsion, suspension, or
 201 termination; authorizing a corporation to levy fines
 202 or penalize its members if such actions are authorized
 203 in the articles of incorporation or bylaws;

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204 prohibiting the levy of certain penalties until after
 205 the corporation has provided notice to the member
 206 concerned and has afforded the affected member an
 207 opportunity to be heard on the matter; amending s.
 208 617.0608, F.S.; prohibiting certain corporations from
 209 purchasing the membership interests or any rights
 210 arising from membership of any of their members;
 211 authorizing certain other corporations to purchase the
 212 membership interest of any member or any right arising
 213 from membership, subject to the articles of
 214 incorporation or bylaws; providing that payment for
 215 such membership interest or right arising from
 216 membership is not a dividend or a distribution of
 217 income or earnings; providing circumstances in which a
 218 corporation may purchase the membership interests of a
 219 member who resigns; amending s. 617.0701, F.S.;
 220 authorizing a corporation with members to hold
 221 meetings for certain purposes; providing that
 222 specified meetings may be held in or out of this
 223 state; providing that failure to hold a required
 224 annual meeting does not work a forfeiture or
 225 dissolution of the corporation and does not affect the
 226 validity of any corporate action; revising when
 227 special meetings of the members may be called;
 228 providing that a written demand for a special meeting
 229 may be revoked by a writing received by the
 230 corporation before receiving the written demands from
 231 certain members sufficient in number to require
 232 holding the special meeting; providing that any

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233 business other than that described in the meeting
 234 notice may not be conducted at the meeting;
 235 authorizing special meetings to be held in or out of
 236 this state at a place stated in or fixed in accordance
 237 with the articles of incorporation and bylaws;
 238 requiring that special meetings be held at the
 239 corporation's principal office if no such place is
 240 stated in or fixed in the articles of incorporation
 241 and bylaws or in the notice of special meeting;
 242 providing that action taken by written consent is
 243 effective when such written consent is signed by
 244 members entitled to cast the required number of votes
 245 on the action and has been delivered to the
 246 corporation; requiring that, for corporations whose
 247 nonvoting members must be given notice of proposed
 248 corporate action, proper notice be given to the
 249 nonvoting members after obtaining authorization by
 250 written consent; authorizing members to waive any
 251 required notice within a certain timeframe; requiring
 252 that such waiver be in writing, signed by the member,
 253 and delivered to the corporation for filing; providing
 254 that a member's attendance at a meeting waives certain
 255 objections; making technical changes; amending s.
 256 617.0721, F.S.; providing that a member or a member's
 257 attorney in fact may appoint a proxy to vote or
 258 otherwise act for the member for certain duties;
 259 requiring that an appointment form contain certain
 260 information; specifying when an appointment of a proxy
 261 is effective and valid; providing that the death or

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262 incapacity of a member who appoints a proxy does not
 263 affect the right of the corporation to accept the
 264 proxy's authority under certain circumstances;
 265 authorizing a member to revoke appointment of a proxy;
 266 providing an exception; providing that a corporation
 267 may reject a ballot or demand, as well as a vote,
 268 consent, waiver, or proxy appointment, under certain
 269 circumstances; providing that members of any class,
 270 their attorneys-in-fact, and proxies may participate
 271 in any meeting of members to the extent that the board
 272 of directors authorizes such participation for such
 273 class; limiting participation by remote communication
 274 to the guidelines and procedures adopted by the board
 275 of directors; providing that members, their attorneys-
 276 in-fact, and proxies who participate by means of
 277 remote communication are deemed present in person and
 278 may vote at a meeting under certain circumstances;
 279 requiring that a vote or action taken by a member, a
 280 member's attorney in fact, or a proxy by means of
 281 remote communication be maintained by the corporation;
 282 providing that a meeting may be held solely by means
 283 of remote communication only under certain
 284 circumstances; making technical changes; creating s.
 285 617.0741, F.S.; prohibiting directors, officers, or
 286 members from commencing a proceeding in the right of a
 287 domestic or foreign corporation unless certain
 288 circumstances exist; creating s. 617.0742, F.S.;
 289 specifying requirements for a complaint in a
 290 proceeding brought in the right of a corporation;

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291 creating s. 617.0743, F.S.; authorizing the court to
 292 stay a derivative proceeding if the corporation
 293 commences an inquiry into the allegations made in the
 294 demand or complaint; creating s. 617.0744, F.S.;
 295 authorizing the court to dismiss a derivative
 296 proceeding on motion by the corporation if a certain
 297 determination is made by specified persons; providing
 298 that the corporation has the burden of proof in all
 299 such cases in regard to certain issues; authorizing
 300 the court to appoint a panel of disinterested and
 301 independent persons to make such determination;
 302 providing construction; creating s. 617.0745, F.S.;
 303 providing that a derivative action may not be
 304 discontinued or settled without the court's approval;
 305 requiring the court to direct that notice be given to
 306 certain members under certain circumstances;
 307 authorizing the court to determine which party bears
 308 the expense of giving such notice; creating s.
 309 617.0746, F.S.; authorizing the court to take
 310 specified action upon the termination of a derivative
 311 proceeding; creating s. 617.0747, F.S.; providing
 312 applicability; amending s. 617.0803, F.S.; revising
 313 the number of persons to serve on the board of
 314 directors; creating s. 617.0804, F.S.; specifying the
 315 manner in which directors of membership and
 316 nonmembership corporations are elected; creating s.
 317 617.0805, F.S.; providing that the articles of
 318 incorporation or bylaws may specify the terms of
 319 directors; providing that if a term is not specified

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320 in the articles of incorporation or bylaws, the term
 321 of a director is 1 year; providing that a decrease in
 322 the number of directors does not affect an incumbent
 323 director's term; providing that the term of a director
 324 elected to fill a vacancy expires at the end of the
 325 term the director is filling; providing that a
 326 director continues to serve after his or her term
 327 expires until the director's successor takes office;
 328 amending s. 617.0808, F.S.; providing that a director
 329 may be removed under certain circumstances; amending
 330 s. 617.0809, F.S.; revising the manner in which a
 331 vacancy on the board of directors is filled; deleting
 332 a requirement that the term of a director elected or
 333 appointed to fill a vacancy expires at the next annual
 334 meeting to elect directors; deleting a provision
 335 authorizing a vacancy caused by an increase in the
 336 number of directors to be filled by the board of
 337 directors in a specified manner; creating s.
 338 617.08091, F.S.; authorizing the court to remove a
 339 director from office in a proceeding commenced by or
 340 in the right of the corporation if the court makes
 341 certain findings; limiting the persons who may bring
 342 such an action; requiring that an action by a member
 343 be brought only if the member or members collectively
 344 bringing action have a specified voting power;
 345 authorizing the court to bar the director from being
 346 reelected, redesignated, or reappointed for a period
 347 prescribed by the court; providing construction;
 348 amending s. 617.0820, F.S.; revising the criteria for

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349 when meetings of the board of directors may be called;
 350 authorizing that regular meetings of the board of
 351 directors may be held without notice of date, time,
 352 place, or purpose; requiring that special meetings of
 353 the board of directors be preceded by a certain amount
 354 of notice of the date, time, and place of the meeting;
 355 amending s. 617.0821, F.S.; requiring that actions
 356 taken without a meeting be delivered to the
 357 corporation; revising when certain action taken is
 358 effective; providing that a director's consent may be
 359 withdrawn by a revocation signed by the director and
 360 delivered to the corporation before delivery to the
 361 corporation of certain unrevoked written consents;
 362 amending s. 617.0823, F.S.; revising the list of what
 363 a director waives when he or she signs a waiver of
 364 notice and attends a meeting of the board of
 365 directors; amending s. 617.0830, F.S.; specifying the
 366 standards of conduct a member of the board of
 367 directors or a board committee must conform to in
 368 discharging his or her duties; authorizing members to
 369 rely on certain persons in discharging their duties;
 370 providing that a director is not a trustee in certain
 371 respects; amending s. 617.0832, F.S.; defining terms;
 372 providing that if a director's conflict of interest
 373 transaction is fair to the corporation at the time
 374 that transaction is authorized, approved, effectuated,
 375 or ratified, the transaction is not void or voidable,
 376 and is not grounds for relief, damages, or other
 377 sanctions; providing that the person challenging the

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378 validity of such transaction or seeking relief has the
 379 burden of proving certain facts; specifying the burden
 380 of proof for the person defending or asserting the
 381 validity of the director's conflict of interest;
 382 providing that the presence of or a vote cast by a
 383 director with an interest in a transaction does not
 384 affect the validity of the action if the transaction
 385 is otherwise authorized, approved, or ratified by the
 386 board of directors; authorizing a party challenging
 387 the validity of the transaction to assert and prove
 388 that a director or member was not disinterested on
 389 certain grounds for the purpose of voting on,
 390 consenting to, or approving the transaction; requiring
 391 that an action to satisfy certain authorization
 392 requirements be taken by the board of directors or a
 393 committee in order to authorize the transaction under
 394 certain circumstances; requiring that action be taken
 395 to satisfy certain requirements by the members or a
 396 committee in order to authorize the transaction under
 397 certain circumstances; reordering and amending s.
 398 617.0834, F.S.; revising immunity and liability of
 399 certain persons; specifying when such persons are
 400 deemed not to have derived an improper personal
 401 benefit from any transaction under certain
 402 circumstances; revising the definition of the term
 403 "recklessness"; providing construction; amending s.
 404 617.0835, F.S.; revising applicability; creating s.
 405 617.0844, F.S.; providing the standards of conduct an
 406 officer must conform to in discharging his or her

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407 duties; authorizing officers to rely on certain
 408 persons in discharging their duties; specifying the
 409 duties of an officer; providing that an officer is not
 410 a trustee with respect to the corporation or any
 411 property held or administered by the corporation in
 412 trust; amending s. 617.1001, F.S.; revising the
 413 authority of the corporation to amend its articles of
 414 incorporation; amending s. 617.1002, F.S.; revising the
 415 procedure for amending the articles of incorporation;
 416 amending s. 617.1006, F.S.; requiring that an
 417 amendment to the articles of incorporation be
 418 delivered to the department for filing articles of
 419 amendment; specifying what must be set forth in such
 420 articles of amendment; amending s. 617.1101, F.S.;
 421 revising the plan of merger for certain entities;
 422 specifying what a plan of merger must include;
 423 providing that terms of a plan of merger may be made
 424 dependent upon facts objectively ascertainable outside
 425 the plan; authorizing amendments to a plan of merger
 426 with the consent of each party to the merger, except
 427 as provided in the plan; authorizing a domestic party
 428 to a merger to approve an amendment to a plan in a
 429 certain manner; amending s. 617.1102, F.S.; revising
 430 the limitations on merger for certain corporations
 431 that hold property for a charitable purpose; amending
 432 s. 617.1103, F.S.; specifying the manner in which a
 433 plan of merger must be adopted for a domestic
 434 corporation whose members are entitled to vote on the
 435 merger; authorizing the adoption of a plan of merger

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436 at the meeting of the board of directors for certain
 437 domestic corporations; providing that a plan of merger
 438 may be abandoned after the plan has been approved but
 439 before the articles of merger are effective; providing
 440 that the plan may be abandoned by the board of
 441 directors in the same manner as the plan of merger was
 442 approved by a domestic corporation or a merging
 443 domestic eligible entity; requiring that a statement
 444 of abandonment signed by all parties that signed the
 445 articles of merger be delivered to the department if
 446 the merger is abandoned after articles of merger were
 447 delivered to the department for filing but before the
 448 articles of merger become effective; specifying what
 449 must be in a statement of abandonment; creating s.
 450 617.1104, F.S.; authorizing a domestic or foreign
 451 parent eligible entity that holds membership in a
 452 domestic corporation and that carries a specified
 453 percentage of voting power of the domestic corporation
 454 to merge the subsidiary into itself or into another
 455 specified domestic or foreign eligible entity or to
 456 merge itself into the subsidiary; providing that such
 457 mergers do not require approval of the board of
 458 directors or members of the subsidiary unless
 459 required; providing that articles of merger do not
 460 need to be signed by the subsidiary entity; requiring
 461 the parent eligible entity to notify subsidiary
 462 members within a specified timeframe; providing
 463 construction; amending s. 617.1105, F.S.; requiring
 464 that the articles of merger be signed by each party to

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465 the merger if the merger has been approved; providing
 466 an exception; specifying what must be included in the
 467 articles of merger; requiring that the articles of
 468 merger be delivered to the department for filing;
 469 specifying when a merger becomes effective;
 470 authorizing the filing of articles of merger in a
 471 specified manner under certain circumstances; amending
 472 s. 617.1106, F.S.; revising the effects of a merger
 473 once such merger becomes effective; providing that a
 474 merger does not give rise to any rights that any
 475 interest holder or third party would have upon a
 476 dissolution, liquidation, or winding up of that party;
 477 providing that a party to a merger is not required to
 478 wind up its affairs and cause its dissolution or
 479 termination; prohibiting certain property held in
 480 trust or otherwise used for charitable purposes from
 481 being diverted from such purposes except as provided
 482 by law; providing that any bequest, devise, gift,
 483 grant, or promise contained in certain instruments
 484 inures to the survivor of the merger; providing that a
 485 trust obligation that would govern property if the
 486 property is directed to be transferred to the
 487 nonsurviving party is transferred to the surviving
 488 party of a merger; amending s. 617.1107, F.S.;
 489 deleting provisions related to mergers of foreign
 490 corporations and domestic corporations under certain
 491 circumstances; requiring a foreign eligible entity
 492 that survives a merger to comply with ch. 617, F.S.;
 493 deleting a provision to allow abandonment of merger

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494 under certain circumstances; amending s. 617.1202,
 495 F.S.; revising the manner in which a corporation may
 496 sell, lease, exchange, or otherwise dispose of all, or
 497 substantially all, of its property; specifying the
 498 manner in which a board of directors proposes and its
 499 members approve the proposed transaction; authorizing
 500 the corporation to abandon such disposition of
 501 property without action by the members; providing
 502 exceptions; providing construction; reenacting and
 503 amending s. 617.1401, F.S.; revising what must be set
 504 forth in articles of dissolution; amending s.
 505 617.1402, F.S.; making technical changes; amending s.
 506 617.1403, F.S.; defining the term "dissolved
 507 corporation"; reenacting and amending s. 617.1405,
 508 F.S.; authorizing the circuit court to appoint a
 509 trustee, custodian, receiver, or provisional director
 510 for any property owned or acquired by the corporation
 511 to conduct its affairs for winding up and liquidating
 512 its affairs if any director or officer of the
 513 dissolved corporation is unwilling or unable to serve
 514 or cannot be located; prohibiting certain property
 515 held in trust from being diverted from its trust or
 516 charitable purpose unless done so under certain
 517 circumstances; amending s. 617.1406, F.S.; deleting
 518 obsolete language; making technical changes; amending
 519 s. 617.1407, F.S.; revising the notice requirements
 520 that a dissolved corporation or successor entity must
 521 file with the department; revising the claimants who
 522 may bring a claim against a dissolved corporation or

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523 successor entity; providing conditions under which
 524 certain claims are barred; amending s. 617.1408, F.S.;
 525 authorizing that a dissolved corporation or successor
 526 entity may dispose of known claims against it by
 527 giving written notice to its known claimants of the
 528 dissolution within a specified timeframe after a
 529 specified timeframe; specifying what must be in such
 530 written notice; authorizing that a dissolved
 531 corporation or successor entity may reject a claim
 532 submitted by a claimant and received before the
 533 specified timeframe by mailing notice of the rejection
 534 to the claimant within a specified timeframe;
 535 specifying what must be included in such notice;
 536 providing that a claim against a dissolved corporation
 537 is barred under certain circumstances; defining the
 538 term "known claim"; providing that such notice does
 539 not revive any claim then barred or acknowledge that
 540 any person to whom such notice is sent is a proper
 541 claimant and does not operate as a waiver of any
 542 defenses or counterclaims; creating s. 617.1409, F.S.;
 543 authorizing a dissolved corporation to file with the
 544 circuit court for a determination of the amount and
 545 form of security to be provided for payment of unknown
 546 claims; specifying certain notice requirements of such
 547 proceeding; authorizing the court to appoint a
 548 guardian ad litem for a specified purpose; requiring
 549 the dissolved corporation to pay the reasonable fees
 550 and expenses of the guardian ad litem; providing that
 551 provisions by the dissolved corporation for security

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552 ordered by the court satisfies the dissolved
 553 corporation's obligations with respect to certain
 554 claims; creating s. 617.14091, F.S.; providing that
 555 directors of certain dissolved corporations are not
 556 personally liable to its claimants; authorizing
 557 certain claims from being enforced against the
 558 dissolved corporation's undistributed assets and a
 559 member of the dissolved corporation on a pro rata
 560 share of the claim or the corporate assets distributed
 561 to such member, whichever is less; providing
 562 construction; amending s. 617.1420, F.S.; requiring
 563 the department to serve notice in a record to the
 564 corporation of its intent to administratively dissolve
 565 a corporation under certain circumstances; specifying
 566 the manner in which the department may issue the
 567 notice; requiring the department to administratively
 568 dissolve a corporation that does not respond to such
 569 notice within a specified timeframe; requiring the
 570 department to issue a notice in a record of
 571 administrative dissolution that states the grounds for
 572 the administrative dissolution; authorizing the
 573 department to issue such notice in a specified manner;
 574 reenacting and amending s. 617.1421, F.S.; making
 575 technical changes; amending s. 617.1430, F.S.;
 576 revising when a circuit court may dissolve a
 577 corporation or order other remedies; amending s.
 578 617.1431, F.S.; revising the venue for judicial
 579 dissolution proceedings; providing that directors need
 580 not be made parties to a proceeding to dissolve a

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581 corporation unless relief is sought against them
 582 individually; authorizing a court to award reasonable
 583 attorney fees and costs to the other parties to the
 584 proceedings if the court makes certain findings;
 585 deleting obsolete language; amending s. 617.1432,
 586 F.S.; prohibiting a court from appointing a custodian
 587 or receiver brought in certain proceedings if its
 588 members, directors, or authorized persons have
 589 provided for the appointment of a provisional director
 590 or other means for the resolution of a deadlock;
 591 authorizing the court to enforce the remedy so
 592 provided by the provisional director; revising who the
 593 court may appoint to act as receiver or custodian of
 594 the corporation; revising the duties of the receiver
 595 redesignated as custodian by the court; authorizing
 596 the court to amend the order designating the receiver
 597 as custodian and custodian as receiver; making
 598 technical changes; amending s. 617.1433, F.S.;
 599 conforming provisions to changes made by the act;
 600 making technical changes; creating s. 617.1434, F.S.;
 601 authorizing the court to order certain actions be
 602 taken as an alternative to directing the dissolution
 603 of the corporation; creating s. 617.1435, F.S.;
 604 authorizing the court to appoint a provisional
 605 director for a certain proceeding if it appears such
 606 appointment will remedy the grounds alleged by the
 607 complaining members or directors; providing that a
 608 provisional director may be appointed without a
 609 vacancy on the board of directors; providing that a

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610 provisional director has all the rights and powers of
 611 a duly elected director, until removed; specifying the
 612 criteria for a provisional director; requiring a
 613 provisional director to report to the court concerning
 614 certain matters; providing that a provisional director
 615 is not liable for actions taken or decisions made;
 616 providing exceptions; requiring the provisional
 617 director to submit recommendations to the court if
 618 directed; authorizing any officer or director to
 619 petition the court for certain instructions; requiring
 620 the court to compensate and reimburse the provisional
 621 director; amending s. 617.1440, F.S.; providing an
 622 exception to the assets that must be deposited with
 623 the Department of Financial Services for safekeeping;
 624 making technical changes; creating s. 617.15015, F.S.;
 625 providing the governing law for a foreign corporation
 626 for certain affairs and interests of the foreign
 627 corporation; prohibiting a foreign corporation from
 628 being denied a certificate of authority for a
 629 specified reason; providing that a certificate of
 630 authority does not authorize a foreign corporation to
 631 engage in any business or exercise any prohibited
 632 power; amending s. 617.1502, F.S.; making technical
 633 changes; providing that any member, officer, or
 634 director of a foreign corporation is not liable for
 635 the debts, obligations, or other liabilities of the
 636 foreign corporation under certain circumstances;
 637 providing applicability; requiring a foreign
 638 corporation that transacts business in this state

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639 without a certificate of authority to appoint the
 640 Secretary of State as its agent for service of
 641 process; amending s. 617.1503, F.S.; conforming a
 642 provision to changes made by the act; amending s.
 643 617.1504, F.S.; revising the requirements for a
 644 foreign corporation to amend its certificate of
 645 authority; revising applicability; authorizing a
 646 foreign corporation to amend its certificate of
 647 authority to add, remove, or change certain
 648 information; amending s. 617.1505, F.S.; deleting a
 649 prohibition of the state to regulate the organization
 650 or internal affairs of a foreign corporation; making a
 651 technical change; amending s. 617.1506, F.S.; revising
 652 the requirements for a foreign corporation whose name
 653 is noncompliant to use an alternate name; authorizing
 654 the foreign corporation to use its name if it becomes
 655 available; providing construction; authorizing a
 656 foreign corporation to transact business in this state
 657 under the alternate name; providing an exception;
 658 prohibiting a foreign corporation with a noncompliant
 659 name from transacting business in this state until
 660 such corporation obtains an amended certificate of
 661 authority; authorizing a foreign corporation to
 662 register under a name not otherwise distinguishable on
 663 the records of another registered entity under certain
 664 circumstances; amending s. 617.1507, F.S.; requiring
 665 certain registered agents file a statement with the
 666 department with certain information; providing the
 667 duties of a registered agent; deleting the definition

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668 of the term "authorized entity"; requiring the
 669 department to maintain an accurate record of the
 670 registered agent and registered offices; requiring the
 671 department to furnish any information for a fee;
 672 prohibiting a foreign corporation from prosecuting or
 673 maintaining any action in a court in this state until
 674 it complies with certain requirements; authorizing a
 675 court to stay a proceeding commenced by a foreign
 676 corporation until such compliance; amending s.
 677 617.1508, F.S.; specifying what must be in a statement
 678 of change; providing that a statement of change is
 679 effective when filed with the department; providing a
 680 statement of change may also be filed on the foreign
 681 corporation's annual report in an application for
 682 reinstatement; making technical changes; amending s.
 683 617.1509, F.S.; requiring the registered agent of a
 684 foreign corporation to mail a copy of his or her
 685 statement of resignation to the foreign corporation
 686 after filing it with the department; providing when a
 687 registered agent is terminated; providing that a
 688 registered agent ceases to have responsibility for any
 689 matters for the foreign corporation when a statement
 690 of resignation takes effect; providing that
 691 resignation does not affect contractual rights between
 692 the foreign corporation and the registered agent;
 693 authorizing a registered agent to resign from a
 694 foreign corporation regardless if it has active
 695 status; creating s. 617.15091, F.S.; providing the
 696 permissible means of delivery of certain

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697 communications; providing when notice to the
 698 department is effective; providing an exception;
 699 amending s. 617.1520, F.S.; requiring a foreign
 700 corporation who wishes to cancel its certificate of
 701 authority to deliver to the department a notice of
 702 withdrawal of certificate of authority; providing when
 703 the certificate is effective; requiring such
 704 certificate be signed by an officer or a director and
 705 state certain information; providing that service of
 706 process for a foreign corporation whose withdrawal is
 707 effective is on the Secretary of State; creating s.
 708 617.1521, F.S.; providing that a foreign corporation
 709 that converts to a domestic corporation or another
 710 domestic eligible entity is deemed to have withdrawn
 711 its certificate of authority on the effective date of
 712 the conversion; creating s. 617.1522, F.S.; requiring
 713 certain entities no longer authorized to conduct
 714 affairs in this state to deliver a notice of
 715 withdrawal of certificate of authority to the
 716 department for filing; specifying service of process
 717 for such entities; creating s. 617.1523, F.S.;
 718 authorizing the Department of Legal Affairs to
 719 maintain an action to enjoin a foreign corporation
 720 from illegally conducting affairs in this state;
 721 amending s. 617.1530, F.S.; authorizing the department
 722 to revoke a foreign corporation's certificate of
 723 authority to transact business under certain
 724 circumstances; requiring revocation of a foreign
 725 corporation's certificate of authority to be done on a

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726 specified date; requiring the department to issue
 727 notice to revoke the foreign corporation's certificate
 728 of authority and authority to transact business;
 729 authorizing the department to issue notice stating the
 730 grounds of such revocations by electronic transmission
 731 if the foreign corporation provided an e-mail address;
 732 providing that revocation of a foreign corporation's
 733 certificate of authority does not terminate the
 734 authority of the registered agent; creating s.
 735 617.15315, F.S.; authorizing a foreign corporation
 736 whose certificate of authority has been revoked to
 737 apply to the department for reinstatement at any time
 738 after the effective date of revocation; requiring the
 739 foreign corporation to submit all fees and penalties
 740 owed with its application for reinstatement;
 741 specifying what must be included in the application
 742 for reinstatement; authorizing a foreign corporation
 743 to be reinstated if it pays all fees and penalties and
 744 files its current annual report; requiring the
 745 registered agent and an officer or director to sign
 746 the annual report; requiring the department to
 747 reinstate the foreign corporation if all conditions
 748 are met; providing that a reinstatement relates back
 749 to the effective date of the revocation of authority;
 750 prohibiting another entity from using the name of the
 751 foreign corporation whose certificate of authority has
 752 been revoked until after a specified timeframe;
 753 requiring the department to require a foreign
 754 corporation seeking reinstatement whose name has been

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755 lawfully assumed by another eligible entity to comply
 756 with choosing a new name before accepting its
 757 application for reinstatement; amending s. 617.1532,
 758 F.S.; requiring the department to serve a foreign
 759 corporation with written notice explaining the reasons
 760 for denial of its application for reinstatement;
 761 authorizing a foreign corporation to appeal the
 762 department's denial in a specified manner; specifying
 763 how service is effectuated on the department;
 764 authorizing the Circuit Court of Leon County to take
 765 certain actions; providing that the circuit court's
 766 final decision may be appealed; amending s. 617.1601,
 767 F.S.; requiring a corporation to maintain certain
 768 records; requiring such records be maintained in a
 769 certain manner; amending s. 617.1602, F.S.; revising
 770 the records a member of a corporation may inspect and
 771 copy; authorizing the corporation to impose reasonable
 772 restrictions on the disclosure, use, or distribution
 773 of, and reasonable obligations to maintain the
 774 confidentiality of, certain records; providing that
 775 persons who become members of a corporation after a
 776 specified timeframe and who are entitled to vote at a
 777 meeting are entitled to certain information; providing
 778 an exception; prohibiting the abolishment or
 779 limitation of the right of inspection by a
 780 corporation's articles of incorporation or bylaws;
 781 revising construction; prohibiting a member from
 782 selling or distributing specific information or
 783 records; providing an exception; prohibiting a person

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784 from obtaining or using a membership list or any part
 785 thereof for any purpose unrelated to a member's
 786 interest without the consent of the board of
 787 directors; revising the definition of the term
 788 "member"; providing applicability; amending s.
 789 617.1603, F.S.; authorizing a corporation to satisfy
 790 the right of a member to inspect specific records by
 791 means chosen by the corporation; providing that the
 792 corporation bears the reasonable costs of converting
 793 specified records; making technical changes;
 794 conforming a cross-reference; amending s. 617.1604,
 795 F.S.; revising the circumstances under which a
 796 corporation is not liable for the costs of a member
 797 inspecting and copying specified records; authorizing
 798 the court to impose reasonable restrictions on the
 799 confidentiality of such records; making technical
 800 changes; amending s. 617.1605, F.S.; requiring a
 801 corporation to deliver or make available the latest
 802 annual financial statements to a member within a
 803 specified timeframe under certain circumstance;
 804 requiring the corporation to notify the member within
 805 a specified timeframe if the annual financial
 806 statements have not been prepared for the fiscal year
 807 requested; requiring the corporation to deliver to the
 808 member the annual financial statements within a
 809 specified timeframe; specifying how a corporation may
 810 deliver the specified annual financial statements;
 811 authorizing the corporation to place reasonable
 812 restrictions on members requesting annual financial

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813 statements; authorizing a corporation to decline to
 814 issue annual financial statements if the corporation
 815 determines the request was not made in good faith or
 816 for a proper purpose; authorizing a member who has not
 817 received a response from the corporation as required
 818 to seek relief from the circuit court in the
 819 applicable county; requiring the circuit court to
 820 expedite the matter; authorizing the circuit court to
 821 impose reasonable restrictions on the annual financial
 822 statements; providing that the corporation has the
 823 burden of proof; requiring the court to award the
 824 member's expenses under certain circumstances;
 825 providing exceptions; creating s. 617.16051, F.S.;
 826 providing that a director of a corporation is entitled
 827 to inspect and copy specified records of the
 828 corporation at any reasonable time for a specified
 829 purpose; authorizing the circuit court of the
 830 applicable county to order inspection and copying of
 831 such records at the corporation's expense upon
 832 application of a director who has been refused such
 833 inspection rights; providing exceptions; requiring the
 834 court to expedite such application; authorizing a
 835 court that orders access to such records to include
 836 specific provisions protecting the corporation from
 837 undue burden or expense and prohibiting the director
 838 from using such information obtained for a specified
 839 purpose; authorizing the court to order the
 840 corporation to reimburse the director for the costs
 841 incurred for the application; amending s. 617.1622,

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842 F.S.; revising the information to be included in a
 843 domestic or foreign corporation's annual report to the
 844 department; providing that if the name or address of a
 845 registered agent in a corporation's annual report
 846 differs from the records of the department, the annual
 847 report is considered a statement of change; revising
 848 when the first annual report must be delivered to the
 849 department; providing reporting requirements for
 850 specified entities involved in certain mergers,
 851 conversions, or domestications; creating s.
 852 617.180301, F.S.; providing construction; requiring a
 853 domesticating corporation to enter into a plan of
 854 domestication; specifying what must be included in a
 855 plan of domestication; authorizing the terms of a plan
 856 of domestication to be made dependent upon facts
 857 objectively ascertainable outside the plan; providing
 858 applicability; creating s. 617.18031, F.S.; providing
 859 the manner in which a domestication of a domestic
 860 corporation into a foreign jurisdiction must be
 861 adopted; creating s. 617.18032, F.S.; providing that
 862 articles of domestication must be signed by the
 863 domesticating corporation after certain circumstances;
 864 specifying information to be included in the articles
 865 of domestication; requiring that certain information
 866 be included in the articles of domestication for a
 867 domesticated corporation that is seeking to become a
 868 domestic corporation; requiring that articles of
 869 domestication be filed with the department and take
 870 effect within certain timeframes; specifying when the

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871 domestications of domestic and foreign corporations
 872 are effective; providing that a domesticating foreign
 873 corporation's certificate of authority is
 874 automatically canceled when domestication becomes
 875 effective; authorizing the filing of a certified copy
 876 of the articles of domestication in any county in this
 877 state in which the domesticating corporation holds an
 878 interest in real property; creating s. 617.18033,
 879 F.S.; authorizing the amending of a plan of
 880 domestication of a domestic corporation in certain
 881 manners; authorizing the abandoning of a plan of
 882 domestication under certain circumstances in the same
 883 manner that the plan was approved or determined by the
 884 board of directors; requiring a domesticating
 885 corporation seeking to abandon domestication to send
 886 to the department a statement of abandonment before
 887 the articles of domestication become effective;
 888 specifying the information the statement of
 889 abandonment must include; creating s. 617.18034, F.S.;
 890 specifying effects of domestication with respect to
 891 rights, responsibilities, and liabilities; providing
 892 that a domestication does not constitute or cause the
 893 dissolution of the domesticating corporation;
 894 prohibiting the diversion for any other purpose of
 895 certain property held in trust or otherwise dedicated
 896 to a charitable purpose and held by a domestic of
 897 foreign corporation immediately before a domestication
 898 becomes effective; providing that any bequest, devise,
 899 gift, grant, or promise in certain instruments inures

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900 to the domesticated corporation; providing that a
 901 trust obligation that would govern property if the
 902 property is transferred to the domesticating
 903 corporation applies to property that is transferred to
 904 the domesticated corporation after domestication takes
 905 effect; creating s. 617.1804, F.S.; specifying what
 906 certain domestic and foreign entities may convert to
 907 under certain circumstances; specifying applicability
 908 of certain provisions in certain protected agreements
 909 of a domestic converting corporation; creating s.
 910 617.18041, F.S.; prohibiting a domestic corporation
 911 that holds property for a charitable purpose from
 912 becoming a domestic eligible entity or a foreign
 913 eligible entity; providing an exception; creating s.
 914 617.18042, F.S.; authorizing a domestic corporation to
 915 convert to a domestic or foreign eligible entity by
 916 approving a plan of conversion; specifying the
 917 information to be included in the plan of conversion;
 918 providing that the terms of a plan of conversion may
 919 be made dependent upon facts objectively ascertainable
 920 outside the plan; creating s. 617.18043, F.S.;
 921 providing for the adoption of a plan of conversion for
 922 a domestic corporation converting to a domestic or
 923 foreign eligible entity other than a domestic
 924 corporation; creating s. 617.18044, F.S.; requiring
 925 specified entities that have had plans of conversion
 926 adopted and approved to sign articles of conversion;
 927 specifying the information to be included in such
 928 articles of conversion; requiring a converted domestic

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929 corporation to satisfy the requirements of filing its
 930 articles of incorporation; providing an exception;
 931 requiring that certain domestic eligible entities'
 932 organic records, if any, satisfy certain requirements;
 933 providing an exception; requiring that articles of
 934 conversion be delivered to the department for filing
 935 and take effect on a specified date; specifying when
 936 certain entities' conversions become effective;
 937 authorizing the filing of articles of conversion in
 938 combination with any filing required for certain
 939 entities; providing that an eligible entity that is a
 940 foreign eligible entity's foreign qualification
 941 cancels automatically on the effective date of its
 942 conversion; authorizing the filing of a certified copy
 943 of the articles of conversion in the official records
 944 of any county in this state in which the converting
 945 eligible entity holds an interest in real property;
 946 creating s. 617.18045, F.S.; authorizing the amending
 947 of a plan of conversion of a converting eligible
 948 entity that is a domestic corporation under certain
 949 circumstances; authorizing such converting eligible
 950 entity to abandon the plan of conversion without
 951 action by its interest holders under certain
 952 circumstances; requiring a converting eligible entity
 953 to sign and deliver to the department for filing a
 954 statement of abandonment if the conversion is
 955 abandoned after the articles of conversion have been
 956 delivered to the department but before the articles of
 957 conversion become effective; specifying when the

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958 statement of abandonment takes effect; specifying the
 959 information a statement of abandonment must contain;
 960 creating s. 617.18046, F.S.; specifying the effect of
 961 a conversion of an eligible entity; providing that
 962 certain interest holders of certain eligible entities
 963 who become subject to interest holder liability as a
 964 result of the conversion have such interest holder
 965 liability only in respect of interest holder
 966 liabilities that arise after the conversion becomes
 967 effective; providing that a conversion does not
 968 require the converting eligible entity to wind up its
 969 affairs or cause the dissolution or termination of the
 970 entity; prohibiting certain property held for
 971 charitable purposes immediately before conversion of
 972 specified entities from being diverted from the
 973 purposes for which such property was given; providing
 974 exceptions; providing that any bequest, devise, gift,
 975 grant, or promise contained in certain instruments
 976 made to a converting eligible entity takes effect or
 977 remains payable after the conversion inures to the
 978 converted eligible entity; providing for applicability
 979 of certain trust obligations under certain
 980 circumstances; amending s. 617.2005, F.S.; revising
 981 the manner in which a court may dissolve an extinct
 982 church or religious society; amending s. 617.2006,
 983 F.S.; deleting certain provisions relating to a labor
 984 union or body filing its articles of incorporation in
 985 the applicable circuit court; amending ss. 39.8298,
 986 381.00316, 605.1025, 617.0102, 617.0121, 617.0122,

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987 617.0125, 617.02011, 617.0203, 617.0205, 617.0301,
 988 617.0504, 617.0806, 617.0824, 617.0825, 617.0831,
 989 617.0901, 617.1008, 617.1009, 617.1404, 617.1422,
 990 617.1423, 617.1501, 617.1510, 617.1606, 617.1623,
 991 617.1701, 617.1702, 617.1703, 617.1711, 617.1808,
 992 617.1809, 617.1904, 617.1907, 617.1908, 617.2001,
 993 617.2002, 617.2003, 617.2007, 617.2101, 617.221,
 994 620.2108, 620.8918, 628.910, 768.38, and 893.055,
 995 F.S.; conforming provisions to changes made by the
 996 act; conforming cross-references; making technical
 997 changes; repealing ss. 617.07401, 617.0822, 617.1108,
 998 617.1301, 617.1302, 617.1531, 617.1533, 617.1803,
 999 617.1805, 617.1806, 617.1807, and 617.2102, F.S.,
 1000 relating to members' derivative actions; notice of
 1001 meetings; merger of domestic corporation and other
 1002 eligible entities; prohibited distributions;
 1003 authorized distributions; procedure for and effect of
 1004 revocation; reinstatement following revocation;
 1005 domestication of foreign not-for-profit corporations;
 1006 corporations for profit and when they may become
 1007 corporations not for profit; conversion to corporation
 1008 not for profit, petition, and contents; conversion to
 1009 corporation not for profit and authority of circuit
 1010 judge; and fines and penalties against members,
 1011 respectively; reenacting s. 617.1007(3), F.S.,
 1012 relating to restated articles of incorporation, to
 1013 incorporate the amendments to ss. 617.01201 and
 1014 617.1006, F.S., in references thereto; reenacting s.
 1015 295.21(5)(a), F.S., relating to Florida Is For

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1016 Veterans, Inc., to incorporate the amendment made to
 1017 s. 617.0302, F.S., in a reference thereto; reenacting
 1018 ss. 409.987(4)(b), 718.1265(1), 719.128(1), and
 1019 720.316(1), F.S., relating to lead agency procurement,
 1020 boards, and conflicts of interest; association
 1021 emergency powers; association emergency powers; and
 1022 association emergency powers, respectively, to
 1023 incorporate the amendment made to s. 617.0830, F.S.,
 1024 in references thereto; reenacting s. 718.3027(2) and
 1025 (5), F.S., relating to conflicts of interest, to
 1026 incorporate the amendment made to s. 617.0832, F.S.,
 1027 in references thereto; reenacting s. 720.3033(2)(a)
 1028 and (b) and (3), F.S., relating to officers and
 1029 directors, respectively, to incorporate the amendments
 1030 made to ss. 617.0832 and 617.0834, F.S., in references
 1031 thereto; reenacting s. 721.13(13)(a), F.S., relating to
 1032 management, to incorporate the amendment made to s.
 1033 617.0834, F.S., in a reference thereto; reenacting s.
 1034 718.111(1)(d), F.S., relating to the association, to
 1035 incorporate the amendments made to ss. 617.0830 and
 1036 617.0834, F.S., in references thereto; providing an
 1037 effective date.

1039 Be It Enacted by the Legislature of the State of Florida:

1040
 1041 Section 1. Section 617.01011, Florida Statutes, is amended
 1042 to read:
 1043 617.01011 Short title.—This chapter ~~act~~ may be cited as the
 1044 "Florida Nonprofit ~~Not For Profit~~ Corporation Act."

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Section 2. Subsections (1), (2), (3), (7), and (8) of section 617.01201, Florida Statutes, are amended, subsection (10) is added to that section, and subsection (9) of that section is reenacted, to read:

617.01201 Filing requirements.—

(1) A document must satisfy the requirements of this section and of any other section that adds to or varies these requirements to be entitled to filing by the department ~~of~~ State.

(2) This chapter ~~act~~ must require or permit filing the document in the office of the department ~~of State~~.

(3) The document must contain the information required by this chapter ~~act~~. It may contain other information as well.

(7) The person executing the document shall sign it and state beneath or opposite such person's ~~his or her~~ signature such person's ~~his or her~~ name and the capacity in which such person ~~he or she~~ signs. The document may, but need not, contain the corporate seal, an attestation, an acknowledgment, or a verification+

~~(a) The corporate seal,~~

~~(b) An attestation by the secretary or an assistant secretary,~~

~~(c) An acknowledgment, verification, or proof.~~

(8) If the department ~~of State~~ has prescribed a mandatory form for the document under s. 617.0121, the document must be in or on the prescribed form.

(9) The document must be delivered to the department for filing. Delivery may be made by electronic transmission if and to the extent allowed by the department. If the document is

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filed in typewritten or printed form and not transmitted electronically, the department may require that one exact or conformed copy be delivered with the document, except as provided in s. 617.1508. The document must be accompanied by the correct filing fee and any other tax or penalty required by law.

(10) Whenever this chapter allows any of the terms of a plan or a filed document to be dependent upon facts objectively ascertainable outside the plan or filed document, the following apply:

(a) The plan or filed document must set forth the manner in which the facts will operate upon the terms of the plan or filed document.

(b) The facts may include, but are not limited to:

1. Any of the following which are available in a nationally recognized news or information medium either in print or electronically:

a. Statistical or market indices;

b. Market prices of any security or group of securities;

c. Interest rates;

d. Currency exchange rates; and

e. Similar economic or financial data;

2. A determination or action by any person or body, including the corporation or any other party to a plan or filed document; or

3. The terms of, or actions taken under, an agreement to which the corporation is a party, or any other agreement or document.

(c) The following provisions of a plan or filed document may not be made dependent upon facts outside the plan or filed

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document:

1. The name and address of any person required in a filed document;
 2. The registered office of any entity required in a filed document;
 3. The registered agent of any entity required in a filed document;
 4. The effective date of a filed document; and
 5. Any required statement in a filed document of the date on which the underlying transaction was approved or the manner in which that approval was given.
- (d) If a provision of a filed document is made dependent upon a fact ascertainable outside of the filed document, and that fact is not ascertainable by reference to a source described in subparagraph (b)1. or a document that is a matter of public record, and the affected members have not received notice of the fact from the corporation, the corporation must file with the department articles of amendment to the filed document setting forth the fact promptly after the time when the fact referred to is first ascertainable or thereafter changes. Articles of amendment under this section are deemed to be authorized by the authorization of the original filed document to which they relate and may be filed by the corporation without further action by the board of directors or the members.
- (e) As used in this subsection, the term:
1. "Filed document" means a document filed with the department pursuant to this chapter, except for a document filed pursuant to ss. 617.1501-617.1532.
 2. "Plan" means a plan of merger, a plan of conversion, or

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a plan of domestication.

Section 3. Section 617.0123, Florida Statutes, is amended to read:

617.0123 Effective time and date of document.-
~~(1)~~ Except as provided in subsection (1) ~~(2)~~ and in s. 617.0124(3), a document accepted for filing under this chapter may specify an is effective at the time and a delayed effective date. In the case of the initial articles of incorporation, a prior effective date may be specified in the articles of incorporation if such date is within 5 business days before the date of filing of filing on the date it is filed, as evidenced by the Department of State's date and time endorsement on the original document.

(1) Subject to s. 617.0124(3), a document accepted for filing is effective under any of the following conditions:

(a) If the record filed does not specify an effective time and does not specify a prior or a delayed effective date, on the date and at the time the record is accepted, as evidenced by the department's endorsement of the date and time on the filing.

(b) If the record filed specifies an effective time, but not a prior or delayed effective date, on the date the record is accepted, as evidenced by the department's endorsement, and at the time specified in the filing.

(c) If the record filed specifies a delayed effective date, but not an effective time, at 12:01 a.m. on the earlier of:

1. The specified date; or

2. The 90th day after the date the record is filed.

(d) If the record filed specifies a delayed effective date and an effective time, at the specified time on the earlier of:

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1161 1. The specified date; or
 1162 2. The 90th day after the date the record is filed.
 1163 (e) If the record filed is of initial articles of
 1164 incorporation and specifies an effective date before the date of
 1165 the filing, but no effective time, at 12:01 a.m. on the later
 1166 of:
 1167 1. The specified date; or
 1168 2. The 5th business day before the date the record is
 1169 filed.
 1170 (f) If the record filed is of initial articles of
 1171 incorporation and specifies an effective time and an effective
 1172 date before the date of the filing, at the specified time on the
 1173 later of:
 1174 1. The specified date; or
 1175 2. The 5th business day before the date the record is
 1176 filed.
 1177 (2) If the record filed does not specify the time zone or
 1178 place at which the date or time, or both, is to be determined,
 1179 the date or time, or both, at which it becomes effective will be
 1180 those prevailing at the place of filing in this state A document
 1181 may specify a delayed effective date, and if it does the
 1182 document shall become effective on the date specified. Unless
 1183 otherwise permitted by this act, a delayed effective date for a
 1184 document may not be later than the 90th day after the date on
 1185 which it is filed.
 1186 (3) If a document is determined by the department of State
 1187 to be incomplete and inappropriate for filing, the department of
 1188 State may return the document to the person or corporation
 1189 filing it, together with a brief written explanation of the

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1190 reason for the refusal to file, in accordance with s.
 1191 617.0125(3). If the applicant returns the document with
 1192 corrections in accordance with the rules of the department
 1193 within 60 days after it was mailed to the applicant by the
 1194 department, and if at the time of return the applicant so
 1195 requests in writing, the filing date of the document will be the
 1196 filing date that would have been applied had the original
 1197 document not been deficient, except as to persons who relied on
 1198 the record before correction and were adversely affected
 1199 thereby.
 1200 (4) Corporate existence may predate the filing date,
 1201 pursuant to s. 617.0203(1).
 1202 Section 4. Section 617.0124, Florida Statutes, is amended
 1203 to read:
 1204 617.0124 Correcting filed document; withdrawal of filed
 1205 record before effectiveness.—
 1206 (1) A domestic or foreign corporation may correct a
 1207 document filed by the department within 30 days after filing if:
 1208 (a) The document contains an inaccuracy ~~incorrect~~
 1209 ~~statement;~~
 1210 (b) The document contains false, misleading, or fraudulent
 1211 information;
 1212 (c) The document was defectively executed, attested,
 1213 sealed, verified, or acknowledged; or
 1214 (d) The electronic transmission of the document to the
 1215 department was defective.
 1216 (2) A document is corrected:
 1217 (a) By preparing articles of correction that:
 1218 1. Describe the document, including its filing date, or

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attach a copy of the document to the articles of correction;

2. Specify the inaccuracy or defect ~~incorrect statement and the reason it is incorrect or the manner in which the execution was defective~~; and

3. Correct the inaccuracy or defect ~~incorrect statement or defective execution~~; and

(b) By delivering the executed articles of correction to the department for filing.

(3) Articles of correction are effective on the effective date of the document they correct except as to persons relying on the uncorrected document and who are adversely affected by the correction. As to those persons, articles of correction are effective when filed.

(4) Articles of correction may not contain a delayed effective date for the correction.

(5) Unless otherwise provided for in s. 617.1103(3) or s. 617.1809(8), a filing delivered to the department may be withdrawn before it takes effect by delivering a withdrawal statement to the department for filing.

(a) A withdrawal statement must:

1. Be signed by each person who signed the filing being withdrawn, except as otherwise agreed to by such persons;

2. Identify the filing to be withdrawn; and

3. If not signed by all persons who signed the filing being withdrawn, state that the filing is withdrawn in accordance with the agreement of all persons who signed the filing.

(b) Upon the filing by the department of a withdrawal statement, the action or transaction evidenced by the original filing does not take effect.

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(6) Articles of correction that are filed to correct false, misleading, or fraudulent information are not subject to a fee of the department if the articles of correction are delivered to the department within 15 days after the notification of filing sent pursuant to s. 617.0125(2).

Section 5. Section 617.0126, Florida Statutes, is amended to read:

617.0126 Appeal from department's ~~Department of State's~~ refusal to file document.—If the department ~~of State~~ refuses to file a document delivered to its office for filing, within 30 days after return of the document by the department by mail, as evidenced by the postmark, the domestic or foreign corporation may:

(1) Appeal the refusal pursuant to s. 120.68; or

(2) Petition the Circuit Court of Leon County to compel filing of the document. ~~Appeal the refusal to the circuit court of the county where the corporation's principal office (or, if none in this state, its registered office) is or will be located. The appeal is commenced by petitioning the court to compel filing the document and by attaching to the petition~~ The document and the ~~department's~~ department of State's explanation of its refusal to file must be attached to the petition. ~~The matter shall promptly be tried de novo by the court without a jury.~~ The court may decide the matter in a summary proceeding, and the court may summarily order the department ~~of State~~ to file the document or take other action the court considers appropriate. The court's final decision may be appealed as in other civil proceedings.

Section 6. Section 617.0127, Florida Statutes, is amended

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to read:

617.0127 Certificates to be received in evidence;
~~evidentiary~~ effect of certified copy of filed document.~~-All~~
certificates issued by the department pursuant to this chapter
must be taken and received in all courts, public offices, and
official bodies as prima facie evidence of the facts stated
therein. A certificate attached to a copy of a document filed by
the department ~~of State~~, bearing the signature of the Secretary
of State, ~~(which may be in facsimile,)~~ and the seal of this
state, is conclusive evidence that the original document is on
file with the department.

Section 7. Subsection (1) of section 617.0128, Florida
Statutes, is amended, and subsection (2) of that section is
reenacted, to read:

617.0128 Certificate of status.-

(1) ~~Anyone may apply to~~ The department, upon request, shall
~~issue of State to furnish~~ a certificate of status for a domestic
corporation or a certificate of authorization for a foreign
corporation.

(2) A certificate of status or authorization sets forth:

(a) The domestic corporation's corporate name or the
foreign corporation's corporate name used in this state;

(b)1. That the domestic corporation is duly incorporated
under the law of this state and the date of its incorporation,
or

2. That the foreign corporation is authorized to conduct
its affairs in this state;

(c) That all fees and penalties owed to the department have
been paid, if:

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1. Payment is reflected in the records of the department,
and

2. Nonpayment affects the existence or authorization of the
domestic or foreign corporation;

(d) That its most recent annual report required by s.
617.1622 has been delivered to the department; and

(e) That articles of dissolution have not been filed.

Section 8. Section 617.01301, Florida Statutes, is amended
to read:

617.01301 Powers of department ~~of State~~.-

(1) The department ~~of State~~ may propound to any corporation
subject to ~~the provisions of this chapter act~~, and to any
officer or director thereof, such interrogatories as may be
reasonably necessary and proper to enable it to ascertain
whether the corporation has complied with all applicable filing
provisions of this chapter act. Such interrogatories must be
answered within 30 days after mailing or within such additional
time as fixed by the department. Answers to interrogatories must
be full and complete, in writing, and under oath.

Interrogatories directed to an individual must be answered by
that individual him or her, and interrogatories directed to a
corporation must be answered by an authorized officer or
director of the corporation, by a member if there are no
officers or directors of the corporation, or by a fiduciary if
the corporation is in the hands of a receiver, trustee, or other
court-appointed fiduciary ~~the president, vice president,~~
~~secretary, or assistant secretary.~~

(2) The department ~~of State~~ is not required to file any
document:

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1335 (a) To which interrogatories, as propounded pursuant to
 1336 subsection (1) relate, until the interrogatories are answered in
 1337 full;

1338 (b) When interrogatories or other relevant evidence
 1339 discloses that such document is not in conformity with ~~the~~
 1340 ~~provisions of this chapter act~~; or

1341 (c) When the department has determined that the parties to
 1342 such document have not paid all fees, taxes, and penalties due
 1343 and owing this state.

1344 (3) The department ~~of State~~ may, based upon its findings
 1345 hereunder or ~~as provided~~ in s. 213.053(15), bring an action in
 1346 circuit court to collect any penalties, fees, or taxes
 1347 determined to be due and owing the state and to compel any
 1348 filing, qualification, or registration required by law. In
 1349 connection with such proceeding the department may, without
 1350 prior approval by the court, file a lis pendens against any
 1351 property owned by the corporation and may further certify any
 1352 findings to the Department of Legal Affairs for the initiation
 1353 of any action permitted pursuant to s. 617.0503 which the
 1354 Department of Legal Affairs may deem appropriate.

1355 (4) The department ~~has of State shall have~~ the power and
 1356 authority reasonably necessary to enable it to administer this
 1357 ~~chapter act~~ efficiently, to perform the duties herein imposed
 1358 upon it, and to adopt rules pursuant to ss. 120.536(1) and
 1359 120.54 to implement this chapter ~~the provisions of this act~~
 1360 ~~conferring duties upon it.~~

1361 Section 9. Section 617.01401, Florida Statutes, is amended
 1362 to read:

1363 617.01401 Definitions.—As used in this chapter, the term:

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1364 (1) "Articles of incorporation" includes original, amended,
 1365 and restated articles of incorporation, articles of
 1366 consolidation, and articles of merger, and all amendments
 1367 thereto, including documents designated by the laws of this
 1368 state as charters, and, in the case of a foreign corporation,
 1369 documents equivalent to articles of incorporation in the
 1370 jurisdiction of incorporation.

1371 (2) "Applicable county" means the county in this state in
 1372 which a corporation's principal office is located or was located
 1373 when an action is or was commenced. If the corporation has, or
 1374 at the time of such action had, no principal office in this
 1375 state, the applicable county is the county in which the
 1376 corporation has, or at the time of such action had, an office in
 1377 this state. If the corporation does not have an office in this
 1378 state, the applicable county is the county in which the
 1379 corporation's registered office is or was last located.

1380 (3) "Authorized entity" means any of the following:

1381 (a) A corporation for profit.

1382 (b) A limited liability company.

1383 (c) A limited liability partnership.

1384 (d) A limited partnership, including a limited liability
 1385 limited partnership.

1386 (4)(2) "Board of directors" means the group of persons
 1387 vested with the management of the affairs of the corporation
 1388 irrespective of the name by which such group is designated,
 1389 including, but not limited to, managers or trustees.

1390 (5)(3) "Bylaws" means the code or codes of rules adopted
 1391 for the regulation or management of the affairs of the
 1392 corporation irrespective of the name or names by which such

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rules are designated.

(6) "Charitable asset" means property that is given, received, or held for a charitable purpose.

(7) "Charitable purpose" means a purpose that:

(a) Would make a corporation organized and operated exclusively for that purpose eligible to be exempt from taxation under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, or

(b) Is considered charitable under the law of this state other than as set forth in the Internal Revenue Code of 1986, as amended.

(8)(4) "Corporation" or "domestic corporation" means a nonprofit corporation not for profit, subject to the provisions of this chapter, except a foreign corporation.

(5) "Corporation not for profit" means a corporation no part of the income or profit of which is distributable to its members, directors, or officers, except as otherwise provided under this chapter.

(9)(6) "Department" means the Florida Department of State.

(7) "Distribution" means the payment of a dividend or any part of the income or profit of a corporation to its members, directors, or officers.

(a) A donation or transfer of corporate assets or income to or from another not-for-profit corporation qualified as tax-exempt under s. 501(c) of the Internal Revenue Code or a governmental organization exempt from federal and state income taxes, if such corporation or governmental organization is a member of the corporation making such donation or transfer, is not a distribution for purposes of this chapter.

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~~(b) A dividend or distribution by a not-for-profit insurance company subsidiary to its mutual insurance holding company organized under part III of chapter 628, directly or indirectly through one or more intermediate holding companies authorized under that part, is not a distribution for the purposes of this chapter.~~

(10)(8) "Electronic transmission" means any form of communication, not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved, and reviewed by a recipient and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of electronic transmission include, but are not limited to, electronic mail, telegrams, facsimile, and transmissions through the Internet transmissions of images, and text that is sent via electronic mail between computers.

(11)(a) "Eligible entity" means a domestic or foreign:

1. Corporation or corporation for profit;

2. General partnership, including a limited liability partnership;

3. Limited partnership, including a limited liability limited partnership;

4. Limited liability company; or

5. Other unincorporated entity.

(b) The term does not include:

1. An individual;

2. An association or relationship that is not a partnership solely by reason of s. 620.8202(2) or a similar provision of the law of another jurisdiction;

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- 1451 3. A decedent's estate; or
 1452 4. A government or a governmental subdivision, agency or
 1453 instrumentality.
 1454 (12) "Eligible interest" means:
 1455 (a) A share;
 1456 (b) A membership; or
 1457 (c) Either or both of the following rights under the
 1458 organic rules governing the entity:
 1459 1. The right to receive distributions from the entity
 1460 either in the ordinary course of business or upon liquidation.
 1461 2. The right to receive notice or vote on issues involving
 1462 its internal affairs, other than as an agent, assignee, proxy,
 1463 or person responsible for managing its business, activities, or
 1464 affairs.
 1465 (13) "Entity" includes corporations and foreign
 1466 corporations; unincorporated associations; business trusts,
 1467 estates, limited liability companies, partnerships, trusts, and
 1468 two or more persons having a joint or common economic interest;
 1469 any state, the United States, or any foreign government.
 1470 (14)-(9) "Foreign corporation" means a nonprofit corporation
 1471 not for profit organized under laws other than the laws of this
 1472 state.
 1473 (15)-(10) "Insolvent" means the inability of a corporation
 1474 to pay its debts as they become due in the usual course of its
 1475 affairs.
 1476 (16) "Interest holder" means any of the following persons:
 1477 (a) A shareholder of a corporation for profit.
 1478 (b) A member of a nonprofit corporation.
 1479 (c) A general partner of a general partnership.

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- 1480 (d) A general partner of a limited partnership.
 1481 (e) A limited partner of a limited partnership.
 1482 (f) A member of a limited liability company.
 1483 (g) A shareholder or beneficial owner of a real estate
 1484 investment trust.
 1485 (h) A beneficiary or beneficial owner of a statutory trust,
 1486 business trust, or common law business trust.
 1487 (i) Another direct holder of an interest.
 1488 (17) "Interest holder liability" means:
 1489 (a) Personal liability for a liability of an entity which
 1490 arises, except as otherwise provided in the organic rules of the
 1491 entity, when the entity incurs the liability and which is
 1492 imposed on a person:
 1493 1. Solely by reason of the status of the person as an
 1494 interest holder; or
 1495 2. By the organic rules of the entity which make one or
 1496 more specified interest holders or categories of interest
 1497 holders liable in their capacity as interest holders for all or
 1498 specified liabilities of the entity; or
 1499 (b) An obligation of an interest holder under the organic
 1500 rules of an entity to contribute to the entity.
 1501 (18)-(11) "Mail" means the United States mail, facsimile
 1502 transmissions, and private mail carriers handling nationwide
 1503 mail services.
 1504 (19)-(12) "Member" means one having membership rights in a
 1505 corporation in accordance with the provisions of its articles of
 1506 incorporation or bylaws or the provisions of this chapter.
 1507 ~~(13) "Mutual benefit corporation" means a domestic~~
 1508 ~~corporation that is not organized primarily or exclusively for~~

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~~religious purposes; is not recognized as exempt under s. 501(c)(3) of the Internal Revenue Code; and is not organized for a public or charitable purpose that is required upon its dissolution to distribute its assets to the United States, a state, a local subdivision thereof, or a person that is recognized as exempt under s. 501(c)(3) of the Internal Revenue Code. The term does not include an association organized under chapter 718, chapter 719, chapter 720, or chapter 721, or any corporation where membership in the corporation is required pursuant to a document recorded in county property records.~~

(20) "Nonprofit corporation" means a corporation no part of the income or profit of which is distributable to its members, directors, or officers, except as otherwise provided under this chapter.

(21) "Organic rules" means the public organic record and private organic rules of an entity.

(22)(14) "Person" includes an individual and entity.

(23) "Private organic rules" means the rules, regardless of whether in a record, which govern the internal affairs of an entity, are binding on all its interest holders, and are not part of its public organic record, if any. If the private organic rules are amended or restated, the term means the private organic rules as last amended or restated. The term includes any of the following:

(a) The bylaws of a corporation for profit.

(b) The bylaws of a nonprofit corporation.

(c) The partnership agreement of a general partnership.

(d) The partnership agreement of a limited partnership.

(e) The operating agreement, limited liability company

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agreement, or similar agreement of a limited liability company.

(f) The bylaws, trust instrument, or similar rules of a real estate investment trust.

(g) The trust instrument of a statutory trust or similar rules of a business trust or common law business trust.

(24) "Protected agreement" means any of the following:

(a) A document evidencing indebtedness of a domestic corporation or eligible entity and any related agreement in effect immediately before July 1, 2026.

(b) An agreement that is binding on a domestic corporation or eligible entity immediately before July 1, 2026.

(c) The articles of incorporation or bylaws of a domestic corporation or the organic rules of a domestic eligible entity, in each case in effect immediately before July 1, 2026.

(d) An agreement that is binding on any of the interest holders, directors, or other governors of a domestic corporation or eligible entity, in their capacities as such, immediately before July 1, 2026.

(25) "Public organic record" means a record, the filing of which by a governmental body is required to form an entity, and an amendment to or restatement of such record. When a public organic record has been amended or restated, the term means the public organic record as last amended or restated. The term includes any of the following:

(a) The articles of incorporation of a corporation for profit.

(b) The articles of incorporation of a nonprofit corporation.

(c) The certificate of limited partnership of a limited

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partnership.

(d) The articles of organization, certificate of organization, or certificate of formation of a limited liability company.

(e) The articles of incorporation of a general cooperative association or a limited cooperative association.

(f) The certificate of trust of a statutory trust or similar record of a business trust.

(g) The articles of incorporation of a real estate investment trust.

(26)(15) "Successor entity" means any trust, receivership, or other legal entity that is governed by the laws of this state to which the remaining assets of the and liabilities of a dissolved corporation are transferred, subject to its liabilities, for purposes of liquidation and that exists solely for the purposes of prosecuting and defending suits by or against the dissolved corporation and enabling the dissolved corporation to settle and close the business of the dissolved corporation, to dispose of and convey the property of the dissolved corporation, to discharge the liabilities of the dissolved corporation, and to distribute to the dissolved corporation's members any remaining assets, but not for the purpose of continuing the business for which the dissolved corporation was organized.

(27)(16) "Voting power" means the total number of votes entitled to be cast for the election of directors at the time the determination of voting power is made, excluding a vote that is contingent upon the happening of a condition or event that has not yet occurred. If the corporation's directors are not

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elected by the members, voting power must, unless otherwise provided in the articles of incorporation or bylaws, be on a one-member, one-vote basis. If the members of a class are entitled to vote as a class to elect directors, the determination of the voting power of the class is based on the percentage of the number of directors the class is entitled to elect relative to the total number of authorized directors. ~~If the corporation's directors are not elected by the members, voting power shall, unless otherwise provided in the articles of incorporation or bylaws, be on a one-member, one-vote basis.~~

Section 10. Subsections (1) through (6), (8), and (9) of section 617.0141, Florida Statutes, are amended to read:

617.0141 Notice.—

(1) Notice under this chapter ~~act~~ must be in writing, unless oral notice is:

(a) Expressly authorized by the articles of incorporation or the bylaws; and

(b) Reasonable under the circumstances.

(2) Written notice may be communicated by mail, electronic mail, facsimile in person, by telephone (where oral notice is permitted), telegraph, teletype, or other form of electronic transmission; or by mail. When oral notice is permitted, notice may be communicated in person, by telephone, or other electronic transmission by means of which all persons participating can hear each other.

(3) Written notice by a domestic or foreign corporation authorized to conduct its affairs in this state to its member, if in a comprehensible form, is effective under any of the following circumstances:

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1625 (a) When mailed, if mailed postpaid and correctly addressed
 1626 to the member's address shown in the domestic or foreign
 1627 corporation's current record of members.†

1628 (b) When actually transmitted by facsimile
 1629 ~~telecommunication~~, if correctly directed to a telephone number
 1630 at which the member has consented to receive notice.†

1631 (c) When actually transmitted by electronic mail, if
 1632 correctly directed to an electronic mail address at which the
 1633 member has consented to receive notice.†

1634 (d) When posted on an electronic network that the member
 1635 has consented to consult, upon the later of:

1636 1. Such correct posting; or

1637 2. The giving of a separate notice to the member of the
 1638 fact of such specific posting.† ~~or~~

1639 (e) When correctly transmitted to the member, if by any
 1640 other form of electronic transmission consented to by the member
 1641 to whom notice is given.

1642 (4) Consent by a member to receive notice by electronic
 1643 transmission is ~~shall be~~ revocable by the member by written
 1644 notice to the domestic or foreign corporation. Any such consent
 1645 is ~~shall be~~ deemed revoked if:

1646 (a) The domestic or foreign corporation is unable to
 1647 deliver by electronic transmission two consecutive notices given
 1648 by the domestic or foreign corporation in accordance with such
 1649 consent; and

1650 (b) Such inability becomes known to the secretary or an
 1651 assistant secretary of the domestic or foreign corporation, or
 1652 other authorized person responsible for the giving of notice.
 1653 However, the inadvertent failure to treat such inability as a

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1654 revocation does not invalidate any meeting or other action.

1655 (5) Written notice to a domestic or foreign corporation
 1656 authorized to conduct its affairs in this state may be addressed
 1657 to its registered agent at its registered office. Written notice
 1658 may also be delivered ~~or~~ to the domestic or foreign corporation
 1659 ~~or its secretary~~ at its principal office shown in its most
 1660 recent annual report or, in the case of a domestic or foreign
 1661 corporation that has not yet delivered an annual report, in a
 1662 domestic corporation's articles of incorporation or in a foreign
 1663 corporation's application for certificate of authority.

1664 (6) Except as provided in subsection (3) or elsewhere in
 1665 this chapter ~~act~~, written notice, if in a comprehensible form,
 1666 is effective at the earliest date of any of the following:

1667 (a) When received.†

1668 (b) Five days after its deposit in the United States mail,
 1669 as evidenced by the postmark, if mailed postpaid and correctly
 1670 addressed.† ~~or~~

1671 (c) On the date shown on the return receipt, if sent by
 1672 registered or certified mail, return receipt requested, and the
 1673 receipt is signed by or on behalf of the addressee.

1674 (8) An affidavit of the secretary, an assistant secretary,
 1675 the transfer agent, or other authorized agent of the domestic or
 1676 foreign corporation that the notice has been given by a form of
 1677 electronic transmission is, in the absence of fraud, prima facie
 1678 evidence of the facts stated in the notice.

1679 (9) If this chapter ~~act~~ prescribes notice requirements for
 1680 particular circumstances, those requirements govern. If articles
 1681 of incorporation or bylaws prescribe notice requirements not
 1682 less stringent than the requirements of this section or other

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provisions of this ~~chapter act~~, those requirements govern.

Section 11. Section 617.0143, Florida Statutes, is created to read:

617.0143 Qualified director.—

(1) For purposes of this chapter, the term:

(a) "Material interest" means an actual or potential benefit or detriment, other than one which would devolve on the corporation or the members generally, which would reasonably be expected to impair the objectivity of the director's judgment when participating in the action to be taken. For a corporation that is regulated by chapter 718, chapter 719, chapter 720, chapter 721, or chapter 723, or a corporation when membership in such corporation is required pursuant to a document recorded in the county property records, a "material interest" is limited to familial, financial, professional, or employment interests.

(b) "Material relationship" means a familial, financial, professional, employment, or other relationship that would reasonably be expected to impair the objectivity of the director's judgment when participating in the action to be taken.

(c) "Qualified director" is a director who, at the time action is to be taken under:

1. Section 617.0744, and who does not have an interest in the outcome of the proceeding or has a material relationship with a person who has an interest in the outcome of the proceeding;

2. Section 617.0832, and who is not a director as to whom the transaction is a director's conflict of interest transaction, or who has a material relationship with another

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director as to whom the transaction is a director's conflict of interest transaction; or

3. Section 617.0831, with respect to the application of ss. 607.0850-607.0859, and who:

a. Is not a party to the proceeding;

b. Is not a director as to whom a transaction is a director's conflict of interest transaction, which transaction is challenged in the proceeding; and

c. Does not have a material relationship with a director who is disqualified by virtue of not meeting the requirements of sub-subparagraph a. or sub-subparagraph b.

(2) A director is not automatically prevented from being a qualified director if any of the following is present:

(a) The nomination or election of the director to the current board of directors by any director who is not a qualified director with respect to the matter, or by any person who has a material relationship with that director, acting alone or participating with others.

(b) Service as a director of another corporation of which a director who is not a qualified director with respect to the matter, or any individual who has a material relationship with that director is or was also a director.

(c) With respect to actions pursuant to s. 617.0744, status as a named defendant, as a director against whom action is demanded, or as a director who approved the conduct being challenged.

Section 12. Subsections (1) and (2) of section 617.0202, Florida Statutes, are amended to read:

617.0202 Articles of incorporation; content.—

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1741 (1) The articles of incorporation must set forth:
 1742 (a) A ~~corporate~~ name for the corporation that satisfies the
 1743 requirements of s. 617.0401;
 1744 (b) The street address of the initial principal office and,
 1745 if different, the mailing address of the corporation;
 1746 (c) The purpose or purposes for which the corporation is
 1747 organized;
 1748 (d) A statement of the manner in which the directors are to
 1749 be elected or appointed. In lieu thereof, the articles of
 1750 incorporation may provide that the method of election of
 1751 directors be stated in the bylaws;
 1752 (e) Any provision that lawfully limits the corporate powers
 1753 authorized under this chapter, not inconsistent with this act or
 1754 with any other law, which limits in any manner the corporate
 1755 powers authorized under this act;
 1756 (f) The street address of the corporation's initial
 1757 registered office and the name of its initial registered agent
 1758 at that address together with a written acceptance of
 1759 appointment as a registered agent as required by s. 617.0501;
 1760 and
 1761 (g) The name and address of each incorporator.
 1762 (2) The articles of incorporation may set forth:
 1763 (a) The names and addresses of the individuals who are to
 1764 serve as the initial directors;
 1765 (b) Any provision not inconsistent with law, regarding the
 1766 regulation of the internal affairs of the corporation,
 1767 including, without limitation, any provision with respect to the
 1768 relative rights or interests of the members as among themselves
 1769 or in the property of the corporation;

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1770 (c) The manner of termination of membership in the
 1771 corporation;
 1772 (d) The rights, upon termination of membership, of the
 1773 corporation, the terminated members, and the remaining members;
 1774 (e) The transferability or nontransferability of membership
 1775 to the extent consistent with s. 617.0605;
 1776 (f) The distribution of assets upon dissolution or final
 1777 liquidation or, if otherwise permitted by law, upon partial
 1778 liquidation;
 1779 (g) If the corporation is to have one or more classes of
 1780 members, any provision designating the class or classes of
 1781 members and stating the qualifications and rights of the members
 1782 of each class;
 1783 (h) The names of any persons or the designations of any
 1784 groups of persons who are to be the initial members;
 1785 (i) A provision to the effect that the corporation will be
 1786 subordinate to and subject to the authority of any head or
 1787 national association, lodge, order, beneficial association,
 1788 fraternal or beneficial society, foundation, federation, or
 1789 other corporation, society, organization, or nonprofit
 1790 association not for profit; and
 1791 (j) Any provision that under this chapter act is required
 1792 or permitted to be set forth in the bylaws. Any such provision
 1793 set forth in the articles of incorporation need not be set forth
 1794 in the bylaws.
 1795 Section 13. Section 617.0204, Florida Statutes, is amended
 1796 to read:
 1797 617.0204 Liability for preincorporation transactions.—All
 1798 persons purporting to act as or on behalf of a corporation,

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1799 ~~knowing having actual knowledge~~ that there was no incorporation
 1800 under this chapter act, are jointly and severally liable for all
 1801 liabilities created while so acting ~~except for any liability to~~
 1802 ~~any person who also had actual knowledge that there was no~~
 1803 ~~incorporation.~~

1804 Section 14. Section 617.0206, Florida Statutes, is amended
 1805 to read:

1806 617.0206 Bylaws.—The initial bylaws of a corporation shall
 1807 be adopted by its board of directors unless that power is
 1808 reserved to the members by the articles of incorporation. The
 1809 power to alter, amend, or repeal the bylaws or adopt new bylaws
 1810 is shall be vested in the board of directors unless otherwise
 1811 provided in the articles of incorporation or the bylaws. The
 1812 bylaws may contain any provision for the regulation and
 1813 management of the affairs of the corporation not inconsistent
 1814 with law or the articles of incorporation.

1815 Section 15. Subsections (1), (3), (6), (8), (12), (14), and
 1816 (16) of section 617.0302, Florida Statutes, are amended, and a
 1817 new subsection (16) is added to that section, to read:

1818 617.0302 Corporate powers.—Every nonprofit corporation ~~not~~
 1819 ~~for-profit~~ organized under this chapter, unless otherwise
 1820 provided in its articles of incorporation or bylaws, shall have
 1821 power to:

1822 ~~(1) Have succession by its corporate name for the period~~
 1823 ~~set forth in its articles of incorporation.~~

1824 (2)(3) Adopt, use, and alter a ~~common~~ corporate seal.
 1825 However, such seal must always contain the words "corporation
 1826 not for profit" or "nonprofit corporation."

1827 (5)(6) Increase or decrease, ~~by a vote of its members cast~~

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1828 ~~as the bylaws may direct~~, the number of its directors, subject
 1829 to any minimum number of directors required under s. 617.0803 ~~so~~
 1830 ~~that the number shall not be less than three but may be any~~
 1831 ~~number in excess thereof.~~

1832 (7)(8) Conduct its affairs, carry on its operations, and
 1833 have offices and exercise the powers granted by this chapter act
 1834 in any state, territory, district, or possession of the United
 1835 States or any foreign country.

1836 (11)(12) Purchase, take, receive, subscribe for, or
 1837 otherwise acquire, own, hold, vote, use, employ, sell, mortgage,
 1838 lend, pledge, or otherwise dispose of and otherwise use and deal
 1839 in and with, shares and other interests in, or obligations of,
 1840 ~~other entities domestic or foreign corporations, whether for~~
 1841 ~~profit or not for profit, associations, partnerships, or~~
 1842 individuals, or direct or indirect obligations of the United
 1843 States, or of any other government, state, territory,
 1844 governmental district, municipality, or of any instrumentality
 1845 thereof.

1846 (13)(14) Make donations for the public welfare or for
 1847 religious, charitable, scientific, literary, educational, or
 1848 other similar purposes.

1849 (15)(16) Merge with other corporations or other eligible
 1850 entities ~~identified in s. 607.1101~~, both for profit and
 1851 nonprofit not for profit, domestic and foreign, in accordance
 1852 with the merger provisions of this chapter ~~if the surviving~~
 1853 ~~corporation or other surviving eligible entity is a corporation~~
 1854 ~~not for profit or other eligible entity that has been organized~~
 1855 ~~as a not for profit entity under a governing statute or other~~
 1856 ~~applicable law that permits such a merger.~~

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1857 (16) Be a promoter, incorporator, partner, member,
 1858 associate, or manager of any corporation, joint venture, or
 1859 other entity.

1860 Section 16. Section 617.0304, Florida Statutes, is amended
 1861 to read:

1862 617.0304 Lack of power to act Ultra vires.—

1863 (1) Except as provided in subsection (2), the validity of
 1864 corporate action, including, but not limited to, any conveyance,
 1865 transfer, or encumbrance of real or personal property to or by a
 1866 corporation, may not be challenged on the ground that the
 1867 corporation lacks or lacked power to act.

1868 (2) A corporation's power to act may be challenged:

1869 (a) In a proceeding by a member against the corporation to
 1870 enjoin the act;

1871 (b) In a proceeding by the corporation, directly,
 1872 derivatively, or through a receiver, trustee, or other legal
 1873 representative, or through members in a representative suit,
 1874 against an incumbent or former officer, employee, or agent of
 1875 the corporation; or

1876 (c) In a proceeding by the Attorney General, as provided in
 1877 this chapter act, to dissolve the corporation or in a proceeding
 1878 by the Attorney General to enjoin the corporation from the
 1879 transaction of unauthorized business.

1880 (3) In a member's proceeding under paragraph (2)(a) to
 1881 enjoin an unauthorized corporate act, the court may enjoin or
 1882 set aside the act, if equitable and if all affected persons are
 1883 parties to the proceeding, and may award damages for loss ~~(other~~
 1884 ~~than anticipated profits)~~ suffered by the corporation or another
 1885 party because of enjoining the unauthorized act, except the

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1886 court may not award damages for anticipated profits.

1887 Section 17. Subsections (3), (4), and (5) are added to
 1888 section 617.0401, Florida Statutes, to read:

1889 617.0401 Corporate name.—

1890 (3) Notwithstanding subsection (2), a corporation may
 1891 register under a name that is not otherwise distinguishable on
 1892 the records of the department if:

1893 (a) The other entity consents to the use and submits an
 1894 undertaking in form satisfactory to the secretary of state to
 1895 change its name to a name that is distinguishable upon the
 1896 records of the department from the name of the applying
 1897 corporation; or

1898 (b) The applicant delivers to the department a certified
 1899 copy of a final judgment of a court of competent jurisdiction
 1900 establishing the applicant's right to use the name applied for
 1901 in the state.

1902 (4) A corporate name as filed with the department is for
 1903 public notice only and does not alone create any presumption of
 1904 ownership of such name.

1905 (5) This section does not apply to the use of fictitious
 1906 names.

1907 Section 18. Subsections (1), (2), (5), and (6) of section
 1908 617.0403, Florida Statutes, are amended to read:

1909 617.0403 Registered name; application; renewal;
 1910 revocation.—

1911 (1) A foreign corporation may register its corporate name,
 1912 or its corporate name with any addition required by s. 617.1506,
 1913 if the name is distinguishable upon the records of the
 1914 department ~~of State~~ from the corporate names that are not

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available under s. 617.0401(1)(e).

(2) A foreign corporation registers its corporate name, or its corporate name with any addition required by s. 617.1506, by delivering to the department ~~of State~~ for filing an application:

(a) Setting forth its corporate name, or its corporate name with any addition required by s. 617.1506, the state or country and date of its incorporation, and a brief description of the nature of its purposes and the affairs in which it is engaged; and

(b) Accompanied by a certificate of existence, or a certificate setting forth that such corporation is in good standing under the laws of the state or country wherein it is organized, ~~for a document of similar import~~, from the state or country of incorporation.

(5) A foreign corporation that has so registered its name ~~the registration of which is effective~~ may thereafter qualify to conduct its affairs in this state as a foreign corporation under the registered name or consent in writing to the use of that name by a corporation thereafter incorporated under this chapter ~~act~~ or by another foreign corporation thereafter authorized to conduct its affairs in this state. The registration terminates when the domestic corporation is incorporated or the foreign corporation qualifies or consents to the qualification of another foreign corporation under the registered name.

(6) The department ~~of State~~ may revoke any registration if, after a hearing, it finds that the application therefor or any renewal thereof was not made in good faith.

Section 19. Present subsections (4) and (5) of section 617.0501, Florida Statutes, are redesignated as subsections (5)

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and (6), respectively, a new subsection (4) is added to that section, and subsections (1) and (3) and present subsection (5) and subsection (6) of that section are amended, to read:

617.0501 Registered office and registered agent.—

(1) Each corporation shall have and continuously maintain in this state:

(a) A registered office which may be the same as its principal office; and

(b) A registered agent, who may be ~~either~~:

1. An individual who resides in this state whose business office is identical to ~~with~~ such registered office; ~~or~~

2. ~~Another domestic entity that is an authorized entity~~ whose business address is identical to the address of the registered office; or

3. ~~A foreign entity authorized to transact business in~~ this state that is an authorized entity and whose business address is identical to the address of the registered office.

(3) Each initial A registered agent, and each appointed ~~pursuant to this section or a successor registered agent that is appointed, pursuant to s. 617.0502 on whom process may be served~~ shall ~~each~~ file a statement in writing with the department ~~of State~~, in the such form and manner ~~as shall be~~ prescribed by the department, accepting the appointment as a registered agent while simultaneously with his or her being designated as the registered agent. The such statement of acceptance must provide ~~shall state~~ that the registered agent is familiar with, and accepts, the obligations of that position.

(4) The duties of a registered agent are:

(a) To forward to the corporation, at the address most

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1973 recently supplied to the registered agent by the corporation, a
 1974 process, notice, or demand pertaining to the corporation which
 1975 is served on or received by the registered agent; and
 1976 (b) If the registered agent resigns, to provide the notice
 1977 required under s. 617.0502 to the corporation at the address
 1978 most recently supplied to the registered agent by the
 1979 corporation.

1980 (6)(5) A corporation may not prosecute or maintain any
 1981 action in a court in this state until the corporation complies
 1982 with this section or s. 617.1508, as applicable; pays to the
 1983 department of State any amounts required under this chapter;
 1984 and, to the extent ordered by a court of competent jurisdiction,
 1985 pays to the department of State a penalty of \$5 for each day it
 1986 has failed to so comply or \$500, whichever is less. A court may
 1987 stay a proceeding commenced by a corporation until the
 1988 corporation complies with this section.

1989 (6) For the purposes of this section, the term "authorized
 1990 entity" means:

1991 (a) A corporation for profit;

1992 (b) A limited liability company;

1993 (c) A limited liability partnership; or

1994 (d) A limited partnership, including a limited liability
 1995 limited partnership.

1996 Section 20. Section 617.0502, Florida Statutes, is amended
 1997 to read:

1998 617.0502 Change of registered office or registered agent;
 1999 resignation of registered agent.

2000 (1) A corporation may change its registered office or its
 2001 registered agent upon filing with the department of State a

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2002 statement of change setting forth:

2003 (a) The name of the corporation;

2004 (b) The name street address of its current registered agent
 2005 office;

2006 (c) If the current registered agent office is to be
 2007 changed, the name street address of the new registered agent
 2008 office;

2009 (d) The street address name of its current registered
 2010 office for its current registered agent;

2011 (e) If the street address of the current registered office
 2012 is to be changed, the new street address of the registered
 2013 office in this state.

2014 (2) If the its current registered agent is to be changed,
 2015 the written acceptance name of the successor new registered
 2016 agent as described in s. 617.0501(3) must be provided to the
 2017 department and the new agent's written consent (either on the
 2018 statement or attached to it) to the appointment;

2019 (f) That the street address of its registered office and
 2020 the street address of the business office of its registered
 2021 agent, as changed, will be identical; and

2022 (g) That such change was authorized by resolution duly
 2023 adopted by its board of directors or by an officer of the
 2024 corporation so authorized by the board of directors.

2025 (2)(a) Any registered agent may resign his or her agency
 2026 appointment by signing and delivering for filing with the
 2027 Department of State a statement of resignation and mailing a
 2028 copy of such statement to the corporation at its mailing address
 2029 of the respective corporation that then appears in the records
 2030 of the Department of State; provided, however, that if a

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2031 composite statement of resignation is being filed pursuant to
 2032 paragraph (b), the registered agent must promptly mail a copy of
 2033 either the composite statement of resignation or a separate
 2034 notice of resignation for each respective corporation, in each
 2035 case using the respective mailing address of the respective
 2036 corporation that then appears in the records of the Department
 2037 of State. The statement of resignation shall state that a copy
 2038 of such statement of resignation or, if applicable, notice of
 2039 resignation, has been mailed to the corporation at the address
 2040 so stated. The agency is terminated as of the 31st day after the
 2041 date on which the statement was filed and unless otherwise
 2042 provided in the statement, termination of the agency acts as a
 2043 termination of the registered office.

2044 (b) If a registered agent is resigning as registered agent
 2045 from one or more corporations that each have been dissolved,
 2046 either voluntarily, administratively, or by court action, for a
 2047 continuous period of 10 years or longer, the registered agent
 2048 may elect to file the statement of resignation separately for
 2049 each such corporation or may elect to file a single composite
 2050 statement of resignation covering two or more corporations. Any
 2051 such composite statement of resignation must set forth, for each
 2052 such corporation covered by the statement of resignation, the
 2053 name of the respective corporation and the date that dissolution
 2054 became effective for the respective corporation. This subsection
 2055 is applicable only to resignations by registered agents from
 2056 domestic corporations.

2057 (3) If a registered agent changes his or her business name
 2058 or business address, he or she may change such name or address
 2059 and the address of the registered office of any corporation for

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2060 which he or she is the registered agent by:

2061 (a) Notifying all such corporations in writing of the
 2062 change;

2063 (b) ~~Signing (either manually or in facsimile) and~~
 2064 ~~delivering to the Department of State for filing a statement~~
 2065 ~~that substantially complies with the requirements of paragraphs~~
 2066 ~~(1)(a)-(f), setting forth the names of all such corporations~~
 2067 ~~represented by the registered agent; and~~

2068 (c) ~~Reciting that each corporation has been notified of the~~
 2069 ~~change.~~

2070 (4) ~~Changes of the registered office or registered agent~~
 2071 ~~may be made by a change on the corporation's annual report form~~
 2072 ~~filed with the Department of State.~~

2073 (5) ~~The Department of State shall collect a fee pursuant to~~
 2074 ~~s. 15.09(2) for filings authorized by this section.~~

2075 Section 21. Section 617.05021, Florida Statutes, is created
 2076 to read:

2077 617.05021 Resignation of a registered agent.—

2078 (1)(a) A registered agent may resign as agent for a
 2079 corporation by delivering to the department a signed statement
 2080 of resignation and mailing a copy of such statement to the
 2081 corporation at its mailing address of the respective corporation
 2082 that then appears in the records of the department; provided,
 2083 however, that if a composite statement of resignation is being
 2084 filed pursuant to paragraph (b), the registered agent must
 2085 promptly mail a copy of either the composite statement of
 2086 resignation or a separate notice of resignation for each
 2087 respective corporation, in each case using the respective
 2088 mailing address of the respective corporation that then appears

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in the records of the department.

(b) If a registered agent is resigning as registered agent from one or more corporations that each have been dissolved, either voluntarily, administratively, or by court action, for a continuous period of 10 years or longer, the registered agent may elect to file the statement of resignation separately for each such corporation or may elect to file a single composite statement of resignation covering two or more corporations. Any such composite statement of resignation must set forth, for each such corporation covered by the statement of resignation, the name of the respective corporation and the date that dissolution became effective for the respective corporation. This paragraph is applicable only to resignations by registered agents from domestic corporations.

(2) A registered agent is terminated upon the earlier of:

(a) The 31st day after the department files the statement of resignation; or

(b) When a statement of change or other record designating a new registered agent is filed by the department.

(3) When a statement of resignation takes effect, the registered agent ceases to have responsibility for a matter thereafter tendered to it as agent for the corporation. The resignation does not affect contractual rights that the corporation has against the agent or that the agent has against the corporation.

(4) A registered agent may resign from a corporation regardless of whether the corporation has active status.

Section 22. Section 617.05022, Florida Statutes, is created to read:

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617.05022 Change of name or address by a registered agent.—

(1) If a registered agent changes the registered agent's name or business address, the agent may deliver to the department for filing a statement of change that provides the following:

(a) The name of the corporation represented by the registered agent.

(b) The name of the registered agent as currently shown in the records of the department for the corporation.

(c) If the name of the registered agent has changed, its new name.

(d) If the address of the registered agent has changed, the new address.

(e) A statement that the registered agent has given the notice required under subsection (2).

(2) A registered agent shall promptly furnish notice to the represented corporation of the statement of change and the changes made in the statement, as delivered to the department.

(3) A statement of change is effective when filed by the department.

(4) The changes described in this section may also be made on the corporation's annual report, in an application for reinstatement filed with the department under s. 617.1422, or in an amendment to or restatement of the company's articles of incorporation in accordance with s. 617.1006 or s. 617.1007.

(5) The department shall collect a fee pursuant to s. 15.09(2) for filings authorized by this section.

Section 23. Section 617.0503, Florida Statutes, is amended to read:

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2147 617.0503 Failure to maintain registered agent; subpoena by
 2148 the Department of Legal Affairs Registered agent; duties;
 2149 confidentiality of investigation records.-

2150 (1) (a) Each corporation or, foreign corporation, ~~or alien~~
 2151 ~~business organization~~ that owns real property located in this
 2152 state, that owns a mortgage on real property located in this
 2153 state, or that conducts affairs ~~transacts business~~ in this state
 2154 shall have and continuously maintain in this state a registered
 2155 office and a registered agent and shall file with the department
 2156 ~~of State~~ notice of the registered office and registered agent as
 2157 provided in ss. 617.0501 and 617.0502. The appointment of a
 2158 registered agent in compliance with s. 617.0501 or s. 617.0502
 2159 is sufficient for purposes of this section if the registered
 2160 agent so appointed files, in the form and manner prescribed by
 2161 the department ~~of State~~, an acceptance of the obligations
 2162 provided for in this section.

2163 (b) Each such corporation or, foreign corporation, ~~or alien~~
 2164 ~~business organization~~ that fails to have and continuously
 2165 maintain a registered office and a registered agent as required
 2166 in this section is liable to this state for \$500 for each year,
 2167 or part of a year, during which the domestic or corporation,
 2168 ~~foreign corporation, or alien business organization~~ fails to
 2169 comply with these requirements; but this liability is forgiven
 2170 in full upon the compliance by the domestic or foreign
 2171 ~~corporation, foreign corporation, or alien business organization~~
 2172 with the requirements of this subsection, even if that
 2173 compliance occurs after an action to collect such amount is
 2174 instituted. The Department of Legal Affairs may file an action
 2175 in the circuit court for the judicial circuit in which the

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2176 ~~domestic or foreign corporation, foreign corporation, or alien~~
 2177 ~~business organization~~ is found or conducts affairs ~~transacts~~
 2178 ~~business~~, or in which real property belonging to the domestic or
 2179 ~~foreign corporation, foreign corporation, or alien business~~
 2180 ~~organization~~ is located, to petition the court for an order
 2181 directing that a registered agent be appointed and that a
 2182 registered office be designated, and to obtain judgment for the
 2183 amount owed under this subsection. In connection with such
 2184 proceeding, the department may, without prior approval by the
 2185 court, file a lis pendens against real property owned by the
 2186 domestic or foreign corporation, foreign corporation, or alien
 2187 ~~business organization~~, which lis pendens must ~~shall~~ set forth
 2188 the legal description of the real property and must ~~shall~~ be
 2189 filed in the public records of the county where the real
 2190 property is located. If the lis pendens is filed in any county
 2191 other than the county in which the action is pending, the lis
 2192 pendens that is filed must be a certified copy of the original
 2193 lis pendens. The failure to comply timely or fully with an order
 2194 directing that a registered agent be appointed and that a
 2195 registered office be designated will result in a civil penalty
 2196 of not more than \$1,000 for each day of noncompliance. A
 2197 judgment or an order of payment entered under this subsection
 2198 becomes a judgment lien against any real property owned by the
 2199 domestic or foreign corporation, foreign corporation, or alien
 2200 ~~business organization~~ when a certified copy of the judgment or
 2201 order is recorded as required by s. 55.10. The department may
 2202 avail itself of, and is entitled to use, any ~~provision of~~ law or
 2203 of the Florida Rules of Civil Procedure to further the
 2204 collecting or obtaining of payment pursuant to a judgment or

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order of payment. The state, through the Attorney General, may bid, at any judicial sale to enforce its judgment lien, any amount up to the amount of the judgment or lien obtained pursuant to this subsection. All moneys recovered under this subsection ~~must shall~~ be treated as forfeitures under ss. 895.01-895.09 and used or distributed in accordance with the procedure set forth in s. 895.09. A domestic or foreign corporation, ~~foreign corporation, or alien business organization~~ that fails to have and continuously maintain a registered office and a registered agent as required in this section may not defend itself against any action instituted by the Department of Legal Affairs or by any other agency of this state until the requirements of this subsection have been met.

(2) Each domestic or foreign corporation, ~~foreign corporation, or alien business organization~~ that owns real property located in this state, that owns a mortgage on real property located in this state, or that conducts affairs ~~transacts business~~ in this state must shall, pursuant to subpoena served upon the registered agent of the domestic or foreign corporation, ~~foreign corporation, or alien business organization~~ issued by the Department of Legal Affairs, produce, through its registered agent or through a designated representative within 30 days after service of the subpoena, testimony and records showing the following:

(a) True copies of documents evidencing the legal existence of the entity, including the articles of incorporation and any amendments to the articles of incorporation or the legal equivalent of the articles of incorporation and such amendments.

(b) The names and addresses of each current officer and

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director of the entity or persons holding equivalent positions.

(c) The names and addresses of all prior officers and directors of the entity or persons holding equivalent positions, for a period not to exceed the 5 years previous to the date of issuance of the subpoena.

(d) The names and addresses of each member ~~current shareholder, equivalent equitable owner, and ultimate equitable owner~~ of the entity, the number of which names is limited to the names of the 100 members holding the largest share of voting power of the domestic or foreign corporation ~~shareholders, equivalent equitable owners, and ultimate equitable owners that, in comparison to all other shareholders, equivalent equitable owners, or ultimate equitable owners, respectively, own the largest number of shares of stock of the corporation, foreign corporation, or alien business organization~~ ~~organization~~.

(e) The names and addresses of all previous members ~~prior shareholders, equivalent equitable owners, and ultimate equitable owners of the entity~~ for the 12-month period preceding the date of issuance of the subpoena, the number of which names is limited to the 100 members holding the largest share of voting power of the domestic or foreign corporation ~~shareholders, equivalent equitable owners, and ultimate equitable owners that, in comparison to all other shareholders, equivalent equitable owners, or ultimate equitable owners, respectively, own the largest number of shares of stock of the corporation, foreign corporation, or alien business organization~~ ~~organization~~.

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2263 ~~or the largest percentage of an equivalent form of equitable~~
 2264 ~~ownership of the corporation, foreign corporation, or alien~~
 2265 ~~business organization.~~

2266 (f) The names and addresses of the person or persons who
 2267 provided the records and information to the registered agent or
 2268 designated representative of the entity.

2269 (g) The requirements of paragraphs (d) and (e) do not apply
 2270 to:

2271 1. A financial institution;

2272 2. A corporation, foreign corporation, or alien business
 2273 organization the securities of which are registered pursuant to
 2274 s. 12 of the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-
 2275 78kk, if such corporation, foreign corporation, or alien
 2276 business organization files with the United States Securities
 2277 and Exchange Commission the reports required by s. 13 of that
 2278 act; or

2279 3. A corporation, foreign corporation, or alien business
 2280 organization, the securities of which are regularly traded on an
 2281 established securities market located in the United States or on
 2282 an established securities market located outside the United
 2283 States, if such non-United States securities market is
 2284 designated by rule adopted by the Department of Legal Affairs;
 2285
 2286 upon a showing by the corporation, foreign corporation, or alien
 2287 business organization that the exception in subparagraph 1.,
 2288 subparagraph 2., or subparagraph 3. applies to the corporation,
 2289 foreign corporation, or alien business organization. Such
 2290 exception in subparagraph 1., subparagraph 2., or subparagraph
 2291 3. does not, however, exempt the corporation, foreign

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2292 corporation, or alien business organization from the
 2293 requirements for producing records, information, or testimony
 2294 otherwise imposed under this section for any period of time when
 2295 the requisite conditions for the exception did not exist.

2296 (3) The time limit for producing records and testimony may
 2297 be extended for good cause shown by the domestic or foreign
 2298 ~~corporation, foreign corporation, or alien business~~
 2299 ~~organization.~~

2300 (4) A domestic or foreign corporation person, corporation,
 2301 ~~foreign corporation, or alien business organization~~ designating
 2302 an attorney or, accountant, ~~or spouse~~ as a registered agent or
 2303 designated representative shall, with respect to this state or
 2304 any agency or subdivision of this state, be deemed to have
 2305 waived any privilege that might otherwise attach to
 2306 communications with respect to the information required to be
 2307 produced pursuant to subsection (2), which communications are
 2308 among such domestic or foreign corporation, foreign corporation,
 2309 ~~or alien business organization;~~ the registered agent or
 2310 designated representative of such domestic or foreign
 2311 ~~corporation, foreign corporation, or alien business~~
 2312 ~~organization;~~ and the beneficial owners of such domestic or
 2313 foreign corporation, ~~foreign corporation, or alien business~~
 2314 ~~organization.~~ The duty to comply with the provisions of this
 2315 section will not be excused by virtue of any privilege or
 2316 ~~provision of~~ law of this state or any other state or country,
 2317 which privilege or provision authorizes or directs that the
 2318 testimony or records required to be produced under subsection
 2319 (2) are privileged or confidential or otherwise may not be
 2320 disclosed.

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2321 (5) If a domestic or foreign corporation, ~~foreign~~
 2322 ~~corporation, or alien business organization~~ fails without lawful
 2323 excuse to comply timely or fully with a subpoena issued pursuant
 2324 to subsection (2), the Department of Legal Affairs may file an
 2325 action in the circuit court for the judicial circuit in which
 2326 the domestic or foreign corporation, ~~foreign corporation, or~~
 2327 ~~alien business organization~~ is found or conducts affairs,
 2328 ~~transacts business~~ or in which real property belonging to the
 2329 domestic or foreign corporation, ~~foreign corporation, or alien~~
 2330 ~~business organization~~ is located, for an order compelling
 2331 compliance with the subpoena. The failure without a lawful
 2332 excuse to comply timely or fully with an order compelling
 2333 compliance with the subpoena will result in a civil penalty of
 2334 not more than \$1,000 for each day of noncompliance with the
 2335 order. In connection with such proceeding, the department may,
 2336 without prior approval by the court, file a lis pendens against
 2337 real property owned by the domestic or foreign corporation,
 2338 ~~foreign corporation, or alien business organization~~, which lis
 2339 pendens must ~~shall~~ set forth the legal description of the real
 2340 property and must ~~shall~~ be filed in the public records of the
 2341 county where the real property is located. If the lis pendens is
 2342 filed in any county other than the county in which the action is
 2343 pending, the lis pendens that is filed must be a certified copy
 2344 of the original lis pendens. A judgment or an order of payment
 2345 entered pursuant to this subsection will become a judgment lien
 2346 against any real property owned by the domestic or foreign
 2347 ~~corporation, foreign corporation, or alien business organization~~
 2348 when a certified copy of the judgment or order is recorded as
 2349 required by s. 55.10. The department may avail itself of, and is

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2350 entitled to use, any provision of law or of the Florida Rules of
 2351 Civil Procedure to further the collecting or obtaining of
 2352 payment pursuant to a judgment or order of payment. The state,
 2353 through the Attorney General, may bid at any judicial sale to
 2354 enforce its judgment lien, an amount up to the amount of the
 2355 judgment or lien obtained pursuant to this subsection. All
 2356 moneys recovered under this subsection shall be treated as
 2357 forfeitures under ss. 895.01-895.09 and used or distributed in
 2358 accordance with the procedure set forth in s. 895.09.

2359 (6) Information provided to, and records and transcriptions
 2360 of testimony obtained by, the Department of Legal Affairs
 2361 pursuant to this section are confidential and exempt from ~~the~~
 2362 ~~provisions of~~ s. 119.07(1) and s. 24(a), Art. I of the State
 2363 Constitution while the investigation is active. For purposes of
 2364 this section, an investigation shall be considered "active"
 2365 while such investigation is being conducted with a reasonable,
 2366 good faith belief that it may lead to the filing of an
 2367 administrative, a civil, or a criminal proceeding. An
 2368 investigation does not cease being ~~to be~~ active so long as the
 2369 department is proceeding with reasonable dispatch and there is a
 2370 good faith belief that action may be initiated by the department
 2371 or other administrative or law enforcement agency. Except for
 2372 active criminal intelligence or criminal investigative
 2373 information, as defined in s. 119.011, and information which, if
 2374 disclosed, would reveal a trade secret, as defined in s.
 2375 688.002, or would jeopardize the safety of an individual, all
 2376 information, records, and transcriptions become available to the
 2377 public when the investigation is completed or becomes inactive
 2378 ~~ceases to be active~~. The department may ~~shall~~ not disclose

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2379 confidential information, records, or transcriptions of
 2380 testimony except pursuant to authorization by the Attorney
 2381 General in any of the following circumstances:

2382 (a) To a law enforcement agency participating in or
 2383 conducting a civil investigation under chapter 895, or
 2384 participating in or conducting a criminal investigation.

2385 (b) In the course of filing, participating in, or
 2386 conducting a judicial proceeding instituted pursuant to this
 2387 section or chapter 895.

2388 (c) In the course of filing, participating in, or
 2389 conducting a judicial proceeding to enforce an order or judgment
 2390 entered pursuant to this section or chapter 895.

2391 (d) In the course of a criminal proceeding.

2392

2393 A person or law enforcement agency that receives any
 2394 information, record, or transcription of testimony that has been
 2395 made confidential by this subsection shall maintain the
 2396 confidentiality of such material and may ~~shall~~ not disclose such
 2397 information, record, or transcription of testimony except as
 2398 provided for herein. Any person who willfully discloses any
 2399 information, record, or transcription of testimony that has been
 2400 made confidential by this subsection, except as provided for in
 2401 this subsection, commits a misdemeanor of the first degree,
 2402 punishable as provided in s. 775.082 or s. 775.083. If any
 2403 information, record, or testimony obtained pursuant to
 2404 subsection (2) is offered in evidence in any judicial
 2405 proceeding, the court may, in its discretion, seal that portion
 2406 of the record to further the policies of confidentiality set
 2407 forth in this subsection.

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2408 (7) This section is supplemental and may ~~shall~~ not be
 2409 construed to preclude or limit the scope of evidence gathering
 2410 or other permissible discovery pursuant to any other subpoena or
 2411 discovery method authorized by law or rule of procedure.

2412 (8) It is unlawful for any person, with respect to any
 2413 record or testimony produced pursuant to a subpoena issued by
 2414 the Department of Legal Affairs under subsection (2), to
 2415 knowingly and willfully falsify, conceal, or cover up a material
 2416 fact by a trick, scheme, or device; make any false, fictitious,
 2417 or fraudulent statement or representation; or make or use any
 2418 false writing or document knowing the writing or document to
 2419 contain any false, fictitious, or fraudulent statement or entry.
 2420 A person who violates this subsection commits a felony of the
 2421 third degree, punishable as provided in s. 775.082, s. 775.083,
 2422 or s. 775.084.

2423 (9) In the absence of a written agreement to the contrary,
 2424 a registered agent is not liable for the failure to give notice
 2425 of the receipt of a subpoena under subsection (2) to the
 2426 domestic or foreign corporation, ~~foreign corporation, or alien~~
 2427 ~~business organization~~ that appointed the registered agent if the
 2428 registered agent timely sends written notice of the receipt of
 2429 the subpoena by first-class mail or domestic or international
 2430 air mail, postage fees prepaid, to the last address that has
 2431 been designated in writing to the registered agent by the
 2432 appointing domestic or foreign corporation, ~~foreign corporation,~~
 2433 ~~or alien business organization~~.

2434 (10) The designation of a registered agent and a registered
 2435 office as required by subsection (1) for a domestic or foreign
 2436 ~~corporation, foreign corporation, or alien business organization~~

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that owns real property in this state or a mortgage on real property in this state is solely for the purposes of this chapter; and, notwithstanding s. 48.181, s. 617.1502, s. 617.1503, or any other relevant section of the Florida Statutes, such designation may not be used in determining whether the domestic or foreign corporation, ~~foreign corporation, or alien business organization~~ is actually doing business in this state.

(11) As used in this section, the term:

(a) ~~"Alien business organization" means:~~

1. ~~Any corporation, association, partnership, trust, joint stock company, or other entity organized under any laws other than the laws of the United States, of any United States territory or possession, or of any state of the United States, or~~

2. ~~Any corporation, association, partnership, trust, joint stock company, or other entity or device 10 percent or more of which is owned or controlled, directly or indirectly, by an entity described in subparagraph 1. or by a foreign natural person.~~

~~(b) "Financial institution" means:~~

1. ~~A bank, banking organization, or savings association, as defined in s. 220.62;~~

2. ~~An insurance company, trust company, credit union, or industrial savings bank, any of which is licensed or regulated by an agency of the United States or any state of the United States; or~~

3. ~~Any person licensed under the provisions of chapter 494.~~

~~(c)~~ "Mortgage" means a mortgage on real property situated in this state, except a mortgage owned by a financial

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institution.

~~(b)(d)~~ "Real property" means any real property situated in this state or any interest in such real property.

~~(e) "Ultimate equitable owner" means a natural person who, directly or indirectly, owns or controls an ownership interest in a corporation, foreign corporation, or alien business organization, regardless of whether such natural person owns or controls such ownership interest through one or other natural persons or one or more proxies, powers of attorney, nominees, corporations, associations, partnerships, trusts, joint stock companies, or other entities or devices, or any combination thereof.~~

~~(12) Any alien business organization may withdraw its registered agent designation by delivering an application for certificate of withdrawal to the department for filing. The application shall set forth:~~

~~(a) The name of the alien business organization and the jurisdiction under the law of which it is incorporated or organized; and~~

~~(b) That it is no longer required to maintain a registered agent in this state.~~

Section 24. Section 617.0505, Florida Statutes, is amended to read:

617.0505 Distributions and dividends prohibited; exceptions. ~~Except as authorized in s. 617.1302,~~ A corporation may not make distributions to its members, directors, or officers.

(1) A corporation may not pay any dividend and may not make distributions of any part of the net income or net earnings of

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2495 the corporation to its members, directors, or officers, except
2496 that a corporation may:

2497 (a) Make payments for compensation and benefits as
2498 authorized in s. 617.0603, membership purchases as authorized in
2499 s. 617.0608(2), and compensation for directors as authorized in
2500 s. 617.08101;

2501 (b) Make distributions to its members upon dissolution in
2502 conformity with the dissolution provisions of this chapter or,
2503 if expressly permitted by its articles of incorporation, upon
2504 partial liquidation; and

2505 (c) Make distributions to another nonprofit entity or
2506 governmental unit that is a member of the distributing
2507 corporation or has the power to appoint one or more of the
2508 directors of the distributing corporation A mutual benefit
2509 corporation, such as a private club that is established for
2510 social, pleasure, or recreational purposes and that is organized
2511 as a corporation of which the equity interests are held by the
2512 members, may, subject to s. 617.1302, purchase the equity
2513 membership interest of any member, and the payment for such
2514 interest is not a distribution for purposes of this section.

2515 (2) ~~A corporation may pay compensation in a reasonable~~
2516 ~~amount to its members, directors, or officers for services~~
2517 ~~rendered, may confer benefits upon its members in conformity~~
2518 ~~with its purposes, and, upon dissolution or final liquidation,~~
2519 ~~may make distributions to its members as permitted by this~~
2520 ~~chapter.~~

2521 ~~(3) If expressly permitted by its articles of~~
2522 ~~incorporation, a corporation may make distributions upon partial~~
2523 ~~liquidation to its members, as permitted by this section. Any~~

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2524 ~~such payment, benefit, or distribution does not constitute a~~
2525 ~~dividend or a distribution of income or profit for purposes of~~
2526 ~~this section.~~

2527 ~~(4)~~ A corporation that is a utility exempt from regulation
2528 under s. 367.022(7), whose articles of incorporation state that
2529 it is exempt from taxation under s. 501(c)(12) of the Internal
2530 Revenue Code of 1986, as amended, may make refunds to its
2531 members, ~~before~~ prior to a dissolution or liquidation, as its
2532 managing board deems necessary to establish or preserve its tax-
2533 exempt status. Any such refund does not constitute a dividend or
2534 a distribution of income or earnings ~~profit~~ for purposes of this
2535 section.

2536 ~~(3)(5)~~ A corporation that is regulated by chapter 718,
2537 chapter 719, chapter 720, chapter 721, or chapter 723, or a
2538 corporation where membership in such corporation is required
2539 pursuant to a document recorded in the official county property
2540 records, may make refunds to its members, give ~~giving~~ credits to
2541 its members, disburse ~~disbursing~~ insurance proceeds to its
2542 members, or disburse ~~disbursing~~ or pay ~~paying~~ settlements to its
2543 members without violating this section.

2544 (4) A dividend or distribution by a nonprofit insurance
2545 company subsidiary to its mutual insurance holding company
2546 organized under part III of chapter 628, directly or indirectly
2547 through one or more intermediate holding companies authorized
2548 under that part, is not a distribution for the purposes of this
2549 chapter.

2550 Section 25. Paragraph (b) of subsection (1) and subsections
2551 (3) through (7) of section 617.0601, Florida Statutes, are
2552 amended, and subsections (8) and (9) are added to that section,

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to read:

617.0601 Members, generally.—

(1)

(b) ~~For The articles of incorporation or bylaws of any nonprofit corporation not for profit that does not have members, or does not have members entitled to vote on a matter, any law requiring notice to, the presence of, or the vote, consent, or other action by members of the corporation in connection with such matter is satisfied by notice to, the presence of, or the vote, consent, or other action by the board of directors of the nonprofit corporation maintains chapters or affiliates may grant representatives of such chapters or affiliates the right to vote in conjunction with the board of directors of the corporation notwithstanding applicable quorum or voting requirements of this chapter if the corporation is registered with the Department of Agriculture and Consumer Services pursuant to ss. 496.401-496.424, the Solicitation of Contributions Act.~~

(3) Corporation members have no voting or other rights except as provided in the articles of incorporation or bylaws and each member has the same rights and obligations as every other member except as provided in the articles of incorporation or bylaws. However, members of any corporation existing on July 1, 1991, ~~shall~~ continue to have the same voting and other rights as before such date until changed by amendment of the articles of incorporation or bylaws.

(4) A corporation shall keep a membership ~~list book~~ containing, in alphabetical order, the name and address of each member. The corporation shall also keep records in accordance with s. 617.1601.

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(5) A resignation, expulsion, suspension, or termination of membership pursuant to s. 617.0606 or s. 617.0607 ~~must~~ shall be recorded in the membership ~~list book~~. Unless otherwise provided in the articles of incorporation or the bylaws, all the rights and privileges of a member cease on termination of membership.

(6) Except as provided in the articles of incorporation or the bylaws, a corporation may admit members for no consideration or for such consideration as is determined by the board of directors. The consideration may take any form, including, but not limited to, promissory notes, intangible property, or past or future services. Payment of such consideration may be made at such times and upon such terms as are set forth in or authorized by the articles of incorporation, bylaws, or action of the board of directors Subsections (1), (2), (3), and (4) do not apply to a corporation that is an association as defined in s. 720.301.

(7) Where the articles of incorporation expressly limit membership in the corporation to property owners within specific measurable geographic boundaries and where the corporation has been formed for the benefit of all of those property owners, ~~no~~ such property owner may not ~~shall~~ be denied membership, provided that such property owner once admitted to membership complies, ~~shall comply~~ with the terms and conditions of membership which may provide for termination of membership upon ceasing to be a property owner. Any bylaws, rules, or other regulations to the contrary are deemed void and any persons excluded from membership by such bylaws, rules, or other regulations are deemed members with full rights, including the right, by the majority, or as otherwise provided in the articles of incorporation, to call for a meeting of the membership.

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(8) A corporation may not be a member of itself or exercise the rights of a member with respect to itself. Upon a corporation's purchase of its own membership interest in accordance with s. 617.0608, the membership interest is canceled.

(9) Subsections (1)-(4) do not apply to a corporation that is an association as defined in s. 720.301.

Section 26. Section 617.0603, Florida Statutes, is created to read:

617.0603 Compensation and benefits.—A corporation may do any of the following:

(1) Pay compensation in reasonable amounts to its members, directors, officers, agents, and employees for services rendered.

(2) Confer benefits upon its members in conformity with its purposes.

(3) Upon dissolution or final liquidation, make distributions to its members or others as permitted by this chapter.

No such payments, benefits, or distributions may be deemed to be a dividend or a distribution of income or earnings.

Section 27. Subsection (2) of section 617.0604, Florida Statutes, is amended, and subsections (3) through (7) are added to that section, to read:

617.0604 Liability of members.—

(2) A corporation may levy dues, assessments, and fees on its members to the extent authorized in the articles of incorporation or the bylaws. Dues, assessments, and fees may be

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imposed on members of the same class either alike or in different amounts or proportions, and may be imposed on a different basis on different classes of members. Members of a class may be made exempt from dues, assessments, and fees to the extent provided in the articles of incorporation or the bylaws. A member may become liable to the corporation for dues, assessments, or fees as provided by law.

(3) The amount and method of collection of dues, assessments, and fees may be fixed in the articles of incorporation or bylaws, or the articles of incorporation or bylaws may authorize the board of directors or its members to fix the amount and method of collection.

(4) The articles of incorporation or bylaws may provide reasonable means, such as termination and reinstatement of membership, to enforce the collection of dues, assessments, and fees.

(5) A creditor of a corporation may not bring a proceeding to reach the liability, if any, of a member of the corporation unless final judgment has been rendered in favor of the creditor against the corporation and execution has been returned unsatisfied in whole or in part or unless the proceeding would be useless.

(6) All creditors of a corporation, with or without reducing their claims to judgment, may intervene in any other creditor's proceeding brought pursuant to subsection (5) to reach and apply unpaid amounts due from the corporation. All members who owe unpaid amounts to the corporation may be joined in the proceeding.

(7) Satisfaction of a debt owed to a creditor by the

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corporation through payment of a member who owes unpaid amounts to the corporation satisfies the debt of the corporation to the creditor and the debt of the member to the corporation to the extent so paid by the member to the creditor.

Section 28. Section 617.0605, Florida Statutes, is amended to read:

617.0605 Transfer of membership interests.—

(1) Except as provided in the articles of incorporation or bylaws, a member of a corporation may not transfer a membership or any right arising from membership ~~except as otherwise allowed in this section.~~

(2) ~~Except as set forth in the articles of incorporation or bylaws of a mutual benefit corporation, a member of a mutual benefit corporation may not transfer a membership or any right arising from membership.~~

~~(3) Where the right to transfer a membership has been provided in the articles of incorporation or bylaws rights have been provided for one or more members of a mutual benefit corporation,~~ a restriction on such rights is not binding with respect to a member holding a membership issued before the adoption of the restriction unless the restriction is approved by the ~~members and the~~ affected member.

Section 29. Section 617.0606, Florida Statutes, is amended to read:

617.0606 Resignation of members.—

(1) ~~Except as may be provided in the articles of incorporation or bylaws of a corporation,~~ A member may resign at any time for any reason ~~of a mutual benefit corporation may not transfer a membership or any right arising from membership.~~

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(2) The resignation of a member does not relieve the member from any obligations ~~that the member may have to the corporation as a result of obligations~~ incurred or commitments made before resignation.

Section 30. Subsections (3) and (4) of section 617.0607, Florida Statutes, are amended, and subsection (5) is added to that section, to read:

617.0607 Termination, expulsion, and suspension.—

(3) Any proceeding challenging an expulsion, suspension, or termination, including a proceeding in which the defective notice is alleged, must be commenced within 1 year after the effective date of the expulsion, suspension, or termination.

(4) A member who has been expelled or suspended or has had a membership suspended or terminated may be liable to the corporation for dues, assessments, or fees as a result of obligations incurred or commitments made before the expulsion, ~~or~~ suspension, or termination. The expulsion, suspension, or termination does not relieve the member of any obligations or commitments made before the expulsion, suspension, or termination.

(5) A corporation may, if authorized in the articles of incorporation or bylaws, levy fines or otherwise penalize its members. A fine or penalty, other than a late fee for nonpayment of dues, may not be levied until after the corporation has provided notice thereof to the member concerned and has afforded the affected member an opportunity to be heard on the matter.

Section 31. Section 617.0608, Florida Statutes, is amended to read:

617.0608 Purchase of memberships.—

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2727 (1) A corporation described in s. 501(c)(3) of the Internal
 2728 Revenue Code of 1986, as amended, may not purchase the
 2729 membership interests of any of its members any of its
 2730 memberships or any right arising from membership. Any
 2731 corporation that is not described in s. 501(c)(3) of the
 2732 Internal Revenue Code of 1986, as amended, may purchase the
 2733 membership interest of any member or any right arising from
 2734 membership to the extent provided in the articles of
 2735 incorporation or bylaws. No such payment for purchase of
 2736 membership interest or right arising from membership may be
 2737 deemed a dividend or a distribution of income or earnings except
 2738 as provided in s. 617.0505 or subsection (2).

2739 (2) Subject to subsection (1) s. 617.1302, a mutual benefit
 2740 corporation may purchase the membership interest of a member who
 2741 resigns, or whose membership is terminated, for the amount and
 2742 pursuant to the conditions set forth in its articles of
 2743 incorporation or bylaws, but only if, after the completing the
 2744 purchase:

2745 (a) The corporation is able to pay its debts as they become
 2746 due in the usual course of its activities; and

2747 (b) The total assets of the corporation are at least equal
 2748 to the sum of its liabilities.

2749 Section 32. Section 617.0701, Florida Statutes, is amended
 2750 to read:

2751 617.0701 Meetings of members; generally; failure to hold
 2752 annual meeting; special meeting; consent to corporate actions
 2753 without meetings; waiver of notice of meetings.—

2754 (1) A corporation with members may hold meetings of members
 2755 for the transaction of any proper business at such times stated

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2756 in or fixed in accordance with the articles of incorporation or
 2757 bylaws. The frequency of all meetings of members, the time and
 2758 manner of notice of such meetings, the conduct and adjournment
 2759 of such meetings, the determination of members entitled to
 2760 notice or to vote at such meetings, and the number or voting
 2761 power of members necessary to constitute a quorum, shall be
 2762 determined by or in accordance with the articles of
 2763 incorporation or the bylaws. Annual, regular, and special
 2764 meetings of the members may be held in or out of this state, and
 2765 the place and time of all meetings may be determined by the
 2766 board of directors.

2767 (2) The failure to hold an annual meeting at the time
 2768 stated in or fixed in accordance with a corporation's articles
 2769 of incorporation or bylaws or pursuant to this chapter does not
 2770 work cause a forfeiture or give cause for dissolution of the
 2771 corporation, and nor does not such failure affect the validity
 2772 of any corporate action otherwise valid corporate acts, except
 2773 as provided in s. 617.1430 in the case of a deadlock among the
 2774 directors or the members.

2775 (3) (a) Except as provided in the articles of incorporation
 2776 or bylaws, special meetings of the members may be called by
 2777 either:

2778 1. By the corporation's board of directors or the person or
 2779 persons authorized to do so by the articles of incorporation or
 2780 bylaws; or

2781 2. If members holding no less than 10 percent, or such
 2782 other amount as specified in the articles of incorporation or
 2783 bylaws, of all the votes entitled to be cast on any issue being
 2784 considered at the proposed special meeting sign, date, and

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2785 deliver to the corporation's secretary one or more written
 2786 demands for the meeting describing the purpose or purposes for
 2787 which it is to be held.

2788 (b) Unless otherwise provided in the articles of
 2789 incorporation or bylaws, a written demand for a special meeting
 2790 may be revoked by a writing to that effect received by the
 2791 corporation before the receipt by the corporation of demands
 2792 sufficient in number to require holding a special meeting
 2793 pursuant to subparagraph (a)2.

2794 (c) Only business within the purpose or purposes described
 2795 in the meeting notice may be conducted at a special meeting of
 2796 members.

2797 (d) Special meetings of members may be held in or out of
 2798 this state at a place stated in or fixed in accordance with the
 2799 articles of incorporation or the bylaws or, when not
 2800 inconsistent with the articles of incorporation or the bylaws,
 2801 in the notice of the special meeting. If no place is stated or
 2802 fixed in accordance with the articles of incorporation or the
 2803 bylaws or in the notice of the special meeting, special meetings
 2804 must be held at the corporation's principal office.

2805 ~~(a) The president,~~

2806 ~~(b) The chair of the board of directors,~~

2807 ~~(c) The board of directors,~~

2808 ~~(d) Other officers or persons as are provided for in the~~
 2809 ~~articles of incorporation or the bylaws,~~

2810 ~~(e) The holders of at least 5 percent of the voting power~~
 2811 ~~of a corporation when one or more written demands for the~~
 2812 ~~meeting, which describe the purpose for which the meeting is to~~
 2813 ~~be held, are signed, dated, and delivered to a corporate~~

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2814 ~~officer, or~~

2815 ~~(f) A person who signs a demand for a special meeting~~
 2816 ~~pursuant to paragraph (c) if notice for a special meeting is not~~
 2817 ~~given within 30 days after receipt of the demand. The person~~
 2818 ~~signing the demand may set the time and place of the meeting and~~
 2819 ~~give notice under this subsection.~~

2820 (4) Unless otherwise provided in the articles of
 2821 incorporation or bylaws, action required or permitted by this
 2822 chapter to be taken at an annual or special meeting of members
 2823 may be taken without a meeting, without prior notice, and
 2824 without a vote if the action is taken by the members entitled to
 2825 vote on such action and having not less than the minimum number
 2826 of votes necessary to authorize such action at a meeting at
 2827 which all members entitled to vote on such action were present
 2828 and voted.

2829 (a) To be effective, the action must be evidenced by one or
 2830 more written consents describing the action taken, dated and
 2831 signed by approving members having the requisite number of votes
 2832 and entitled to vote on such action, and delivered to the
 2833 corporation to its principal office in this state, its principal
 2834 place of business, the corporate secretary, or another officer
 2835 or agent of the corporation having custody of the book in which
 2836 proceedings of meetings of members are recorded. The action
 2837 taken by written consent is effective when such written consent
 2838 is signed by members entitled to cast the required number of
 2839 votes on the action and has been delivered to the corporation by
 2840 delivery as set forth in this section, but only if Written
 2841 ~~consent to take the corporate action referred to in the consent~~
 2842 ~~is not effective unless the consent is signed by members having~~

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the requisite number of votes necessary to authorize the action within 90 days after the date of the earliest dated consent ~~and is delivered in the manner required by this section.~~

(b) Any written consent may be revoked ~~before~~ prior to the date that the corporation receives the required number of consents to authorize the proposed action. A revocation is not effective unless in writing and until received by the corporation at its principal office ~~in this state~~ or its principal place of business, or received by the corporate secretary or other officer or agent of the corporation having custody of the book in which proceedings of meetings of members are recorded.

(c) If the articles of incorporation or bylaws require that notice of proposed corporate action be delivered to members not entitled to vote on the action and the action is to be taken by consent of the members entitled to vote, within 30 days after obtaining authorization by written consent, notice must be given to those members who are entitled to vote on the action but who have not consented in writing and to those members who are not entitled to vote. The notice must fairly summarize the material features of the authorized action.

(d) A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

(e) If the action to which the members consent is such as would have required the filing of articles or a certificate under any other section of this chapter if such action had been voted on by members at a meeting, the articles or certificate filed under such other section must state that written consent has been given in accordance with this section.

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(f) Whenever action is taken pursuant to this section, the written consent of the members consenting ~~thereto to such action~~ or the written reports of inspectors appointed to tabulate such consents must be filed with the minutes of member proceedings.

(5) (a) A member may waive any notice required by this chapter, the articles of incorporation, or the bylaws before or after the date and time stated in the notice. The waiver must be in writing, signed electronically or otherwise by the member entitled to the notice, and delivered to the corporation for filing by the corporation with the minutes or corporate records ~~Notice of a meeting of members need not be given to any member who signs a waiver of notice, in person or by proxy, either before or after the meeting.~~ Unless required by the articles of incorporation or bylaws, neither the affairs to be transacted at nor the purpose of the meeting need to be specified in the waiver.

(b) Attendance of a member at a meeting waives objection to:

1. Lack, either in person or by proxy, constitutes waiver of notice or defective notice of the meeting, unless the member promptly objects to holding the meeting or transacting business at the beginning of the meeting and does not thereafter vote for or assent to action taken at the meeting; and

2. Consideration of a particular matter at the meeting which is not within the purposes described in the meeting notice ~~waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened,~~ unless the member objects to considering the matter when it is presented at the meeting attends a meeting

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solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs.

(6) Subsections (1) and (3) do not apply to any corporation that is an association as defined in s. 720.301; a corporation regulated by chapter 718, chapter 719, chapter 720, chapter 721, or chapter 723; or a corporation where membership in such corporation is required pursuant to a document recorded in the county official property records.

Section 33. Section 617.0721, Florida Statutes, is amended to read:

617.0721 Voting by members.—

(1) Members are not entitled to vote except as conferred by the articles of incorporation or the bylaws.

(2) A member who is entitled to vote may vote in person or, unless the articles of incorporation or the bylaws otherwise provide, may vote by proxy ~~executed in writing by the member or by his or her duly authorized attorney in fact.~~

(3)(a) A member or the member's attorney-in-fact may appoint a proxy to vote or otherwise act for the member by:

1. Signing an appointment form, with his or her signature affixed, by any reasonable means, including, but not limited to, facsimile or electronic signature;

2. Transmitting or authorizing the transmission of an electronic signature to the person who will be appointed as the proxy or to a proxy solicitation firm, a proxy support service organization, a registrar, or an agent authorized by the person who will be designated as the proxy to receive such transmission; or

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3. Using such other means as provided for in the articles of incorporation or the bylaws.

(b) An appointment form must contain or be accompanied by information from which it can be determined that the member or the member's attorney in fact authorized the appointment of the proxy.

(4) Notwithstanding any provision to the contrary in the articles of incorporation or bylaws, any copy, facsimile transmission, or other reliable reproduction of the appointment form ~~original proxy~~ may be substituted or used in lieu of the original proxy for any purpose for which the original proxy could be used if the copy, facsimile transmission, or other reproduction is a complete reproduction of the appointment form ~~entire proxy~~. An appointment of a proxy is effective when a signed appointment in a record is received by the inspectors of election, the officer or agent of the corporation authorized to count votes, or the secretary. An appointment of a proxy is ~~not~~ valid ~~for after~~ 11 months following the date of its execution unless a longer period, which may not exceed 3 years, is expressly ~~otherwise~~ provided in the appointment form ~~proxy~~. The death or incapacity of the member appointing a proxy does not affect the right of the corporation to accept the proxy's authority unless notice of the death or incapacity is received by the inspectors of election, the officer or agent authorized to count votes, or the secretary before the proxy exercises his or her authority under the appointment. A member may revoke appointment of a proxy unless the appointment form or electronic transmission states that it is irrevocable and the appointment is coupled with an interest.

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(a) If directors or officers are to be elected by members, the bylaws may provide that such elections may be conducted by mail.

(b) A corporation may reject a vote, ballot, consent, waiver, demand, or proxy appointment if the person ~~secretary or other officer or agent~~ authorized to accept or reject such vote, ballot, consent, waiver, demand, or proxy appointment ~~tabulate votes~~, acting in good faith, has a reasonable basis to doubt ~~for doubting~~ the validity of the signature on it or the signatory's authority to sign for the member.

(5) (a) ~~(3)~~ If authorized by the board of directors, and subject to such guidelines and procedures as the board of directors may adopt, Members of any class, their attorneys-in-fact, and proxies may participate in any ~~and proxy holders who are not physically present at a meeting of members may~~, by means of remote communication to the extent the board of directors authorizes such participation for such class. Participation by means of remote communication is subject to the guidelines and procedures adopted by the board of directors and must be in conformity with paragraph (b).

~~(a) Participate in the meeting.~~

(b) Members, their attorneys-in-fact, and proxies participating in a members' meeting by means of remote communication authorized in paragraph (a) are ~~be~~ deemed to be present in person and may vote at the meeting if the corporation has implemented reasonable measures to:

1. ~~The corporation implements reasonable means to~~ Verify that each person participating remotely as a member is a member, a member's attorney-in-fact, or a proxy ~~deemed present and~~

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~~authorized to vote by means of remote communication is a member or proxy holder;~~ and

2. ~~The corporation implements reasonable measures to~~ Provide such members, member's attorneys-in-fact, and proxies ~~or proxy holders~~ with a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to communicate and to read or hear the proceedings of the meeting substantially concurrent with the proceedings.

(c) If any member, attorney-in-fact for a member, or proxy holder votes or takes other action at a members' meeting by means of remote communication, a record of such vote or other action ~~that member's participation in the meeting~~ must be maintained by the corporation in accordance with s. 617.1601.

(d) Unless the articles of incorporation, bylaws, or demands of members in accordance with s. 617.0701(3) require a meeting of members to be held at a geographic location, the board of directors may determine that any meeting of members will not be held at a geographic location, and instead will be held solely by means of remote communication, but only if the corporation implements the measures required by paragraph (b).

~~(6)(4)~~ If any entity corporation, ~~whether for profit or not for profit~~, is a member of a corporation organized under this chapter, the chair of the governing body ~~board~~, the president, any vice president, the secretary, or the treasurer of the member entity corporation, and any such officer or cashier or trust officer of a banking or trust corporation holding such membership, and any like officer of a foreign entity corporation ~~whether for profit or not for profit~~, holding such membership in

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a domestic corporation, ~~is shall be~~ deemed by the corporation in which membership is held to have the authority to vote on behalf of the member ~~entity corporation~~ and to execute proxies and written waivers and consents in relation thereto, unless, before a vote is taken or a waiver or consent is acted upon, it appears pursuant to a certified copy of the bylaws or other governing documents of the entity or a resolution of the governing documents ~~board of directors~~ or executive committee of the member ~~entity corporation~~ that such authority does not exist or is vested in some other officer or person. In the absence of such certification, a person executing any such proxies, waivers, or consents or presenting himself or herself at a meeting as one of such officers of a ~~corporate~~ member entity is shall be, for the purposes of this section, conclusively deemed to be duly elected, qualified, and acting as such officer and to be fully authorized. In the case of conflicting representation, the ~~corporate~~ member entity shall be represented by its senior officer, in the order stated in this subsection.

(7)(5) The articles of incorporation or the bylaws may provide that, in all elections for directors, every member entitled to vote has the right to cumulate the member's ~~his or her~~ votes and to give one candidate a number of votes equal to the number of votes the member ~~he or she~~ could give if one director were being elected multiplied by the number of directors to be elected or to distribute such votes on the same principles among any number of such candidates. A corporation may not have cumulative voting unless such voting is expressly authorized in the articles of incorporation.

(8)(6) If a corporation has no members or its members do

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not have the right to vote, the directors ~~shall~~ have the sole voting power.

(9)(7) Subsections (1), (7) ~~(5)~~, and (8) ~~(6)~~ do not apply to a corporation that is an association, as defined in s. 720.301, or a corporation regulated by chapter 718 or chapter 719.

Section 34. Section 617.0741, Florida Statutes, is created to read:

617.0741 Standing.—A director, an officer, or a member may not commence a proceeding in the right of a domestic or foreign corporation unless such director, officer, or member holds that position at the time the action is commenced and:

(1) Was a director, an officer, or a member when the conduct giving rise to the action occurred; or

(2) The person became a member through transfer or by operation of law from a person who was a member when the conduct giving rise to the action occurred.

Section 35. Section 617.0742, Florida Statutes, is created to read:

617.0742 Complaint; demand and excuse.—A complaint in a proceeding brought in the right of a corporation must be verified and allege with particularity:

(1) The demand, if any, made to obtain the action desired by the director, officer, or member from the board of directors; and

(2) Either:

(a) If such demand was made, that the demand was refused, rejected, or ignored by the board of directors before the expiration of 90 days from the date the demand was made.

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3075 (b) If such a demand was made, why irreparable injury to
 3076 the corporation or misapplication or waste of corporate assets
 3077 causing material injury to the corporation would result by
 3078 waiting for the expiration of a 90-day period from the date the
 3079 demand was made; or

3080 (c) The reason or reasons the director, officer, or member
 3081 did not make the effort to obtain the desired action from the
 3082 board of directors or comparable authority.

3083 Section 36. Section 617.0743, Florida Statutes, is created
 3084 to read:

3085 617.0743 Stay of proceedings.—If the corporation commences
 3086 an inquiry into the allegations made in the demand or complaint,
 3087 the court may stay any derivative proceeding for such period as
 3088 the court deems appropriate.

3089 Section 37. Section 617.0744, Florida Statutes, is created
 3090 to read:

3091 617.0744 Dismissal.—

3092 (1) A derivative proceeding may be dismissed, in whole or
 3093 in part, by the court upon motion by the corporation if a group
 3094 specified in subsection (2) or subsection (3) has determined in
 3095 good faith, after conducting a reasonable inquiry, that the
 3096 maintenance of the derivative proceeding is not in the best
 3097 interests of the corporation. In all such cases, the corporation
 3098 has the burden of proof regarding the qualifications, good
 3099 faith, and reasonable inquiry of the group making the
 3100 determination.

3101 (2) Unless a panel is appointed pursuant to subsection (3),
 3102 the determination required in subsection (1) must be made by:

3103 (a) A majority of qualified directors present at a meeting

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3104 of the board of directors if the qualified directors constitute
 3105 a quorum; or

3106 (b) A majority vote of a committee consisting of two or
 3107 more qualified directors appointed by majority vote of qualified
 3108 directors present at a meeting of the board of directors,
 3109 regardless of whether such qualified directors constitute a
 3110 quorum.

3111 (3) Upon motion by the corporation, the court may appoint a
 3112 panel consisting of one or more disinterested and independent
 3113 persons to make a determination required in subsection (1).

3114 (4) This section does not prevent the court from:

3115 (a) Enforcing a person's rights under the corporation's
 3116 articles of incorporation or bylaws or this chapter, including
 3117 the person's rights to information under s. 617.1602; or

3118 (b) Exercising its equitable or other powers, including
 3119 granting extraordinary relief in the form of a temporary
 3120 restraining order or preliminary injunction.

3121 Section 38. Section 617.0745, Florida Statutes, is created
 3122 to read:

3123 617.0745 Discontinuance or settlement; notice.—

3124 (1) A derivative action on behalf of a corporation may not
 3125 be discontinued or settled without the court's approval.

3126 (2) If the court determines that a proposed discontinuance
 3127 or settlement will substantially affect the interest of any of
 3128 the corporation's members, the court must direct that notice be
 3129 given to the members affected. The court may determine which
 3130 party or parties to the derivative action bears the expense of
 3131 giving the notice.

3132 Section 39. Section 617.0746, Florida Statutes, is created

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to read:

617.0746 Proceeds and expenses.—On termination of a derivative proceeding, the court may:

(1) Order the corporation to pay from the amount recovered by the corporation the plaintiff's reasonable expenses, including attorney fees and costs, incurred in the derivative proceeding if it finds in favor of the plaintiff in whole or in part; or

(2) Order the plaintiff to pay any of the defendant's reasonable expenses, including reasonable attorney fees and costs, incurred in defending the proceeding if it finds that the proceeding was commenced or maintained without reasonable cause or for an improper purpose.

Section 40. Section 617.0747, Florida Statutes, is created to read:

617.0747 Applicability to foreign corporations.—In any derivative proceeding in the right of a foreign corporation brought in the courts of this state, the matters covered by ss. 617.0741-617.0747 are governed by the laws of the jurisdiction of incorporation of the foreign corporation, except for ss. 617.0743, 617.0745, and 617.0746.

Section 41. Section 617.0803, Florida Statutes, is amended to read:

617.0803 Number of directors.—

~~(1)~~ A board of directors must consist of one three or more persons individuals, as may be with the number specified in or fixed in accordance with the articles of incorporation or the bylaws, as may be amended, except that a corporation that is exempt from federal income taxation under s. 501(c)(3) of the

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Internal Revenue Code of 1986, as amended, must have a board of directors that consists of three or more persons.

~~(2) The number of directors may be increased or decreased from time to time by amendment to, or in the manner provided in, the articles of incorporation or the bylaws, but the corporation must never have fewer than three directors.~~

~~(3) Directors shall be elected or appointed in the manner and for the terms provided in the articles of incorporation or the bylaws.~~

Section 42. Section 617.0804, Florida Statutes, is created to read:

617.0804 Selection of directors.—

(1) The directors of a membership corporation, except for any initial directors named in the articles of incorporation or elected by the incorporators, shall be elected by the members entitled to vote at the time at the first annual meeting of members, and at each annual meeting thereafter. Notwithstanding this subsection, the articles of incorporation or bylaws may provide some other time or method of election, or provide that some or all of the directors are appointed by some other person or designated in some other manner.

(2) The directors of a nonmembership corporation, except for any initial directors named in the articles of incorporation or elected by the incorporators, shall be elected, appointed, or designated as provided in the articles of incorporation or bylaws. If no method of election, appointment, or designation is set forth in the articles of incorporation or bylaws, such directors are elected by the board of directors.

(3) If the articles of incorporation or bylaws divide, or

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authorize dividing, the members into classes, the articles of incorporation or bylaws may also authorize the election of all or a specified number of directors by the holders of one or more authorized classes of members. A class or multiple classes of members entitled to elect one or more directors is a separate voting group for purposes of the election of directors.

Section 43. Section 617.0805, Florida Statutes, is created to read:

617.0805 Terms of directors, generally.-

(1) The articles of incorporation or bylaws may specify the terms of directors. If a term is not specified in the articles of incorporation or bylaws, the term of a director is 1 year.

(2) A decrease in the number of directors or term of office does not shorten an incumbent director's term.

(3) Except as provided in the articles of incorporation or bylaws, the term of a director elected to fill a vacancy expires at the end of the term that the director is filling.

(4) Notwithstanding the expiration of a director's term, the director continues to serve until the director's successor is elected, appointed, or designated and until the director's successor takes office unless otherwise provided in the articles of incorporation or bylaws or there is a decrease in the number of directors.

Section 44. Present subsection (3) of section 617.0808, Florida Statutes, is redesignated as subsection (2) of that section, and subsection (1) and present subsection (2) of that section are amended, to read:

617.0808 Removal of directors.-

(1) ~~Subject to subsection (2),~~ A director may be removed

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from office pursuant to procedures provided in the articles of incorporation or the bylaws. Unless the articles of incorporation or bylaws provide otherwise, a director may be removed as follows ~~, which shall provide the following, and if they do not do so, shall be deemed to include the following:~~

(a) Any member of the board of directors may be removed from office with or without cause by:

1. Except as provided in paragraph (i), a majority of all votes of the directors, if the director was elected or appointed by the directors; or

2. A majority of all votes of the members, if the director was elected or appointed by the members.

(b) If a director is elected by a class, chapter, or other organizational unit, or by region or other geographic grouping, the director may be removed only by the members of that class, chapter, unit, or grouping. However:

1. A director may be removed only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors, except as provided in subparagraphs 2. and 3.

2. If cumulative voting is authorized, a director may not be removed if the number of votes sufficient to elect the director under cumulative voting is voted against the removal of the director.

3. If at the beginning of the term of a director the articles of incorporation or bylaws provide that the director may be removed for missing a specified number of board meetings, the board may remove the director for failing to attend the specified number of meetings. The director may be removed only

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if a majority of the directors then in office vote for the removal.

(c) The notice of a meeting to recall a member or members of the board of directors ~~must shall~~ state the specific directors sought to be removed.

(d) A proposed removal of a director at a meeting requires ~~shall require~~ a separate vote for each director whose removal is sought. Where removal is sought by written consent, a separate consent is required for each director to be removed.

(e) If removal is effected at a meeting, any vacancies created must be ~~shall be~~ filled by the members or directors eligible to vote for the removal.

(f) Any director who is removed from the board is not eligible to stand for reelection until the next annual meeting at which directors are elected.

(g) Any director removed from office must shall turn over to the board of directors within 72 hours any and all records of the corporation in such director's ~~his or her~~ possession.

(h) If a director who is removed does not relinquish such director's ~~his or her~~ office or turn over records as required under this section, the circuit court in the county where the corporation's principal office is located may summarily order the director to relinquish such director's ~~his or her~~ office and turn over corporate records upon application of any member.

(i) A director elected or appointed by the board may be removed without cause by a vote of two-thirds of the directors then in office or such greater number as is set forth in the articles of incorporation or bylaws.

~~(2) A director of a corporation described in s. 501(c) of~~

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~~the Internal Revenue Code may be removed from office pursuant to procedures provided in the articles of incorporation or the bylaws, and the corporation may provide in the articles of incorporation or the bylaws that it is subject to the provisions of subsection (1).~~

Section 45. Present subsection (4) of section 617.0809, Florida Statutes, is redesignated as subsection (3) of that section, and subsections (1) and (2) and present subsection (3) of that section are amended, to read:

617.0809 Board vacancy.—

(1) Except as otherwise provided in subsection (2) or 617.0808(1)(f), the articles of incorporation, or the bylaws, if a any vacancy occurs ~~occurring~~ on the board of directors, including a vacancy resulting from an increase in the number of directors, the vacancy may be filled by a the affirmative vote of the majority of the remaining directors in office, even if though the remaining directors constitute less than a quorum, or by the sole remaining director or, if the vacancy is not so filled or if no director remains, by the members or, on the application of any person, by the circuit court of the county where the registered office of the corporation is located.

(2) Except as otherwise provided in the articles of incorporation or bylaws, Whenever a vacancy in the position of a director who is: ~~occurs with respect to a director~~

(a) Elected by a voting group of members, a class, chapter or other organizational, unit of members, or a region or other geographic grouping of members group, the vacancy may be filled during the first 3 months after the vacancy occurs only by members of that voting class, chapter, unit, or group, chapter,

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unit, region, or grouping, or by a majority of the directors then in office elected by such voting group, chapter, unit, region, or grouping class, chapter, unit, or group. If the vacancy has not been filled within the 3-month period, the vacancy may be filled by vote of a majority of the directors remaining in office in accordance with subsection (1);

(b) Appointed by persons, other than the members, may be filled only by those persons; or

(c) Designated in the articles of incorporation or bylaws may not be filled by action of the board of directors.

~~(3) The term of a director elected or appointed to fill a vacancy expires at the next annual meeting at which directors are elected. Any directorship to be filled by reason of an increase in the number of directors may be filled by the board of directors, but only for a term of office continuing until the next election of directors by the members or, if the corporation has no members or no members having the right to vote thereon, for such term of office as is provided in the articles of incorporation or the bylaws.~~

Section 46. Section 617.08091, Florida Statutes, is created to read:

617.08091 Removal of directors by judicial proceedings.—

(1) The court of the county where the principal office of a corporation, or if one is not in this state, its registered office, is located may remove a director from office in a proceeding commenced by or in the right of the corporation if the court finds that:

(a) The director engaged in fraudulent conduct with respect to the corporation or its members, grossly abused the position

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of director, or intentionally inflicted harm on the corporation; and

(b) Considering the director's course of conduct and the inadequacy of other available remedies, removal is in the best interest of the corporation.

(2) Only a member, an officer, or a director may bring an action under this section, and such action must comply with the requirements of ss. 617.0742-617.0747. An action by a member may not be brought unless the complaint is filed by a member having, or is formally joined by members collectively having, no less than 10 percent of the corporation's voting power.

(3) In addition to removing the director, the court may bar the director from being reelected, redesignated, or reappointed for a period prescribed by the court.

(4) This section does not limit the equitable powers of the court to order other relief.

Section 47. Section 617.0820, Florida Statutes, is amended to read:

617.0820 Board meetings.—

(1) The board of directors may hold regular or special meetings in or out of this state.

(2) A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the board of directors to another time and place. Unless the bylaws otherwise provide, notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

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3365 (3) Unless the articles of incorporation or the bylaws
 3366 provide otherwise, meetings of the board of directors may be
 3367 called ~~and notice of the meeting delivered by the chair of the~~
 3368 ~~board, the president or a similarly situated officer, or 20~~
 3369 ~~percent of the directors then in office or by the president~~
 3370 ~~unless otherwise provided in the articles of incorporation or~~
 3371 ~~the bylaws.~~

3372 (4) Unless the articles of incorporation or the bylaws
 3373 provide otherwise, the board of directors may permit any or all
 3374 directors to participate in a regular or special meeting by, or
 3375 conduct the meeting through the use of, any means of
 3376 communication by which all directors participating may
 3377 simultaneously hear each other during the meeting. A director
 3378 participating in a meeting by this means is deemed to be present
 3379 in person at the meeting.

3380 (5) Unless the articles of incorporation or the bylaws
 3381 provide for a longer or shorter period, regular meetings of the
 3382 board of directors may be held without notice of the date, time,
 3383 place, or purpose of the meeting.

3384 (6) Unless the articles of incorporation or the bylaws
 3385 provide otherwise, a special meeting of the board of directors
 3386 must be preceded by at least 2 days' notice of the date, time,
 3387 and place of the meeting. The notice need not describe the
 3388 purpose of the special meeting unless required by the articles
 3389 of incorporation or the bylaws.

3390 Section 48. Subsections (1) and (2) of section 617.0821,
 3391 Florida Statutes, are amended to read:

3392 617.0821 Action by directors without a meeting.—

3393 (1) Unless the articles of incorporation or the bylaws

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3394 provide otherwise, action required or permitted by this chapter
 3395 ~~act~~ to be taken at a board of directors' meeting or committee
 3396 meeting may be taken without a meeting if the action is taken by
 3397 all members of the board or of the committee. The action must be
 3398 evidenced by one or more written consents describing the action
 3399 taken and signed by each director or committee member and
 3400 delivered to the corporation.

3401 (2) Action taken under this section is effective when the
 3402 last director signs the consent and delivers the consent to the
 3403 corporation, unless the consent specifies a different effective
 3404 date. A director's consent may be withdrawn by a revocation
 3405 signed by the director and delivered to the corporation before
 3406 delivery to the corporation of unrevoked written consents signed
 3407 by all the directors.

3408 Section 49. Section 617.0823, Florida Statutes, is amended
 3409 to read:

3410 617.0823 Waiver of notice.—Notice of a meeting of the board
 3411 of directors need not be given to any director who signs a
 3412 waiver of notice either before or after the meeting. Attendance
 3413 of a director at a meeting constitutes ~~shall constitute~~ a waiver
 3414 of notice of such meeting and a waiver of any objection ~~and all~~
 3415 ~~objections~~ to the date of the meeting, the place of the meeting,
 3416 the time of the meeting, or the manner in which it has been
 3417 called or convened, except when a director states, at the
 3418 beginning of the meeting or promptly upon arrival at the
 3419 meeting, any objection to holding the meeting or the transaction
 3420 of affairs because the meeting is not lawfully called or
 3421 convened and, after such objection, the director does not vote
 3422 for or consent to action taken at the meeting.

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3423 Section 50. Section 617.0830, Florida Statutes, is amended
 3424 to read:
 3425 (Substantial rewording of section. See s. 617.0830,
 3426 F.S., for present text.)
 3427 617.0830 General standards for directors.—
 3428 (1) Each member of the board of directors, when discharging
 3429 duties of a director, including in discharging duties as a
 3430 member of a board committee, shall act:
 3431 (a) In good faith; and
 3432 (b) In a manner such director reasonably believes is in the
 3433 best interests of the corporation.
 3434 (2) The members of the board of directors or a board
 3435 committee, when becoming informed in connection with a
 3436 decisionmaking function or devoting attention to an oversight
 3437 function, shall discharge their duties with the care that an
 3438 ordinary prudent person in a like position would reasonably
 3439 believe appropriate under similar circumstances.
 3440 (3) In discharging board or board committee duties, a
 3441 director who does not have knowledge that makes reliance
 3442 unwarranted is entitled to rely on the performance by any of the
 3443 persons specified in paragraph (5) (a) or paragraph (5) (b) to
 3444 whom the board may have delegated, formally or informally by
 3445 course of conduct, the authority or duty to perform one or more
 3446 of the board's functions that are delegable under applicable
 3447 law.
 3448 (4) In discharging board or board committee duties, a
 3449 director who does not have knowledge that makes reliance
 3450 unwarranted is entitled to rely on any information, opinions,
 3451 reports, or statements, including financial statements and other

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3452 financial data, prepared or presented by any of the persons
 3453 specified in subsection (5).
 3454 (5) A director is entitled to rely, in accordance with
 3455 subsection (3) or subsection (4), on:
 3456 (a) One or more officers or employees of the corporation
 3457 whom the director reasonably believes to be reliable and
 3458 competent in the functions performed or the information,
 3459 opinions, reports, or statements provided;
 3460 (b) Legal counsel, public accountants, or other persons
 3461 retained by the corporation or by a committee of the board of
 3462 the corporation as to matters involving skills or expertise the
 3463 director reasonably believes are matters:
 3464 1. Within the particular person's professional or expert
 3465 competence; or
 3466 2. As to which the particular person merits confidence; or
 3467 (c) A committee of the board of directors of which the
 3468 director is not a member if the director reasonably believes the
 3469 committee merits confidence.
 3470 (d) In the case of a corporation engaged in religious
 3471 activity, religious authorities and ministers, priests, rabbis,
 3472 imams, or other persons whose positions or duties the director
 3473 reasonably believes justify reliance and confidence and whom the
 3474 director believes to be reliable and competent in the matters
 3475 presented.
 3476 (6) A director is not a trustee with respect to the
 3477 corporation or with respect to any property held or administered
 3478 by the corporation in trust, including property that may be
 3479 subject to restrictions imposed by the donor or transferor of
 3480 the property.

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3481 Section 51. Section 617.0832, Florida Statutes, is amended
3482 to read:

3483 (Substantial rewording of section.

3484 See s. 617.0832, F.S., for present text.)

3485 617.0832 General standards for directors.-

3486 (1) As used in this section, the term:

3487 (a) "Director's conflict of interest transaction" means a
3488 transaction between a corporation and one or more of its
3489 directors, or another entity in which one or more of the
3490 corporation's directors is directly or indirectly a party to the
3491 transaction, other than being an indirect party as a result of
3492 being a member of the corporation, and has a direct or indirect
3493 material financial interest or other material interest.

3494 (b) "Fair to the corporation" means that the transaction,
3495 as a whole, is beneficial to the corporation and its members,
3496 taking into appropriate account whether it is:

3497 1. Fair in terms of the director's dealings with the
3498 corporation in connection with that transaction; and

3499 2. Comparable to what might have been obtainable in an
3500 arm's length transaction.

3501 (c) "Family member" includes any of the following:

3502 1. The director's spouse.

3503 2. A child, stepchild, parent, stepparent, grandparent,
3504 sibling, step sibling, or half sibling of the director or the
3505 director's spouse.

3506 (d) "Indirect material financial interest" or "indirectly a
3507 party to a transaction" means that a director's family member
3508 has a material financial interest in the transaction, other than
3509 having an indirect interest as a member of the corporation, or

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3510 if the transaction is with an entity, other than the
3511 corporation, which has a material financial interest in the
3512 transaction and controls, or is controlled by, the director or
3513 another person specified in this chapter.

3514 (e) "Indirect material financial interest" or "other
3515 material interest" means a director has a financial or other
3516 interest in the transaction which would reasonably be expected
3517 to impair the objectivity of the director's judgment when
3518 participating in the action on the authorization of the
3519 transaction.

3520 (f) "Indirectly a party to a transaction" means a director
3521 who has a material financial interest in or is a director,
3522 officer, member, manager, or partner of a person, other than the
3523 corporation, who is a party to the transaction.

3524 (2) If a director's conflict of interest transaction is
3525 fair to the corporation at the time it is authorized, approved,
3526 effectuated, or ratified:

3527 (a) Such transaction is not void or voidable; and

3528 (b) The fact that the transaction is a director's conflict
3529 of interest transaction is not grounds for any equitable relief,
3530 an award of damages, or other sanctions, because of that
3531 relationship or interest, because such director or directors are
3532 present at the meeting of the board of directors or a committee
3533 thereof which authorizes, approves, or ratifies such
3534 transaction, or because such directors or their votes are
3535 counted for such purpose.

3536 (3) (a) In a proceeding challenging the validity of a
3537 director's conflict of interest transaction or in a proceeding
3538 seeking equitable relief, award of damages, or other sanctions

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with respect to a director's conflict of interest transaction, the person challenging the validity or seeking equitable relief, award of damages, or other sanctions has the burden of proving the lack of fairness of the transaction if:

1. The material facts of the transaction and the director's interest in the transaction were disclosed or known to the board of directors or committee that authorizes, approves, or ratifies the transaction and the transaction was authorized, approved, or ratified by a vote of a majority of the qualified directors, even if the qualified directors constitute less than a quorum of the board or the committee; however, the transaction may not be authorized, approved, or ratified under this subsection solely by a single director; or

2. The material facts of the transaction and the director's interest in the transaction were disclosed or known to the members who voted upon such transaction and the transaction was authorized, approved, or ratified by a majority of the votes cast by disinterested members or by the written consent of disinterested members representing a majority of the votes that could be cast by all disinterested members. A membership interest owned by or voted under the control of a director who has a relationship or an interest in the director's conflict of interest transaction may not be considered a membership interest owned by a disinterested member and may not be counted in a vote of members to determine whether to authorize, approve, or ratify a director's conflict of interest transaction under this subsection. The vote of those membership interests, however, is counted in determining whether the transaction is approved under other sections of this chapter. A majority of the membership

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interests, whether or not present, which are entitled to be counted in a vote on the transaction under this subsection, constitutes a quorum for the purpose of taking action under this section.

(b) If neither of the conditions provided in paragraph (a) have been satisfied, the person defending or asserting the validity of a director's conflict of interest transaction has the burden of proving its fairness in a proceeding challenging the validity of the transaction.

(4) The presence of or a vote cast by a director with an interest in the transaction does not affect the validity of an action taken in paragraph (3) (a) if the transaction is otherwise authorized, approved, or ratified as provided in subsection (3), but the presence or vote of the director may be counted for purposes of determining whether the transaction is approved under this chapter.

(5) In addition to other grounds for challenge, a party challenging the validity of the transaction is not precluded from asserting and proving that a particular director or member was not disinterested on grounds of financial or other interest for purposes of the vote on, consent to, or approval of the transaction.

(6) If directors' action under this section does not otherwise satisfy a quorum or voting requirement applicable to the authorization of the transaction by directors as required by the articles of incorporation, the bylaws, this chapter, or any other law, an action to satisfy such authorization requirements, whether as part of the same action or by way of another action, must be taken by the board of directors or a committee in order

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to authorize the transaction. In such action, the vote or consent of directors who are not disinterested may be counted.

(7) If members' action under this section does not satisfy a quorum or voting requirement applicable to the authorization of the transaction by members as required by the articles of incorporation, the bylaws, this chapter, or any other law, an action to satisfy such authorization requirements, whether as part of the same action or by way of another action, must be taken by the members in order to authorize the transaction. In such action, the vote or consent of members who are not disinterested members may be counted.

Section 52. Section 617.0834, Florida Statutes, is reordered and amended to read:

617.0834 Liability of directors and officers and directors of certain corporations and associations not for profit; immunity from civil liability.—

(1) A director or an officer ~~or director of a nonprofit organization recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, or of an agricultural or a horticultural organization recognized under s. 501(c)(5), of the Internal Revenue Code of 1986, as amended,~~ is not personally liable for monetary damages to the corporation or any person for any statement, vote, decision to take or not, ~~or failure to take an action, or any failure to take any action, as a director or an officer regarding organizational management or policy by an officer or director,~~ unless:

(a) The director or officer ~~or director~~ breached or failed to perform the director's or officer's ~~his or her~~ duties as a

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director or an officer ~~or director~~; and

(b) The director's or officer's ~~or director's~~ breach of, or failure to perform, the director's or officer's ~~his or her~~ duties constitutes any of the following:

1. A violation of the criminal law, unless the ~~officer or~~ director or officer had reasonable cause to believe the director's or officer's ~~his or her~~ conduct was lawful or had no reasonable cause to believe the director's or officer's ~~his or her~~ conduct was unlawful. A judgment or other final adjudication against a director or an officer ~~or director~~ in any criminal proceeding for violation of the criminal law estops that director or officer ~~or director~~ from contesting the fact that the director's or officer's ~~his or her~~ breach, or failure to perform, constitutes a violation of the criminal law, but does not estop the director or officer ~~or director~~ from establishing that the director or officer ~~he or she~~ had reasonable cause to believe that the director's or officer's ~~his or her~~ conduct was lawful or had no reasonable cause to believe that the director's or officer's ~~his or her~~ conduct was unlawful;

2. A transaction from which the director or officer ~~or director~~ derived an improper personal benefit, directly or indirectly; ~~or~~

3. In a proceeding by or in the right of the corporation to procure a judgment in its favor or by or in the right of a member, conscious disregard for the best interest of the corporation, or willful or intentional misconduct; or

4. In a proceeding by or in the right of someone other than the corporation or a member, recklessness or an act or omission that was committed in bad faith or with malicious purpose or in

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a manner exhibiting wanton and willful disregard of human rights, safety, or property.

(2) A director or an officer is deemed not to have derived an improper personal benefit from any transaction if the transaction and the nature of any personal benefit derived by the director or officer are not prohibited by state or federal law or regulation and, without further limitation, the transaction is fair to the corporation at the time it is authorized, approved, or ratified as determined in accordance with s. 617.0832.

(3) The circumstances set forth in subsection (2) are not exclusive and do not preclude the existence of other circumstances under which a director or officer will be deemed not to have derived an improper benefit.

(4) For the purposes of this section, the term:

(c)(a) "Recklessness" means the acting, or omission to act, in conscious disregard of a risk:

1. Known, or so obvious that it should have been known, to the director or officer ~~or director~~; and

2. Known to the director or officer ~~or director~~, or so obvious that it should have been known, to be so great as to make it highly probable that harm would follow from such action or omission.

(a)(b) "Director" means a person who serves as a director, trustee, or member of the governing board of an organization.

(b)(c) "Officer" means a person who serves as an officer without compensation except reimbursement for actual expenses incurred or to be incurred.

Section 53. Subsection (4) of section 617.0835, Florida

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Statutes, is amended to read:

617.0835 Prohibited activities by private foundations.—

(4) ~~The provisions of Subsections (2) and (3) do not apply to any corporation that was incorporated before January 1, 1970, and that has been properly relieved from the requirements of 26 U.S.C. s. 508(e)(1) by a timely judicial proceeding to the extent that a court of competent jurisdiction determines that such application would be contrary to the terms of the articles of incorporation or organization or other instrument governing such corporation or governing the administration of charitable funds held by it and that the same may not properly be changed to conform to such subsections.~~

Section 54. Section 617.0844, Florida Statutes, is created to read:

617.0844 Standards of conduct for officers.—

(1) An officer, when discharging his or her duties, shall act:

(a) In good faith; and

(b) In a manner such officer reasonably believes to be in the best interests of the corporation.

(2) An officer, when becoming informed in connection with a decisionmaking function or devoting attention to an oversight function, shall discharge his or her duties with the care that an ordinary prudent person in a like position would reasonably believe appropriate under similar circumstances.

(3) In discharging his or her duties, an officer who does not have knowledge that makes reliance unwarranted is entitled to rely on the performance by any of the persons specified in paragraph (5) (a) or paragraph (5) (b) to whom the board may have

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3713 delegated, formally or informally by course of conduct, the
 3714 authority or duty to perform one or more of the board's
 3715 functions that are delegable under applicable law.
 3716 (4) In discharging his or her duties, an officer who does
 3717 not have knowledge that makes reliance unwarranted is entitled
 3718 to rely on any information, opinions, reports, or statements,
 3719 including financial statements and other financial data,
 3720 prepared or presented by any of the persons specified in
 3721 subsection (5).
 3722 (5) An officer is entitled to rely, in accordance with
 3723 subsection (3) or subsection (4), on:
 3724 (a) One or more officers or employees of the corporation
 3725 whom the officer reasonably believes to be reliable and
 3726 competent in the functions performed or the information,
 3727 opinions, reports, or statements provided;
 3728 (b) Legal counsel, public accountants, or other persons
 3729 retained by the corporation or by a committee of the board of
 3730 the corporation as to matters involving skills or expertise the
 3731 officer reasonably believes are matters:
 3732 1. Within the particular person's professional or expert
 3733 competence; or
 3734 2. As to which the particular person merits confidence; or
 3735 (c) A committee of the board of directors of which the
 3736 officer is not a member if the officer reasonably believes the
 3737 committee merits confidence.
 3738 (d) In the case of a corporation engaged in religious
 3739 activity, religious authorities and ministers, priests, rabbis,
 3740 imams, or other persons whose positions or duties the officer
 3741 reasonably believes justify reliance and confidence and whom the

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3742 officer believes to be reliable and competent in the matters
 3743 presented.
 3744 (6) The duty of an officer includes the obligation to:
 3745 (a) Inform the superior officer to whom, or the board of
 3746 directors or the committee to which, the officer reports of
 3747 information about the affairs of the corporation known to the
 3748 officer, within the scope of the officer's functions, and known
 3749 or as should be known to the officer to be material to such
 3750 superior officer, board, or committee; and
 3751 (b) Inform such officer's superior officer, or another
 3752 appropriate person within the corporation, or the board of
 3753 directors, or a committee thereof, of any actual or probable
 3754 material violation of law involving the corporation or material
 3755 breach of duty to the corporation by an officer, employee, or
 3756 agent of the corporation the officer believes has occurred or is
 3757 likely to occur.
 3758 (7) An officer is not a trustee with respect to the
 3759 corporation or to any property held or administered by the
 3760 corporation in trust, including property that may be subject to
 3761 restrictions imposed by the donor.
 3762 Section 55. Subsection (1) of section 617.1001, Florida
 3763 Statutes, is amended to read:
 3764 617.1001 Authority to amend the articles of incorporation.—
 3765 (1) A corporation may amend its articles of incorporation
 3766 at any time to add or change a provision that is required or
 3767 permitted in the articles of incorporation or to delete a
 3768 provision not required to be contained in the articles of
 3769 incorporation. Whether a provision is required or permitted in
 3770 the articles of incorporation is determined as of the effective

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~~date of the amendment as provided in this act.~~

Section 56. Present paragraph (b) of subsection (1) and present subsections (2) and (3) of section 617.1002, Florida Statutes, are redesignated as subsections (2), (4), and (5), respectively, a new subsection (3) is added to that section, and present subsection (1) of that section is amended, to read:

617.1002 Procedure for amending articles of incorporation.—

(1) Unless the articles of incorporation provide otherwise ~~an alternative procedure~~, amendments to the articles of incorporation shall ~~must~~ be adopted ~~made~~ in the following manner:

(a) If there are members entitled to vote on a proposed amendment to the articles of incorporation, the proposed amendment shall first be adopted by the board of directors. ~~must adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members entitled to vote on the proposed amendment, which may be either an annual or a special meeting. Written notice setting forth the proposed amendment or a summary of the changes to be effected by the amendment must be given to each member entitled to vote at such meeting in accordance with the articles of incorporation or the bylaws. The proposed amendment shall be adopted upon receiving at least a majority, or any larger or smaller percentage specified in the articles of incorporation or the bylaws, of the votes which members present at such meeting or represented by proxy are entitled to cast, or~~

(b) Except as provided in subsection (3) or, with respect to restatements that do not require member approval, or s. 617.1007, the members shall approve the amendment.

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(c) In submitting the proposed amendment to the members for approval, the board of directors shall recommend that the members approve the amendment unless the board of directors determines that, because of a conflict of interest or other special circumstances, it should not make such a recommendation, in which case the board must inform the members of the basis for proceeding without such recommendation.

(d) The board of directors may set conditions for the approval of the amendment by the members or the effectiveness of the amendment.

(e) If the amendment is required to be approved by the members, and the approval is to be given at a meeting, the corporation must notify each member entitled to vote on the amendment of the meeting of members at which the amendment is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the amendment, and must contain or be accompanied by a copy of the amendment.

(f) Unless this chapter, the articles of incorporation, or the board of directors, acting pursuant to paragraph (d), requires a greater vote or a greater quorum, the approval of the amendment requires the approval of the members at a meeting at which the current required quorum exists.

(2)(b) If there are no members or if members are not entitled to vote on proposed amendments to the articles of incorporation, unless the articles of incorporation provide otherwise, an amendment may be adopted at a meeting of the board of directors by a majority vote of the directors then in office, or by the incorporators if no board has been elected. Unless the

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articles of incorporation provide otherwise, an amendment adopted by the board of directors under this subsection must also be approved, if the amendment changes or deletes a provision regarding the appointment of a director by persons other than the board, by those persons as if they constituted a voting group.

(3) Unless the articles of incorporation provide otherwise, the board of directors of a corporation with members entitled to vote on proposed amendments may adopt amendments to the corporation's articles of incorporation without approval of the members to:

(a) Extend the duration of the corporation if it was incorporated at a time when limited duration was required by law;

(b) Delete the names and addresses of the initial directors;

(c) Delete the name and address of the initial registered agent or registered office, if a statement of change is on file with the department;

(d) Delete any other information contained in the articles of incorporation which is solely of historical interest;

(e) Change the corporate name by substituting the word "corporation," "incorporated," or the abbreviation "Corp.," or "Inc.," for a similar word or abbreviation in the name, or by adding, deleting, or changing a geographical attribution for the name; or

(f) Restate without change all of the then operative provisions of the articles of incorporation as provided in s. 617.1007.

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Section 57. Section 617.1006, Florida Statutes, is amended to read:

617.1006 Contents of articles of amendment.—

(1) After an amendment to the articles of incorporation has been adopted and approved as required by this chapter, the corporation shall deliver to the department for filing articles of amendment which must be signed in accordance with ~~The articles of amendment must be executed by the corporation as provided in~~ s. 617.01201 and must set forth:

(a) ~~(1)~~ The name of the corporation;

(b) ~~(2)~~ The text of each amendment adopted or the information required by s. 617.01201(10), if applicable;

(c) If the amendment provides for an exchange, a reclassification, or a cancellation of memberships, provisions for implementing the amendment if not contained in the amendment itself, which may be made dependent upon facts objectively ascertainable outside the articles of amendment in accordance with s. 617.01201(10);

(d) The date of each amendment's adoption; and

(e) If the amendment:

1. Was adopted by the incorporators or the board of directors without member approval, a statement that the amendment was adopted by the incorporators or by the board of directors and that member approval was not required;

2. Required approval by the members, a statement that the amendment was duly approved by the members in the manner required by this chapter and by the articles of incorporation and bylaws; or

3. Is being filed pursuant to s. 617.01201(10), a statement

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3887 to that effect.

3888 (2) Articles of amendment take effect on the effective date
 3889 determined pursuant to s. 617.0123.

3890 ~~(3) If there are members entitled to vote on a proposed~~
 3891 ~~amendment, the date of the adoption of the amendment by the~~
 3892 ~~members and a statement that the number of votes cast for the~~
 3893 ~~amendment was sufficient for approval; and~~

3894 ~~(4) If there are no members or if members are not entitled~~
 3895 ~~to vote on a proposed amendment, a statement of such fact and~~
 3896 ~~the date of the adoption of the amendment by the board of~~
 3897 ~~directors.~~

3898 Section 58. Section 617.1101, Florida Statutes, is amended
 3899 to read:

3900 (Substantial rewording of section.

3901 See s. 617.1101, F.S., for present text.)

3902 617.1101 Plan of merger.—

3903 (1) By complying with this chapter, including adopting a
 3904 plan of merger in accordance with subsection (3) and complying
 3905 with s. 617.1103:

3906 (a) Subject to and except as otherwise provided in s.
 3907 617.1102, one or more domestic corporations may merge with one
 3908 or more domestic or foreign eligible entities pursuant to a plan
 3909 of merger, resulting in a survivor; and

3910 (b) Any two or more eligible entities may merge, resulting
 3911 in a surviving entity that is a domestic corporation created in
 3912 the merger.

3913 (2) Subject to and except as otherwise provided in s.
 3914 617.1102, a domestic eligible entity that is not a corporation
 3915 may be a party to a merger with a domestic corporation, or may

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3916 be created as the survivor in a merger in which a domestic
 3917 corporation is a party, but only if the parties to the merger
 3918 comply with this chapter and the merger is permitted by the
 3919 organic law of the domestic eligible entity that is not a
 3920 corporation. A foreign eligible entity may be a party to a
 3921 merger with a domestic corporation or, subject to and as
 3922 otherwise provided in s. 617.1102, may be created as the
 3923 survivor in a merger in which a domestic corporation is a party,
 3924 but only if the parties to the merger comply with this chapter
 3925 and the merger is permitted by the organic law of the foreign
 3926 eligible entity.

3927 (3) The plan of merger must set forth:

3928 (a) As to each party to the merger, its name, jurisdiction
 3929 of formation, and type of entity;

3930 (b) The survivor's name, jurisdiction of formation, and
 3931 type of entity, and, if the survivor is to be created in the
 3932 merger, a statement to that effect;

3933 (c) The terms and conditions of the merger, including:

3934 1. A statement that the interests in such entity are to be
 3935 canceled; or

3936 2. The manner of converting the interests in such entity
 3937 into interests, securities, obligations, money, other property,
 3938 rights to acquire interests or securities, or any combination of
 3939 the foregoing;

3940 (d) The articles of incorporation of any domestic or
 3941 foreign corporation, or the public organic record of any other
 3942 domestic or foreign eligible entity to be created by the merger,
 3943 or if a new domestic or foreign corporation or other eligible
 3944 entity is not to be created by the merger, any amendment to, or

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restatement of, the survivor's articles of incorporation or other public organic record;

(e) The effective date and time of the merger, which may be on or after the filing date of filing the articles of merger; and

(f) Any other provision required by the laws under which any party to the merger is organized or by which it is governed, or by the articles of incorporation or organic rules of any such party.

(4) In addition to the requirements of subsection (3), a plan of merger may contain any other provision that is not prohibited by law.

(5) Terms of a plan of merger may be made dependent upon facts objectively ascertainable outside the plan in accordance with s. 617.01201(10).

(6) A plan of merger may be amended only with the consent of each party to the merger, except as provided in the plan. A domestic party to a merger may approve an amendment to a plan:

(a) In the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan, except that an interest holder that was entitled to vote on or consent to the approval of the plan is entitled to vote on or consent to any amendment to the plan which will change:

1. The amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received under the plan by the interest holders of any party to

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the merger;

2. The articles of incorporation of any domestic corporation, or the organic rules of any other type of entity, that will be the survivor of the merger, except for changes permitted by s. 617.1002(3) or by comparable provisions of the organic law of any other type of entity; or

3. Any of the other terms or conditions of the plan if the change would adversely affect the interest holder in any material respect.

Section 59. Section 617.1102, Florida Statutes, is amended to read:

617.1102 Limitation on merger.—A domestic corporation that holds property for a charitable purpose ~~not for profit organized under this chapter~~ may merge with one or more other eligible entities, ~~as identified in s. 607.1101(1)~~, only if the surviving entity of such merger is a domestic or foreign corporation ~~not for profit~~ or other eligible entity that has been organized as a nonprofit ~~not-for-profit~~ entity under a governing statute or other applicable law that allows such a merger.

Section 60. Section 617.1103, Florida Statutes, is amended to read:

(Substantial rewording of section.)

See s. 617.1103, F.S., for present text.)

617.1103 Approval of plan of merger; abandonment of plan thereafter.—

(1) In the case of a domestic corporation that is a party to a merger, the plan of merger shall be adopted in the following manner if there are members of the domestic corporation entitled to vote on the merger:

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(a) The plan of merger shall first be adopted by the board of directors of such domestic corporation.

(b) Except as provided in paragraph (h), and in s. 617.1104, the members entitled to vote shall vote to adopt the plan of merger.

(c) In submitting the plan of merger to the members for approval, the board of directors shall recommend that the members approve the plan, unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, in which case the board shall inform the members of the basis for proceeding without such recommendation.

(d) The board of directors may set conditions for the approval of the proposed merger by the members or the effectiveness of the plan of merger.

(e) If the approval by members is to be given at a meeting, the corporation shall notify each member entitled to vote of the meeting of members at which the plan is submitted for approval in accordance with this chapter and the articles of incorporation and bylaws of the corporation. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the plan of merger, regardless of whether the meeting is an annual or a special meeting, and contain or be accompanied by a copy of the plan. If the corporation is not to be the surviving entity, the notice must also include or be accompanied by a copy of the articles of incorporation and bylaws or the organic rules of the surviving entity.

(f) Unless this chapter, the articles of incorporation, or the board of directors, acting pursuant to paragraph (d),

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requires a greater vote or a greater quorum in the respective case, approval of the plan of merger shall require the approval of the members at a meeting at which the current required quorum exists by a majority of the votes entitled to be cast on the plan and, if any class of members is entitled to vote as a separate voting group on the plan of merger, the approval of each such separate voting group at a meeting at which a quorum of the voting group is present by a majority of the votes entitled to be cast on the merger by that voting group.

(g) Subject to paragraph (h), unless otherwise provided in the articles of incorporation, separate voting on a plan of merger is required for each class of members that is to be converted under the plan of merger into securities, interests, or obligations; rights to acquire securities or other interests; or cash, other property, or any combination thereof.

(h) The articles of incorporation may expressly limit or eliminate the separate voting rights as to any class of members.

(2) If a domestic corporation that is a party to a merger has no members or if its members are not entitled to vote on a plan of merger, such plan may be adopted at a meeting of its board of directors by a majority vote of the directors then in office.

(3)(a) After a plan of merger has been approved and before articles of merger are effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, the plan may be abandoned by the board of directors in the same manner as the plan was approved by:

1. A domestic corporation; or

2. A merging domestic eligible entity if the organic law of

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the entity does not provide for amendment of a plan of merger.

(b) If a merger is abandoned under paragraph (a) after articles of merger have been delivered to the department for filing but before the articles of merger have become effective, a statement of abandonment signed by all the parties that signed the articles of merger shall be delivered to the department for filing before the articles of merger become effective. The statement takes effect on filing, whereupon the merger is deemed abandoned and does not become effective. The statement of abandonment must contain:

1. The name of each party to the merger;

2. The date on which the articles of merger were filed by the department; and

3. A statement that the merger has been abandoned in accordance with this section.

Section 61. Section 617.1104, Florida Statutes, is created to read:

617.1104 Short-form merger between parent and subsidiary or between subsidiaries.—

(1)(a) A domestic or foreign parent eligible entity that holds a membership in a domestic corporation that carries at least 80 percent of the voting power of each class of membership of the domestic corporation which has voting power may:

1. Merge the subsidiary into itself, or into another domestic or foreign eligible entity in which the parent eligible entity owns at least 80 percent of the voting power of each class and series of the outstanding interests that have voting power; or

2. Merge itself into the subsidiary.

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(b) Mergers under subparagraphs (a)1. and 2. do not require the approval of the board of directors or members of the subsidiary unless the articles of incorporation or organic rules of the parent eligible entity or the articles of incorporation of the subsidiary entity otherwise provide. The articles of merger relating to a merger under this section do not need to be signed by the subsidiary entity.

(2) The parent eligible entity shall, within 10 days after the effective date of a merger approved under subsection (1), notify each of the subsidiary entity's members that the merger has become effective.

(3) Except as provided for in subsections (1) and (2), a merger between a parent eligible entity and a domestic subsidiary corporation is governed by ss. 617.1101-617.1107, which are applicable to mergers generally.

Section 62. Section 617.1105, Florida Statutes, is amended to read:

(Substantial rewording of section.

See s. 617.1105, F.S., for present text.)

617.1105 Articles of merger.—

(1) After a plan of merger has been adopted and approved as required by this chapter or, if the merger is being effected pursuant to s. 617.1101(1)(b), the merger has been approved as required by the organic law governing the parties to the merger, the articles of merger must be signed by each party to the merger, except as provided in s. 617.1104. The articles of merger must set forth:

(a) The name, jurisdiction of formation, and type of entity of each party to the merger;

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4119 (b) If not already identified as the survivor pursuant to
 4120 paragraph (a), the name, jurisdiction of formation, and type of
 4121 entity of the survivor;

4122 (c) If the articles of incorporation of the survivor are
 4123 being amended, or if a new domestic corporation is being created
 4124 as a result of the merger:

4125 1. The amendments to the survivor's articles of
 4126 incorporation; or

4127 2. The articles of incorporation of the new corporation;

4128 (d) If the plan of merger required approval by the members
 4129 of a domestic corporation that is a party to the merger, a
 4130 statement that the plan was duly approved by the members and, if
 4131 voting by any separate voting group was required, by each such
 4132 separate voting group, in the manner required by this chapter
 4133 and the articles of incorporation of such domestic corporation;

4134 (e) If the plan of merger did not require approval by the
 4135 members of a domestic corporation that is a party to the merger,
 4136 a statement to that effect;

4137 (f) As to each foreign corporation that is a party to the
 4138 merger, a statement that the participation of the foreign
 4139 corporation was duly authorized in accordance with such
 4140 corporation's organic law;

4141 (g) As to each domestic or foreign eligible entity that is
 4142 a party to the merger and that is not a domestic or foreign
 4143 corporation, a statement that the participation of the eligible
 4144 entity in the merger was duly authorized in accordance with such
 4145 eligible entity's organic law; and

4146 (h) If the survivor is not a domestic or foreign
 4147 corporation or other eligible entity that has been organized as

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4148 a nonprofit entity under a governing statute or other applicable
 4149 law that allows such a merger, as to each domestic corporation
 4150 that is a party to the merger, a statement that it does not hold
 4151 any property for a charitable purpose.

4152 (2) In addition to the requirements of subsection (1),
 4153 articles of merger may contain any other provision not
 4154 prohibited by law.

4155 (3) The articles of merger shall be delivered to the
 4156 department for filing, and, subject to subsection (4), the
 4157 merger must take effect on the effective date determined in
 4158 accordance with s. 617.0123.

4159 (4) With respect to a merger in which one or more foreign
 4160 entities is a party or a foreign corporation created by the
 4161 merger is the survivor, the merger itself becomes effective at
 4162 the later of:

4163 (a) When all documents required to be filed in all foreign
 4164 jurisdictions to effect the merger have become effective; or

4165 (b) When the articles of merger take effect.

4166 (5) Articles of merger required to be filed under this
 4167 section may be combined with any filing required under the
 4168 organic law governing any other domestic eligible entity
 4169 involved in the transaction if the combined filing satisfies the
 4170 requirements of both this section and the other organic law.

4171 Section 63. Section 617.1106, Florida Statutes, is amended
 4172 to read:

4173 (Substantial rewording of section.
 4174 See s. 617.1106, F.S., for present text.)
 4175 617.1106 Effect of merger.-
 4176 (1) When a merger becomes effective:

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4177 (a) The domestic or foreign eligible entity that is
 4178 designated in the plan of merger as the survivor continues or
 4179 comes into existence, as the case may be;
 4180 (b) The separate existence of every merging entity, other
 4181 than the survivor, ceases;
 4182 (c) All property owned by, and every contract right and
 4183 other right possessed by, each merging entity vests in the
 4184 survivor, without transfer, reversion, or impairment;
 4185 (d) All debts, obligations, and other liabilities of each
 4186 merging entity become debts, obligations, and liabilities of the
 4187 survivor;
 4188 (e) The name of the survivor may be, but need not be,
 4189 substituted in any pending proceeding for the name of any party
 4190 to the merger whose separate existence ceased in the merger;
 4191 (f) Neither the rights of creditors nor any liens upon the
 4192 property of any corporation party to the merger are impaired by
 4193 such merger;
 4194 (g) If the survivor is a domestic eligible entity, the
 4195 articles of incorporation and bylaws or the organic rules of the
 4196 survivor are amended to the extent provided in the plan of
 4197 merger;
 4198 (h) The articles of incorporation and bylaws or the organic
 4199 rules of a survivor that is a domestic eligible entity and is
 4200 created by the merger become effective;
 4201 (i) The interests of each merging entity which are to be
 4202 canceled or converted in the merger are canceled or converted,
 4203 and the interest holders of those interests are entitled only to
 4204 the rights provided to them under the plan of merger and to any
 4205 appraisal rights they have under the merging entity's organic

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4206 law;
 4207 (j) Except as provided by law or the plan of merger, all
 4208 the rights, privileges, franchises, and immunities of each
 4209 eligible entity that is a party to the merger, other than the
 4210 survivor, become the rights, privileges, franchises, and
 4211 immunities of the survivor; and
 4212 (k) If the survivor exists before the merger:
 4213 1. All the property and contract and other rights of the
 4214 survivor remain its property and contract and other rights
 4215 without transfer, reversion, or impairment;
 4216 2. The survivor remains subject to all of its debts,
 4217 obligations, and other liabilities; and
 4218 3. Except as provided by law or the plan of merger, the
 4219 survivor continues to hold all of its rights, privileges,
 4220 franchises, and immunities.
 4221 (2) Except as provided in the organic law governing a party
 4222 to a merger or in its articles of incorporation or organic
 4223 rules, the merger does not give rise to any rights that any
 4224 interest holder or third party would have upon a dissolution,
 4225 liquidation, or winding up of that party. The merger does not
 4226 require a party to the merger to wind up its affairs and does
 4227 not constitute or cause its dissolution or termination.
 4228 (3) Property held in trust or otherwise dedicated to a
 4229 charitable purpose and held by a domestic or foreign eligible
 4230 entity immediately before a merger becomes effective may not, as
 4231 a result of the merger, be diverted from the purposes for which
 4232 it was donated, granted, devised, or otherwise transferred
 4233 except pursuant to the laws of this state addressing cy pres or
 4234 dealing with nondiversion of charitable assets.

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4235 (4) Any bequest, devise, gift, grant, or promise contained
 4236 in a will or other instrument of donation, subscription, or
 4237 conveyance which is made to an eligible entity that is a party
 4238 to a merger that is not the survivor and which takes effect or
 4239 remains payable after the merger inures to the survivor.

4240 (5) A trust obligation that would govern property if the
 4241 property is directed to be transferred to a nonsurviving
 4242 eligible entity applies to property that is to be transferred
 4243 instead to the survivor after a merger becomes effective.

4244 Section 64. Section 617.1107, Florida Statutes, is amended
 4245 to read:

4246 617.1107 Merger of domestic and foreign corporations.—

4247 (1) ~~One or more foreign corporations and one or more~~
 4248 ~~domestic corporations may be merged into a corporation of this~~
 4249 ~~state or of another jurisdiction if such merger is permitted by~~
 4250 ~~the laws of the jurisdiction under which each such foreign~~
 4251 ~~corporation is organized and if:~~

4252 ~~(a) Each foreign corporation complies with the applicable~~
 4253 ~~laws of the jurisdiction under which it is organized; and~~

4254 ~~(b) Each domestic corporation complies with the provisions~~
 4255 ~~of this act relating to the merger of domestic corporations.~~

4256 (2) Following a merger in accordance with s. 617.1101, if
 4257 the surviving eligible entity is a foreign eligible entity
 4258 corporation is to be governed by the laws of any jurisdiction
 4259 other than this state, it must comply with the provisions of
 4260 this chapter act with respect to foreign corporations if it is
 4261 to conduct its affairs in this state, and in every case it will
 4262 be deemed to have filed with the department of State:

4263 (a) An agreement that it may be served with process in this

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4264 state in any proceeding for the enforcement of any obligation of
 4265 any domestic corporation which is a party to such merger; and

4266 (b) An irrevocable appointment of the department ~~of State~~
 4267 ~~of this state~~ as its agent to accept service of process in any
 4268 such proceeding.

4269 (2)(3) Following a merger in accordance with s. 617.1101,
 4270 if the surviving eligible entity is a corporation is to be
 4271 governed by the laws of this state, the effect of such merger is
 4272 the same as in the case of the merger of domestic corporations.
 4273 If the surviving eligible entity corporation is to be governed
 4274 by the laws of any jurisdiction other than this state, the
 4275 effect of such merger is governed by the laws of such other
 4276 jurisdiction.

4277 ~~(4) At any time prior to the filing of the articles of~~
 4278 ~~merger by the Department of State, the merger may be abandoned~~
 4279 ~~pursuant to provisions therefor, if any, set forth in the plan~~
 4280 ~~of merger.~~

4281 Section 65. Section 617.1202, Florida Statutes, is amended
 4282 to read:

4283 617.1202 Sale, lease, exchange, or other disposition of
 4284 corporate property and assets requiring member approval. ~~A sale,~~
 4285 ~~lease, exchange, or other disposition of all or substantially~~
 4286 ~~all of the property and assets of a corporation, in all cases~~
 4287 ~~other than those not requiring member approval as specified in~~
 4288 ~~s. 617.1201, may be made upon such terms and conditions and for~~
 4289 ~~such consideration, which may consist in whole or in part of~~
 4290 ~~money or property, real or personal, including shares, bonds, or~~
 4291 ~~other securities of any corporation or corporations for profit,~~
 4292 ~~domestic or foreign, and must be authorized in the following~~

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manner:

(1) If ~~a~~ the corporation has members entitled to vote, the corporation may sell, lease, exchange, or otherwise dispose of all, or substantially all, of its property, with or without good will, on the terms and conditions and for the consideration determined by the corporation's board of directors, but only if the board of directors proposes and its members approve the proposed transaction in the following manner: ~~on the sale, lease, exchange, or other disposition of corporate property, the board of directors must adopt a resolution approving such sale, lease, exchange, or other disposition, and directing that it be submitted to a vote at a meeting of members entitled to vote thereon, which may be either an annual or special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the sale, lease, exchange, or other disposition of all or substantially all of the property and assets of the corporation must be given to each member entitled to vote at such meeting in accordance with the articles of incorporation or the bylaws. At such meeting, the members may authorize such sale, lease, exchange, or other disposition and may approve or fix, or may authorize the board of directors to fix, any or all of the terms and conditions thereof and the consideration to be received by the corporation therefor. Such authorization requires at least a majority of the votes which members present at such meeting or represented by proxy are entitled to cast. After such authorization by a vote of members, the board of directors may, in its discretion, abandon such sale, lease, exchange, or other disposition of assets, subject to the rights of third parties under any contracts relating to~~

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~~such sale, lease, exchange, or other disposition, without further action or approval by members.~~

(a) The board of directors shall first adopt a resolution approving the disposition, and thereafter, the disposition must also be approved by the corporation's members having voting rights thereon.

(b) In submitting the disposition to the members who have voting rights for approval, the board of directors shall recommend the proposed transaction to the members of record unless the board of directors makes a determination that because of a conflict of interest or other special circumstances it should not make such a recommendation, in which event the board of directors shall inform the members of the basis for its so proceeding without such recommendation.

(c) The board of directors may set conditions for approval of the disposition or the effectiveness of the disposition.

(d) If the disposition is required to be approved by the members under this subsection and if the approval is to be given at the meeting, the corporation must notify each member entitled to vote of the meeting of members at which the disposition is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the disposition and must contain a description of the disposition and the consideration to be received by the corporation.

(e) Unless this chapter, the articles of incorporation, or the board of directors acting pursuant to paragraph (c) requires a greater vote or a greater quorum, the approval of the disposition shall require the approval of the members entitled

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4351 to vote at a meeting at which the current required quorum exists
 4352 consisting of a majority of all the votes entitled to be cast on
 4353 the disposition.

4354 (2) After a disposition has been approved by the members
 4355 under this section, and at any time before the disposition has
 4356 been consummated, it may be abandoned by the corporation without
 4357 action by the members, subject to any contractual rights of
 4358 other parties to the disposition.

4359 (3) A disposition of assets in the course of dissolution is
 4360 governed by ss. 617.1401-617.1440 and not by this section.

4361 (4) If the corporation has no members or if its members are
 4362 not entitled to vote thereon, a sale, lease, exchange, or other
 4363 disposition of all or substantially all the property and assets
 4364 of a corporation may be authorized by a majority vote of the
 4365 directors then in office.

4366 Section 66. Subsection (2) of section 617.1401, Florida
 4367 Statutes, is amended, and subsection (3) of that section is
 4368 reenacted, to read:

4369 617.1401 Voluntary dissolution of corporation prior to
 4370 conducting its affairs.—

4371 (2) Articles of dissolution must be executed in accordance
 4372 with s. 617.01201 and must set forth:

4373 (a) The name of the corporation;

4374 (b) The date of filing of its articles of incorporation;

4375 (c) That the corporation has not commenced to conduct its
 4376 affairs;

4377 (d) That no debts of the corporation remain unpaid; ~~and~~

4378 (e) That any net assets of the corporation remaining after
 4379 winding up have been distributed in accordance with s. 617.1406;

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4380 and

4381 (f) That the incorporator or a majority of the
 4382 incorporators or a majority of the directors, as the case may
 4383 be, authorized the dissolution.

4384 (3) The articles of dissolution must be filed and shall
 4385 become effective in accordance with s. 617.1403, may be revoked
 4386 in accordance with s. 617.1404, and shall have the effect
 4387 prescribed in s. 617.1405.

4388 Section 67. Section 617.1402, Florida Statutes, is amended
 4389 to read:

4390 617.1402 Dissolution of corporation subsequent to
 4391 conducting its affairs.—A corporation desiring to dissolve and
 4392 wind up its affairs must adopt a resolution to dissolve in the
 4393 following manner:

4394 (1) If the corporation has members entitled to vote on a
 4395 resolution to dissolve, and unless the board of directors
 4396 determines that because of a conflict of interest or other
 4397 substantial reason it should not make any recommendation, the
 4398 board of directors must adopt a resolution recommending that the
 4399 corporation be dissolved and directing that the question of such
 4400 dissolution be submitted to a vote at a meeting of members
 4401 entitled to vote thereon, which may be either an annual or
 4402 special meeting. Written notice stating that the purpose, or one
 4403 of the purposes, of such meeting is to consider the advisability
 4404 of dissolving the corporation must be given to each member
 4405 entitled to vote at such meeting in accordance with the articles
 4406 of incorporation or the bylaws. A resolution to dissolve the
 4407 corporation must ~~shall~~ be adopted upon receiving at least a
 4408 majority of the votes which members present at such meeting or

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represented by proxy are entitled to cast.

(2) If the corporation has no members or if its members are not entitled to vote on a resolution to dissolve, the dissolution of the corporation may be authorized at a meeting of the board of directors by a majority vote of the directors then in office.

Section 68. Subsection (1) of section 617.1403, Florida Statutes, is amended, and subsection (3) is added to that section, to read:

617.1403 Articles of dissolution.—

(1) At any time after dissolution is authorized, the corporation may dissolve by delivering to the department of State for filing articles of dissolution setting forth:

(a) The name of the corporation;

(b) If the corporation has members entitled to vote on dissolution, the date of the meeting of members at which the resolution to dissolve was adopted, a statement that the number of votes cast for dissolution was sufficient for approval, or a statement that such a resolution was adopted by written consent and executed in accordance with s. 617.0701; and

(c) If the corporation has no members or if its members are not entitled to vote on dissolution, a statement of such fact, the date of the adoption of such resolution by the board of directors, the number of directors then in office, and the vote for the resolution.

(3) For purposes of ss. 617.1401-617.1422, the term "dissolved corporation" means a corporation whose articles of dissolution have become effective and includes a successor entity, as defined in s. 617.01401.

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Section 69. Subsection (1) of section 617.1405, Florida Statutes, is amended, subsections (5) and (6) are added to that section, and subsection (4) of that section is reenacted, to read:

617.1405 Effect of dissolution.—

(1) A ~~dissolved~~ corporation that has dissolved continues its corporate existence but may not conduct its affairs except to the extent appropriate to wind up and liquidate its affairs, including:

(a) Collecting its assets;

(b) Disposing of its properties that will not be distributed in kind pursuant to the plan of distribution of assets adopted under s. 617.1406;

(c) Discharging or making provision for discharging its liabilities;

(d) Distributing its remaining property in accordance with the plan of distribution of assets adopted under s. 617.1406; and

(e) Doing every other act necessary to wind up and liquidate its affairs.

(4) The name of a dissolved corporation is not available for assumption or use by another corporation until 120 days after the effective date of dissolution unless the dissolved corporation provides the department with an affidavit, executed pursuant to s. 617.01201, authorizing the immediate assumption or use of the name by another corporation.

(5) For purposes of this section, the circuit court may appoint a trustee, custodian, receiver, or provisional director as described in s. 617.1435 for any property owned or acquired

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by the corporation who may engage in any act permitted in accordance with subsection (1) if any director or officer of the dissolved corporation is unwilling or unable to serve or cannot be located.

(6) Property held in trust or otherwise dedicated to a public or charitable purpose may not be diverted from its trust or charitable purpose by the dissolution of a corporation except in compliance with and pursuant to the laws of this state addressing cy pres or otherwise dealing with the nondiversion of charitable assets.

Section 70. Section 617.1406, Florida Statutes, is amended to read:

617.1406 Plan of distribution of assets.—A plan providing for the distribution of assets, not inconsistent with this chapter ~~act~~ or the articles of incorporation, must be adopted by a corporation in the following manner:

(1) If the corporation has members entitled to vote on a plan of distribution of assets, the board of directors must adopt a resolution recommending a plan of distribution and directing its submission to a vote at a meeting of members entitled to vote thereon, which may be either an annual or a special meeting. Written notice setting forth the proposed plan of distribution or a summary thereof must be given to each member entitled to vote at such meeting in accordance with the articles of incorporation or the bylaws. Such plan of distribution shall be adopted upon receiving at least a majority of the votes which the members present at such meeting or represented by proxy are entitled to cast.

(2) If the corporation has no members or if its members are

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not entitled to vote on a plan of distribution, such plan may be adopted at a meeting of the board of directors by a majority vote of the directors then in office.

(3) A plan of distribution of assets must provide that:

(a) All liabilities and obligations of the corporation be paid and discharged, or adequate provisions be made therefor;

(b) Assets held by the corporation upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, be returned, transferred, or conveyed in accordance with such requirements;

(c) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, ~~eleemosynary~~, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, be transferred or conveyed to one or more domestic or foreign corporations, trusts, societies, or organizations engaged in activities substantially similar to those of the dissolving corporation, as provided in the plan of distribution of assets;

(d) Other assets, if any, be distributed in accordance with the ~~provisions of the~~ articles of incorporation or the bylaws to the extent that the articles of incorporation or the bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others; and

(e) Any remaining assets be distributed to such persons, trusts, societies, organizations, or domestic or foreign corporations, whether for profit or not for profit, as specified in the plan of distribution of assets.

(4) A copy of the plan of distribution of assets,

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authenticated by an officer of the corporation and containing the officer's certificate of compliance with the requirements of subsection (1) or subsection (2) must be filed with the department ~~of State~~.

Section 71. Section 617.1407, Florida Statutes, is amended to read:

617.1407 Unknown claims against dissolved corporation.—

(1) A dissolved corporation or successor entity may execute one of the following procedures to resolve payment of unknown claims:

(a) A dissolved corporation or successor entity may file notice of its dissolution with the department on the form prescribed by the department and request that persons with ~~having~~ claims against the corporation which are not known claims as defined in s. 617.1408(5) to the corporation or successor entity present them in accordance with the notice. The notice must:

1. State the name of the corporation that is the subject ~~and the date of the~~ dissolution;

2. State that the corporation is the subject of a dissolution and the effective date of the dissolution;

3. Specify ~~Describe~~ the information that must be included in a claim;

4. State that a claim must be in writing and provide a mailing address to which the claim may be sent; and

5. ~~3-~~ State that a claim against the corporation under this subsection will be ~~is~~ barred unless a proceeding to enforce the claim is commenced within 4 years after the date of the filing of the notice.

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(b) A dissolved corporation or successor entity may, within 10 days after filing articles of dissolution with the department, publish a "Notice of Corporate Dissolution." The notice must appear once a week for 2 consecutive weeks in a newspaper of general circulation in the county in the state in which the corporation has its principal office, if any, or, if none, in a county in the state in which the corporation owns real or personal property. Such newspaper shall meet the requirements as are prescribed by law for such purposes. The notice must:

1. State the name of the corporation that is the subject ~~and the date of the~~ dissolution;

2. State that the corporation is the subject of a dissolution and the effective date of the dissolution;

3. Specify ~~Describe~~ the information that must be included in a claim;

4. State that a claim must be in writing and provide a mailing address to which the claim may be sent; and

5. ~~3-~~ State that a claim against the corporation under this subsection will be ~~is~~ barred unless a proceeding to enforce the claim is commenced within 4 years after the filing date of the ~~second consecutive weekly publication~~ of the notice.

(2) If the dissolved corporation or successor entity complies with paragraph (1)(a) or paragraph (1)(b), unless ~~sooner barred by another statute limiting actions,~~ the claim of each of the following claimants is barred unless the claimant commences a proceeding to enforce the claim against the dissolved corporation within 4 years after the date of filing the notice with the department or the date of the second

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consecutive weekly publication, as applicable:

(a) A claimant who was not given ~~did not receive~~ written notice under s. 617.1408(9), ~~or whose claim is not provided for under s. 617.1408(10), regardless of whether such claim is based on an event occurring before or after the effective date of dissolution.~~

(b) A claimant whose claim was timely sent to the dissolved corporation but on which no action was taken; ~~or~~

(c) A claimant whose claim was excluded as a known claim as defined in s. 617.1408(5)(b).

(3) This section does not preclude or relieve the corporation from its notification to claimants otherwise set forth in this chapter. A claim may be entered under this section:

~~(a) Against the dissolved corporation, to the extent of its undistributed assets; or~~

~~(b) If the assets have been distributed in liquidation, against a member of the dissolved corporation to the extent of such member's pro rata share of the claim or the corporate assets distributed to such member in liquidation, whichever is less; however, the aggregate liability of any member of a dissolved corporation may not exceed the amount distributed to the member in dissolution.~~

Section 72. Section 617.1408, Florida Statutes, is amended to read:

(Substantial rewording of section.

See s. 617.1408, F.S., for present text.)

617.1408 Known claims against dissolved corporation.

(1) A dissolved corporation or a successor entity may dispose of the known claims against it by giving written notice

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that satisfies the requirements of subsection (2) to its known claimants of the dissolution at any time after the effective date of the dissolution, but no later than the date that is 270 days before the date which is 3 years after the effective date of the dissolution.

(2) The written notice must:

(a) State the name of the corporation that is the subject of the dissolution;

(b) State that the corporation is the subject of a dissolution and the effective date of the dissolution;

(c) Specify the information that must be included in a claim;

(d) State that a claim must be in writing and provide a mailing address where a claim may be sent;

(e) State the deadline, which may not be less than 120 days after the date of the written notice is received by the claimant, by which the dissolved corporation must receive the claim;

(f) State that the claim will be barred if not received by the deadline;

(g) State that the dissolved corporation or successor entity may make distributions thereafter to other claimants and the members of the corporation or persons interested as having been such claimants without further notice; and

(h) Be accompanied by a copy of ss. 617.1405-617.14091.

(3) A dissolved corporation or successor entity may reject, in whole or in part, a claim submitted by a claimant and received before the deadline specified in the written notice pursuant to subsections (1) and (2) by mailing notice of the

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rejection to the claimant, on or before the date that is the earlier of 90 days after the dissolved corporation receives the claim, or the date that is at least 150 days before the date which is 3 years after the effective date of the dissolution. A rejection notice sent by the dissolved corporation pursuant to this subsection must state that the claim will be barred unless the claimant, not later than 120 days after the claimant receives the rejection notice, commences an action in the circuit court in the applicable county against the dissolved corporation to enforce the claim.

(4) A claim against a dissolved corporation is barred:

(a) If a claimant who is given written notice pursuant to this section does not deliver the claim to the dissolved corporation by the specified deadline; or

(b) If the claim was timely received by the dissolved corporation but was timely rejected by the dissolved corporation under subsection (3) and the claimant does not commence the required action in the applicable county within 120 days after the claimant receives the rejection notice.

(5)(a) For purposes of this chapter, "known claim" means any claim or liability that, as of the date of the giving of written notice described in subsections (1) and (2) above:

1. Has matured sufficiently on or before the date of dissolution to be legally capable of assertion against the dissolved corporation; or

2. Is unmatured as of the date of dissolution but will mature in the future solely because of the passage of time.

(b) For purposes of this chapter, "known claim" does not include a contingent liability or a claim based on an event

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occurring after the effective date of the dissolution.

(6) The giving of any notice pursuant to this section does not revive any claim then barred or constitute acknowledgment by the dissolved corporation that any person to whom such notice is sent is a proper claimant and does not operate as a waiver of any defense or counterclaim in respect of any claim asserted by any person to whom such notice is sent.

Section 73. Section 617.1409, Florida Statutes, is created to read:

617.1409 Court proceedings.—

(1) A dissolved corporation that has filed a notice under s. 617.1407(1)(a) or published a notice under s. 617.1407(1)(b) may file an application with the circuit court in the applicable county for a determination of the amount and form of security to be provided for payment of claims that are not known claims as defined in s. 617.1408(5) but that, based on the facts known to the dissolved corporation, are reasonably estimated to arise after the effective date of dissolution. Provisions need not be made for any claim that is or is reasonably anticipated to be barred under s. 617.1407(2).

(2) Within 10 days after the filing of the application pursuant to subsection (1), notice of the proceeding must be given by the dissolved corporation to each claimant holding a claim whose identity and contingent claim is known to the dissolved corporation.

(3) In any proceeding under this section, the court may appoint a guardian ad litem to represent all claimants whose identities are unknown. The reasonable fees and expenses of such guardian ad litem, including all reasonable expert witness fees,

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must be paid by the dissolved corporation.

(4) Provisions by the dissolved corporation for security in the amount and the form ordered by the court under subsection (1) satisfies the dissolved corporation's obligations with respect to claims that are contingent, have not been made known to the dissolved corporation, or are based on an event occurring after the effective date of dissolution, and such claims may not be enforced against a person who received assets in liquidation.

Section 74. Section 617.14091, Florida Statutes, is created to read:

617.14091 Limitation on director liability for a dissolved corporation; claims against dissolved corporation; enforcement.-

(1) Directors of a dissolved corporation or governing persons of a successor entity that has disposed of claims under s. 617.1407, s. 617.1408, or s. 617.1409 are not personally liable to the claimants of the dissolved corporation.

(2) For a claim that is not barred by s. 617.1407 or s. 617.1408, or by any other law, limiting actions may be enforced:

(a) Against the dissolved corporation, to the extent of its undistributed assets; or

(b) Except as provided in s. 617.1409(4), if the assets have been distributed in liquidation, against a member of the dissolved corporation to the extent of the member's pro rata share of the claim or the corporate assets distributed to the member in liquidation, whichever is less, provided that the aggregate liability of any member of a dissolved corporation arising under s. 617.1408 or otherwise may not exceed the total amount distributed to the member in dissolution.

Section 75. Subsection (1) of section 617.1420, Florida

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Statutes, is amended, and subsections (3) and (4) are added to that section, to read:

617.1420 Grounds for administrative dissolution.-

(1) The department ~~of State~~ may commence a proceeding under s. 617.1421 to administratively dissolve a corporation if:

(a) The corporation has failed to file its annual report and pay the annual report filing fee by 5 p.m. Eastern Time on the third Friday in September;

(b) The corporation is without a registered agent or registered office in this state for 30 days or more;

(c) The corporation does not notify the department ~~of State~~ within 30 days after its registered agent or registered office has been changed, after its registered agent has resigned, or after its registered office has been discontinued;

(d) The corporation has failed to answer truthfully and fully, within the time prescribed by this chapter act, interrogatories propounded by the department ~~of State~~; or

(e) The corporation's period of duration stated in its articles of incorporation has expired.

(3) If the department determines that one or more grounds exist for administratively dissolving a corporation under paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or paragraph (1)(d), the department shall serve notice in a record to the corporation of its intent to administratively dissolve the corporation. Issuance of the notice may be made by electronic transmission to a corporation that has provided the department with an e-mail address.

(4) If, within 60 days after sending the notice of intent to administratively dissolve pursuant to subsection (3), a

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corporation does not correct each ground for dissolution under paragraph (1) (a), paragraph (1) (b), paragraph (1) (c), or paragraph (1) (d), or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist, the department shall dissolve the corporation administratively and issue to the corporation a notice in a record of administrative dissolution that states the grounds for dissolution. Issuance of the notice of administrative dissolution may be made by electronic transmission to a corporation that has provided the department with an e-mail address.

Section 76. Subsections (1), (2), and (4) of section 617.1421, Florida Statutes, are amended, and subsection (3) of that section is reenacted, to read:

617.1421 Procedure for and effect of administrative dissolution.—

(1) If the department ~~of State~~ determines that one or more grounds exist under s. 617.1420 for administratively dissolving a corporation, it shall serve the corporation with notice of its intent under s. 617.0504(2) to administratively dissolve the corporation. If the corporation has provided the department with an e-mail ~~electronic mail~~ address, such notice shall be by electronic transmission. Administrative dissolution for failure to file an annual report shall occur on the fourth Friday in September of each year. The department ~~of State~~ shall issue a certificate of dissolution to each dissolved corporation. Issuance of the certificate of dissolution may be by electronic transmission to any corporation that has provided the department with an e-mail ~~electronic mail~~ address.

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(2) If the corporation does not correct each ground for dissolution under s. 617.1420(1) (b), (c), (d), or (e) or demonstrate to the reasonable satisfaction of the department ~~of State~~ that each ground determined by the department does not exist within 60 days after issuance of the notice, the department shall administratively dissolve the corporation by issuing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. Issuance of the certificate of dissolution may be by electronic transmission to any corporation that has provided the department with an e-mail ~~electronic mail~~ address.

(3) A corporation administratively dissolved continues its corporate existence but may not conduct any affairs except that necessary to wind up and liquidate its affairs under s. 617.1405 and adopt a plan of distribution of assets pursuant to s. 617.1406.

(4) A director, officer, or agent of a corporation dissolved pursuant to this section, purporting to act on behalf of the corporation, is not personally liable for the debts, obligations, and liabilities of the corporation arising from such action and incurred subsequent to the corporation's administrative dissolution unless that officer, director, or agent only if he or she has actual notice of the administrative dissolution at the time such action is taken. ~~Any, but~~ such liability shall be terminated upon the ratification of such action by the corporation's board of directors or members subsequent to the reinstatement of the corporation.

Section 77. Section 617.1430, Florida Statutes, is amended to read:

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4815 617.1430 Grounds for judicial dissolution.—A circuit court
 4816 may dissolve a corporation or order such other remedy as
 4817 provided in s. 617.1432 or s. 617.1434:

4818 (1) (a) In a proceeding by the Department of Legal Affairs
 4819 if it is established that:

4820 1. The corporation obtained its articles of incorporation
 4821 through fraud; or

4822 2. The corporation has exceeded or abused, or is continuing
 4823 to exceed or abuse ~~continued to exceed or abuse~~ the authority
 4824 conferred upon it by law.

4825 (b) The enumeration in paragraph (a) of grounds for
 4826 judicial dissolution does not exclude actions or special
 4827 proceedings by the Department of Legal Affairs or any state
 4828 official for the annulment or dissolution of a corporation for
 4829 other causes as provided by law.

4830 (2) In a proceeding brought by at least 50 members or
 4831 members holding at least 10 percent of the voting power,
 4832 whichever is less, or by a member or group or percentage of
 4833 members as otherwise provided in the articles of incorporation
 4834 or bylaws, or by a director or any person authorized in the
 4835 articles of incorporation, if it is established that:

4836 (a) The directors are deadlocked in the management of the
 4837 corporate affairs, the members are unable to break the deadlock,
 4838 and irreparable injury to the corporation or its mission is
 4839 threatened or being suffered because of the deadlock;

4840 (b) The members are deadlocked in voting power and have
 4841 failed, for a period that includes at least two consecutive
 4842 annual meeting dates, to elect successors to directors whose
 4843 terms have expired or would have expired upon qualification of

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4844 their successors; ~~or~~

4845 (c) The corporate assets are being misapplied or wasted;

4846 (d) The directors or those in control of the corporation
 4847 have acted, are acting, or are reasonably expected to act in a
 4848 manner that is illegal or fraudulent; or

4849 (e) The corporation has insufficient assets to continue its
 4850 activities and is no longer able to assemble a quorum of
 4851 directors or members.

4852 (3) In a proceeding by a creditor if it is established
 4853 that:

4854 (a) The creditor's claim has been reduced to judgment, the
 4855 execution on the judgment returned unsatisfied, and the
 4856 corporation is insolvent; or

4857 (b) The corporation has admitted in writing that the
 4858 creditor's claim is due and owing and the corporation is
 4859 insolvent.

4860 (4) In a proceeding by the corporation to have its
 4861 voluntary dissolution continued under court supervision.

4862 Section 78. Section 617.1431, Florida Statutes, is amended
 4863 to read:

4864 617.1431 Procedure for judicial dissolution.—

4865 (1) Venue for a proceeding brought under s. 617.1430 lies
 4866 in the circuit court of the applicable county ~~where the~~
 4867 ~~corporation's principal office is or was last located, as shown~~
 4868 ~~by the records of the Department of State, or, if none in this~~
 4869 ~~state, where its registered office is or was last located.~~

4870 (2) It is not necessary to make members or directors
 4871 parties to a proceeding to dissolve a corporation unless relief
 4872 is sought against them individually.

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(3) A court in a proceeding brought to dissolve a corporation may issue injunctions, appoint a receiver or custodian during the proceeding ~~pendente lite~~ with all powers and duties the court directs, take other action required to preserve the corporate assets wherever located, and carry on the affairs of the corporation until a full hearing can be held.

(4) If the court determines that any party has commenced, continued, or participated in a proceeding under s. 617.1430, and has acted arbitrarily, frivolously, vexatiously, or in bad faith, the court may award reasonable attorney fees and costs to the other parties to the proceeding who have been affected adversely by such actions.

Section 79. Subsections (1) through (5) of section 617.1432, Florida Statutes, are amended to read:

617.1432 Receivership or custodianship.—

(1) A court in a judicial proceeding brought under s. 617.1430 to dissolve a corporation may appoint one or more receivers to wind up and liquidate, or one or more custodians to manage, the affairs of the corporation, except as otherwise provided herein. The court shall hold a hearing, after notifying all parties to the proceeding and any interested persons designated by the court, before appointing a receiver or custodian. The court appointing a receiver or custodian has exclusive jurisdiction over the corporation and all of its property wherever located. A court may not appoint a custodian or a receiver in a judicial proceeding brought under s. 617.1430(2)(a) or s. 617.1430(2)(b) if the members, directors, or any person authorized in the articles of incorporation, by agreement or otherwise, or a court pursuant to s. 617.1435, have

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provided for the appointment of a provisional director or other means for the resolution of the deadlock, but the court may enforce the remedy so provided, if appropriate.

(2) The court may appoint a natural person or an eligible entity ~~a corporation~~ authorized to act as a receiver or custodian. The eligible entity ~~corporation~~ may be a domestic ~~corporation~~ or a foreign eligible entity ~~corporation~~ authorized to transact business in this state. The court may require the receiver or custodian to post bond, with or without sureties, in an amount the court directs.

(3) The court shall describe the powers and duties of the receiver or custodian in its appointing order, which may be amended from time to time. Among other powers:

(a) The receiver:

1. May dispose of all or any part of the assets of the corporation wherever located, at a public or private sale, if authorized by the court; and

2. May sue and defend in the receiver's ~~his or her~~ own name as receiver of the corporation in all courts of this state.

(b) The custodian may exercise all of the powers of the corporation, through or in place of its board of directors or officers, to the extent necessary to manage the affairs of the corporation in the best interests of its members and creditors.

(4) The court during a receivership may redesignate the receiver to act as a custodian, and during a custodianship may redesignate the custodian to act as a receiver, if doing so is consistent with the mission of the corporation and in the best interests of the corporation, and its members, if any, and creditors. The court may amend the order designating the

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4931 receiver as custodian and custodian as receiver as the court
 4932 deems appropriate.

4933 (5) The court from time to time during the receivership or
 4934 custodianship may order compensation paid and expense
 4935 disbursements or reimbursements made to the receiver or
 4936 custodian and ~~his or her~~ his or her counsel for the receiver or custodian
 4937 from the assets of the corporation or proceeds from the sale of
 4938 the assets.

4939 Section 80. Section 617.1433, Florida Statutes, is amended
 4940 to read:

4941 617.1433 Judgment of dissolution.—

4942 (1) If after a hearing in a proceeding under s. 617.1430
 4943 the court determines that one or more grounds for judicial
 4944 dissolution described in s. 617.1430 exist, it may enter a
 4945 judgment dissolving the corporation and specifying the effective
 4946 date of the dissolution, and the clerk of the court shall
 4947 deliver a certified copy of the judgment to the department of
 4948 ~~State~~, which shall file it.

4949 (2) After entering the judgment of dissolution, the court
 4950 shall direct or oversee the winding up and liquidation of the
 4951 corporation's affairs in accordance with ss. 617.1405 and
 4952 617.1406, and the notification of claimants in accordance with
 4953 ss. 617.1407 and 617.1408, subject to ~~the provisions of~~
 4954 subsection (3).

4955 (3) In a proceeding for judicial dissolution, the court may
 4956 require all creditors of the corporation to file with the clerk
 4957 of the court or with the receiver, in such form as the court may
 4958 prescribe, proofs under oath of their respective claims. If the
 4959 court requires the filing of claims, it shall fix a date, which

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4960 shall be not less than 4 months after the date of the order, as
 4961 the last day for filing of claims. The court shall prescribe the
 4962 ~~method by which such notice for the deadline for filing claims~~
 4963 ~~that~~ shall be given to creditors and claimants. ~~Before~~ Prior to
 4964 the fixed date ~~so fixed~~, the court may extend the time for the
 4965 filing of claims by court order. Creditors and claimants failing
 4966 to file proofs of claim on or before the fixed date ~~so fixed~~ may
 4967 be barred, by order of court, from participating in the
 4968 distribution of the assets of the corporation. ~~Nothing in~~ This
 4969 section does not affect ~~affects~~ the enforceability of any
 4970 recorded mortgage or lien or the perfected security interest or
 4971 rights of a person in possession of real or personal property.

4972 Section 81. Section 617.1434, Florida Statutes, is created
 4973 to read:

4974 617.1434 Alternative remedies to judicial dissolution.—

4975 (1) In a proceeding under s. 617.1430, the court may, as an
 4976 alternative to directing the dissolution of the corporation and
 4977 upon a showing of sufficient merit to warrant such remedy:

4978 (a) Appoint a receiver or a custodian during the proceeding
 4979 as provided in s. 617.1432;

4980 (b) Appoint a provisional director as provided in s.
 4981 617.1435; or

4982 (c) Make any order or grant any equitable relief other than
 4983 dissolution as in its discretion it may deem appropriate.

4984 (2) Alternative remedies, such as the appointment of a
 4985 receiver or custodian, may also be ordered upon a showing of
 4986 sufficient merit to warrant such remedy, in advance of directing
 4987 the dissolution of the corporation or, after a judgment of
 4988 dissolution is entered, to assist in facilitating the winding up

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4989 of the corporation.

4990 Section 82. Section 617.1435, Florida Statutes, is created
4991 to read:

4992 617.1435 Provisional director.-

4993 (1) (a) In a proceeding under s. 617.1430(2), the court may
4994 appoint a provisional director if it appears that such
4995 appointment will remedy the grounds alleged by the complaining
4996 members or director to support the jurisdiction of the court
4997 under s. 617.1430. A provisional director may be appointed
4998 notwithstanding the absence of a vacancy on the board of
4999 directors, and such director has all the rights and powers of a
5000 duly elected director, including the right to notice of and to
5001 vote at meetings of directors.

5002 (b) A provisional director retains the rights described in
5003 paragraph (a) until such time as the provisional director is
5004 removed by order of the court or, unless otherwise ordered by a
5005 court, removed by a vote of the members or directors sufficient
5006 either to elect a majority of the board of directors or, if
5007 greater than majority voting is required by the articles of
5008 incorporation or the bylaws, to elect the requisite number of
5009 directors needed to take action. A provisional director shall be
5010 an impartial person who is neither a member nor a creditor of
5011 the corporation or of any subsidiary or affiliate of the
5012 corporation, and whose further qualifications, if any, may be
5013 determined by the court.

5014 (2) The provisional director shall report to the court as
5015 ordered by the court concerning the matter complained of, or the
5016 status of the deadlock, if any, and of the status of the
5017 corporation's affairs, as the court shall direct. A provisional

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5018 director is not liable for any action taken or decision made,
5019 except as directors may be liable under s. 617.0831. In
5020 addition, the provisional director must submit to the court, if
5021 so directed, recommendations as to the appropriate disposition
5022 of the action. Whenever a provisional director is appointed, any
5023 officer or director of the corporation may petition the court
5024 for instructions clarifying the duties and responsibilities of
5025 such officer or director.

5026 (3) In any proceeding under which a provisional director is
5027 appointed pursuant to this section, the court must allow
5028 reasonable compensation to the provisional director for services
5029 rendered and reimbursement or direct payment of reasonable costs
5030 and expenses, which amounts shall be paid by the corporation.

5031 Section 83. Section 617.1440, Florida Statutes, is amended
5032 to read:

5033 617.1440 Deposit with Department of Financial Services.-
5034 Unless otherwise provided in ss. 617.1407-617.1409, assets of a
5035 dissolved corporation that should be transferred to a creditor,
5036 claimant, member of the corporation, or other person who cannot
5037 be found or who is not competent to receive them ~~must~~ shall be
5038 deposited, or reduced to cash and deposited, as appropriate,
5039 within 6 months after the date fixed for the payment of the
5040 final liquidating distribution, with the Department of Financial
5041 Services for safekeeping, where such assets shall be held as
5042 abandoned property. When the creditor, claimant, member, or
5043 other person furnishes satisfactory proof of entitlement to the
5044 amount or assets deposited, the Department of Financial Services
5045 shall pay the creditor, claimant, member, or other person, or
5046 ~~their~~ him or her or his or her representative for that creditor,

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5047 claimant, member or other person, that amount or those assets.
 5048 Section 84. Section 617.15015, Florida Statutes, is created
 5049 to read:
 5050 617.15015 Foreign corporation governing law.—
 5051 (1) The laws of this state or other jurisdiction under
 5052 which a foreign corporation exists govern:
 5053 (a) The organization and internal affairs of the foreign
 5054 corporation; and
 5055 (b) The interest holder liability of its members.
 5056 (2) A foreign corporation may not be denied a certificate
 5057 of authority by reason of a difference between the laws of its
 5058 jurisdiction of formation and the laws of this state.
 5059 (3) A certificate of authority does not authorize a foreign
 5060 corporation to engage in any business or exercise any power that
 5061 a corporation may not engage in or exercise in this state.
 5062 Section 85. Subsection (4) of section 617.1502, Florida
 5063 Statutes, is amended, and subsections (6), (7), and (8) are
 5064 added to that section, to read:
 5065 617.1502 Consequences of conducting affairs without
 5066 authority.—
 5067 (4) A foreign corporation which conducts its affairs in
 5068 this state without authority to do so ~~is shall be~~ liable to this
 5069 state for the years or parts thereof during which it conducted
 5070 its affairs in this state without authority in an amount equal
 5071 to all fees and taxes which would have been imposed by this
 5072 chapter ~~act~~ upon such corporation had it duly applied for and
 5073 received authority to conduct its affairs in this state as
 5074 required by this chapter ~~act~~. In addition to the payments ~~thus~~
 5075 prescribed in this subsection, such corporation ~~is shall be~~

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5076 liable for a civil penalty of not less than \$500 or more than
 5077 \$1,000 for each year or part thereof during which it conducts
 5078 its affairs in this state without a certificate of authority.
 5079 The department ~~of State~~ may collect all penalties due under this
 5080 subsection.
 5081 (6) A member, an officer, or a director of a foreign
 5082 corporation is not liable for the debts, obligations, or other
 5083 liabilities of the foreign corporation solely because the
 5084 foreign corporation transacted business in this state without a
 5085 certificate of authority.
 5086 (7) Section 617.15015(1) applies even if a foreign
 5087 corporation fails to have a certificate of authority to transact
 5088 business in this state.
 5089 (8) If a foreign corporation transacts business in this
 5090 state without a certificate of authority or cancels its
 5091 certificate of authority, it appoints the Secretary of State as
 5092 its agent for service of process in proceedings and actions
 5093 arising out of the transaction of business in this state.
 5094 Section 86. Subsections (1) and (3) of section 617.1503,
 5095 Florida Statutes, are amended to read:
 5096 617.1503 Application for certificate of authority.—
 5097 (1) A foreign corporation may apply for a certificate of
 5098 authority to conduct its affairs in this state by delivering an
 5099 application to the department ~~of State~~ for filing. Such
 5100 application must ~~shall~~ be made on forms prescribed and furnished
 5101 by the department ~~of State~~ and must ~~shall~~ set forth:
 5102 (a) The name of the foreign corporation or, if its name is
 5103 unavailable for use in this state, a corporate name that
 5104 satisfies the requirements of s. 617.1506;

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- 5105 (b) The jurisdiction under the law of which it is
 5106 incorporated;
- 5107 (c) Its date of incorporation and period of duration;
- 5108 (d) The purpose or purposes which it intends to pursue in
 5109 this state and a statement that it is authorized to pursue such
 5110 purpose or purposes in the jurisdiction of its incorporation;
- 5111 (e) The street address of its principal office;
- 5112 (f) The address of its registered office in this state and
 5113 the name of its registered agent at that office;
- 5114 (g) The names and usual business addresses of its current
 5115 directors and officers; and
- 5116 (h) Such additional information as may be necessary or
 5117 appropriate in order to enable the department ~~of State~~ to
 5118 determine whether such corporation is entitled to file an
 5119 application for authority to conduct its affairs in this state
 5120 and to determine and assess the fees and taxes payable as
 5121 prescribed in this chapter act.
- 5122 ~~(3) A foreign corporation may not be denied authority to~~
 5123 ~~conduct its affairs in this state by reason of the fact that the~~
 5124 ~~laws of the jurisdiction under which such corporation is~~
 5125 ~~organized governing its organization and internal affairs differ~~
 5126 ~~from the laws of this state.~~
- 5127 Section 87. Section 617.1504, Florida Statutes, is amended
 5128 to read:
- 5129 617.1504 Amended certificate of authority.—
- 5130 (1) A foreign corporation authorized to conduct its affairs
 5131 in this state shall make application to the department ~~of State~~
 5132 to obtain an amended certificate of authority if it changes:
- 5133 (a) Its corporate name;

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- 5134 (b) The period of its duration;
- 5135 (c) The purpose or purposes which it intends to pursue in
 5136 this state; ~~or~~
- 5137 (d) The jurisdiction of its incorporation; or
- 5138 (e) The name and street address in this state of the
 5139 foreign corporation's registered agent in this state, unless the
 5140 change was timely made in accordance with s. 617.1508.
- 5141 (2) Such application must ~~shall~~ be made within 90 days
 5142 after the occurrence of any change mentioned in subsection (1),
 5143 ~~shall be made~~ on forms prescribed by the department, and must
 5144 ~~shall~~ be executed and filed in the same manner as an original
 5145 application for authority, and must ~~shall~~ set forth:
- 5146 (a) The name of the foreign corporation as it appears on
 5147 the department's records;
- 5148 (b) The jurisdiction of its incorporation;
- 5149 (c) The date it was authorized to conduct its affairs in
 5150 this state;
- 5151 (d) If the name of the foreign corporation has changed, the
 5152 name relinquished, the new name, a statement that the change of
 5153 name has been effected under the laws of the jurisdiction of its
 5154 incorporation, and the date the change was effected;
- 5155 (e) If the period of duration has changed, a statement of
 5156 such change and the date the change was effected;
- 5157 (f) If the jurisdiction of incorporation has changed, a
 5158 statement of such change and the date the change was effected;
 5159 and
- 5160 (g) If the purposes that the foreign corporation intends to
 5161 pursue in this state have changed, a statement of such new
 5162 purposes, and a further statement that the foreign corporation

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5163 is authorized to pursue such purposes in the jurisdiction of its
5164 incorporation.

5165 (3) The requirements of s. 617.1503 for obtaining a
5166 original certificate of authority apply to obtaining an amended
5167 certificate under this section unless the official having
5168 custody of the foreign corporation's publicly filed records in
5169 its jurisdiction of incorporation did not require an amendment
5170 to effectuate the change on its records.

5171 (4) Subject to subsection (3), a foreign corporation
5172 authorized to transact business in this state may make an
5173 application to the department to obtain an amended certificate
5174 of authority to add, remove, or change the name, title,
5175 capacity, or address of an officer or director of the foreign
5176 corporation.

5177 Section 88. Section 617.1505, Florida Statutes, is amended
5178 to read:

5179 617.1505 Effect of certificate of authority.—

5180 (1) Unless the department determines that an application
5181 for a certificate of authority does not comply with the filing
5182 requirements of this chapter, upon payment of all filing fees, a
5183 certificate of authority authorizes the foreign corporation to
5184 which it is issued to conduct its affairs in this state subject,
5185 however, to the right of the department of State to suspend or
5186 revoke the certificate as provided in this chapter act.

5187 (2) A foreign corporation with a valid certificate of
5188 authority has the same but no greater rights and has the same
5189 but no greater privileges as, and except as otherwise provided
5190 by this chapter act is subject to the same duties, restrictions,
5191 penalties, and liabilities now or later imposed on, a domestic

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5192 corporation of like character.

5193 ~~(3) This act does not authorize this state to regulate the~~
5194 ~~organization or internal affairs of a foreign corporation~~
5195 ~~authorized to conduct its affairs in this state.~~

5196 Section 89. Section 617.1506, Florida Statutes, is amended
5197 to read:

5198 617.1506 Corporate name of foreign corporation.—

5199 (1) A foreign corporation whose name is unavailable under
5200 or whose name does not otherwise comply with s. 617.0401 must
5201 use an alternate name that complies with s. 617.0401 to transact
5202 business in this state. An alternate name adopted for use in
5203 this state must be cross-referenced to the actual name of the
5204 foreign corporation in the records of the Division of
5205 Corporations, provided that no cross-reference is required if
5206 the alternate name involves no more than adding the suffix
5207 "corporation" or "incorporated" or the abbreviation "Corp.," or
5208 "Inc.," or the designation "Corp" or "Inc" to the name; provided
5209 that the name of a foreign corporation may not contain the word
5210 "company" or the abbreviation "co." If the actual name of the
5211 foreign corporation subsequently becomes available in this state
5212 and the foreign corporation elects to operate in this state
5213 under its actual name, or the foreign corporation chooses to
5214 change its alternate name, a record approving the election or
5215 change, as the case may be, by its board of directors or by its
5216 members if such members are entitled to vote on such a record,
5217 and signed as required pursuant to s. 617.01201, must be
5218 delivered to the department for filing may not file an
5219 application for a certificate of authority unless the corporate
5220 name of such corporation satisfies the requirements of s.

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617.0401. To obtain or maintain a certificate of authority to transact business in this state, the foreign corporation:

~~(a) May add the word "corporation" or "incorporated" or the abbreviation "corp." or "inc." or words of like import, which clearly indicate that it is a corporation instead of a natural person or partnership or other business entity; however, the name of a foreign corporation may not contain the word "company" or the abbreviation "co."; or~~

~~(b) May use an alternate name to transact business in this state if its real name is unavailable. Any alternate corporate name adopted for use in this state must be cross-referenced to the real corporate name in the records of the Division of Corporations. If the real corporate name of the corporation becomes available in this state or if the corporation chooses to change its alternate name, a copy of the resolution of its board of directors, changing or withdrawing the alternate name and executed as required by s. 617.01201, must be delivered for filing.~~

(2) The corporate name, including the alternate name, of a foreign corporation must be distinguishable, within the records of the Division of Corporations, from:

(a) Any corporate name of a corporation for profit incorporated or authorized to transact business in this state.

(b) The alternate name of another foreign corporation authorized to transact business in this state.

(c) The corporate name of a nonprofit ~~not-for-profit~~ corporation incorporated or authorized to transact business in this state.

(d) The names of all other entities or filings, except

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fictitious name registrations pursuant to s. 865.09, organized, or registered under the laws of this state, that are on file with the Division of Corporations.

(3) A foreign corporation that adopts an alternate name under subsection (1) and obtains a certificate of authority with the alternate name need not comply with s. 865.09 with respect to the alternate name.

(4) So long as a foreign corporation maintains a certificate of authority with an alternate name, it may transact business in this state under the alternate name unless the foreign corporation is authorized under s. 865.09 to transact business in this state under another name.

(5) If a foreign corporation authorized to transact business in this state changes its corporate name to one that does not satisfy the requirements of s. 617.0401, such corporation may not transact business in this state under the changed name until the corporation adopts a name satisfying the requirements of s. 617.0401 and obtains an amended certificate of authority under s. 617.1504.

(6) Notwithstanding this section, a foreign corporation may register under a name that is not otherwise distinguishable on the records of another entity registered with the department if:

(a) The other entity consents to the use and submits an undertaking in a form satisfactory to the Secretary of State to change its name to a name that is distinguishable upon the records of the department from the name of the applying corporation; or

(b) The applicant delivers to the department a certified copy of a final judgment of a court of competent jurisdiction

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5279 establishing the applicant's right to use the name applied for
5280 in the state.

5281 Section 90. Subsections (2) and (3) of section 617.1507,
5282 Florida Statutes, are amended, and subsection (4), (5), and (6)
5283 are added to that section, to read:

5284 617.1507 Registered office and registered agent of foreign
5285 corporation.—

5286 (2) Each initial A registered agent, and each appointed
5287 pursuant to this section or a successor registered agent
5288 appointed pursuant to s. 617.1508 on whom process may be served
5289 shall each file a statement in writing with the department of
5290 State, in the such form and manner as shall be prescribed by the
5291 department, accepting the appointment as a registered agent
5292 while simultaneously with his or her being designated as the
5293 registered agent. Such statement of acceptance shall state that
5294 the registered agent is familiar with, and accepts, the
5295 obligations of that position.

5296 (3) The duties of a registered agent are:

5297 (a) To forward to the foreign corporation at the address
5298 most recently supplied to the registered agent by the foreign
5299 corporation, a process, notice, or demand pertaining to the
5300 foreign corporation which is served on or received by the
5301 registered agent; and

5302 (b) If the registered agent resigns, to provide the
5303 statement required under s. 617.1509 to the foreign corporation
5304 at the address most recently supplied to the registered agent by
5305 the foreign corporation For purposes of this section,
5306 "authorized entity" means:

5307 ~~(a) A corporation for profit;~~

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5308 ~~(b) A limited liability company;~~

5309 ~~(c) A limited liability partnership; or~~

5310 ~~(d) A limited partnership, including a limited liability~~
5311 ~~limited partnership.~~

5312 (4) The department shall maintain an accurate record of the
5313 registered agents and registered offices for service of process
5314 and promptly furnish any information disclosed thereby upon
5315 request and payment of the required fee.

5316 (5) A foreign corporation may not prosecute or maintain any
5317 action in a court in this state until the foreign corporation
5318 complies with this section, pays to the department the amounts
5319 required by this chapter, and, to the extent ordered by a court
5320 of competent jurisdiction, pays to the department a penalty of
5321 \$5 for each day it has failed to so comply, or \$500, whichever
5322 is less.

5323 (6) A court may stay a proceeding commenced by a foreign
5324 corporation until the corporation complies with this section.

5325 Section 91. Section 617.1508, Florida Statutes, is amended
5326 to read:

5327 617.1508 Change of registered office and registered agent
5328 of foreign corporation.—

5329 (1) A foreign corporation authorized to conduct its affairs
5330 in this state may change its registered office or registered
5331 agent by delivering to the department ~~of State~~ for filing a
5332 statement of change that sets forth:

5333 (a) Its name;

5334 (b) The street address of its current registered office;

5335 (c) If the current registered office is to be changed, the
5336 street address of its new registered office;

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5337 (d) The name of its current registered agent; and
 5338 (e) If the current registered agent is to be changed, the
 5339 name of its new registered agent and the new agent's written
 5340 consent described in s. 617.1507(3), ~~either on the statement or~~
 5341 ~~attached to it,~~ to the appointment;
 5342 ~~(f) That, after the change or changes are made, the street~~
 5343 ~~address of its registered office and the business office of its~~
 5344 ~~registered agent will be identical; and~~
 5345 ~~(g) That any such change was authorized by resolution duly~~
 5346 ~~adopted by its board of directors or by an officer of the~~
 5347 ~~corporation so authorized by the board of directors.~~
 5348 (2) A statement of change is effective when filed by the
 5349 department.
 5350 (3) If a registered agent changes the name or street
 5351 address of the registered agent's ~~his or her~~ business office,
 5352 they he or she may change the name or street address of the
 5353 registered office of any foreign corporation for which they are
 5354 ~~he or she is~~ the registered agent by notifying the corporation
 5355 in writing of the change and signing, ~~either manually or in~~
 5356 facsimile, and delivering to the department ~~of State~~ for filing
 5357 a statement of change that complies with the requirements of
 5358 paragraphs ~~(1)(a)-(e)~~ ~~(1)(a)-(f)~~ and recites that the
 5359 corporation has been notified of the change.
 5360 (4) The changes described in this section may also be made
 5361 on the foreign corporation's annual report or in an application
 5362 for reinstatement filed with the department under s. 617.1422.
 5363 Section 92. Section 617.1509, Florida Statutes, is amended
 5364 to read:
 5365 617.1509 Resignation of registered agent of foreign

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5366 corporation.-
 5367 (1) The registered agent of a foreign corporation may
 5368 resign as agent ~~his or her agency appointment~~ by signing and
 5369 delivering to the department ~~of State~~ for filing a statement of
 5370 resignation and mailing a copy of such statement to the
 5371 corporation at the corporation's principal office address shown
 5372 in its most recent annual report or, if none, shown in its
 5373 application for a certificate of authority or other most
 5374 recently filed document. After delivering the statement of
 5375 resignation to the department for filing, the registered agent
 5376 must promptly mail a copy to the foreign corporation at its
 5377 current mailing address ~~The statement of resignation must state~~
 5378 ~~that a copy of such statement has been mailed to the corporation~~
 5379 ~~at the address so stated.~~ The statement of resignation may
 5380 include a statement that the registered office is also
 5381 discontinued.
 5382 (2) A registered agent is terminated upon the earlier of:
 5383 (a) The 31st day after the department files the statement
 5384 of resignation; or
 5385 (b) When a statement of change or other record designating
 5386 a new registered agent is filed with the department ~~The agency~~
 5387 ~~appointment is terminated as of the 31st day after the date on~~
 5388 ~~which the statement was filed and, unless otherwise provided in~~
 5389 ~~the statement, termination of the agency acts as a termination~~
 5390 ~~of the registered office.~~
 5391 (3) When a statement of resignation takes effect, the
 5392 registered agent ceases to have responsibility for a matter
 5393 thereafter tendered to them as agent for the foreign
 5394 corporation. The resignation does not affect contractual rights

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5395 that the foreign corporation has against the agent or that the
 5396 agent has against the foreign corporation.

5397 (4) A registered agent may resign from a foreign
 5398 corporation regardless of whether the foreign corporation has
 5399 active status.

5400 Section 93. Section 617.15091, Florida Statutes, is created
 5401 to read:

5402 617.15091 Delivery of notice or other communication.—
 5403 (1) Except as otherwise provided in this chapter,
 5404 permissible means of delivery of a notice or other communication
 5405 includes delivery by hand, the United States Postal Service, a
 5406 commercial delivery service, and electronic transmission, all as
 5407 more particularly described in s. 617.0141.

5408 (2) Except as provided in subsection (3), delivery to the
 5409 department is effective only when a notice or other
 5410 communication is received by the department.

5411 (3) If a check is mailed to the department for payment of
 5412 an annual report fee, the check is deemed to have been received
 5413 by the department as of the postmark date appearing on the
 5414 envelope or package transmitting the check if the envelope or
 5415 the package is received by the department.

5416 Section 94. Section 617.1520, Florida Statutes, is amended
 5417 to read:

5418 (Substantial rewording of section.
 5419 See s. 617.1520, F.S., for present text.)

5420 617.1520 Withdrawal and cancellation of certificate of
 5421 authority for foreign corporation.—

5422 (1) To cancel its certificate of authority to conduct
 5423 affairs in this state, a foreign corporation must deliver to the

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5424 department for filing a notice of withdrawal of certificate of
 5425 authority. The certificate of authority is canceled when the
 5426 notice of withdrawal becomes effective pursuant to s. 617.0123.
 5427 The notice of withdrawal of certificate of authority must be
 5428 signed by an officer or a director and state all of the
 5429 following:

5430 (a) The name of the foreign corporation as it appears on
 5431 the records with the department.

5432 (b) The name of the foreign corporation's jurisdiction of
 5433 incorporation.

5434 (c) The date the foreign corporation was authorized to
 5435 conduct affairs in this state.

5436 (d) That the foreign corporation is withdrawing its
 5437 certificate of authority in this state.

5438 (e) That the foreign corporation revokes the authority of
 5439 its registered agent to accept service on its behalf and
 5440 appoints the Secretary of State as its agent for service of
 5441 process based on a cause of action arising during the time it
 5442 was authorized to conduct its affairs in this state.

5443 (f) A mailing address and an e-mail address to which a
 5444 party seeking to effectuate service of process may send a copy
 5445 of any process served on the Secretary of State under paragraph
 5446 (e).

5447 (g) A commitment to notify the department in the future of
 5448 any change in its mailing address or e-mail address.

5449 (2) After the withdrawal of the foreign corporation is
 5450 effective, service of process is on the Secretary of State using
 5451 the procedures in s. 48.161 for service on the foreign
 5452 corporation.

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5453 Section 95. Section 617.1521, Florida Statutes, is created
5454 to read:

5455 617.1521 Withdrawal of certificate of authority deemed on
5456 conversion to domestic filing entity.—A foreign corporation
5457 authorized to conduct affairs in this state that converts to a
5458 domestic corporation or another domestic eligible entity that is
5459 organized, incorporated, registered, or otherwise formed through
5460 the delivery of a record to the department for filing is deemed
5461 to have withdrawn its certificate of authority on the effective
5462 date of the conversion.

5463 Section 96. Section 617.1522, Florida Statutes, is created
5464 to read:

5465 617.1522 Withdrawal on dissolution, merger, or conversion
5466 to certain non-filing entities.—

5467 (1) A foreign corporation that is authorized to conduct
5468 affairs in this state that has dissolved and completed winding
5469 up, has merged into a foreign eligible entity that is not
5470 authorized to conduct affairs in this state, or has converted to
5471 a domestic or foreign eligible entity that is not organized,
5472 incorporated, registered, or otherwise formed through the public
5473 filing of a record, must deliver a notice of withdrawal of
5474 certificate of authority to the department for filing in
5475 accordance with s. 617.1520.

5476 (2) After a withdrawal under this section of a foreign
5477 corporation that has converted to another type of entity is
5478 effective, service of process in any action or proceeding based
5479 on a cause of action arising during the time the foreign
5480 corporation was authorized to conduct affairs in this state may
5481 be made pursuant to s. 617.1510.

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5482 Section 97. Section 617.1523, Florida Statutes, is created
5483 to read:

5484 617.1523 Action against foreign corporation by Department
5485 of Legal Affairs.—The Department of Legal Affairs may maintain
5486 an action to enjoin a foreign corporation from conducting
5487 affairs in this state in violation of this chapter.

5488 Section 98. Section 617.1530, Florida Statutes, is amended
5489 to read:

5490 617.1530 Grounds ~~for~~ Revocation of certificate of authority
5491 to transact business.—

5492 (1) ~~A~~ ~~conduct~~ ~~affairs.~~ The Department of State may commence
5493 a proceeding under s. 617.1531 to revoke the certificate of
5494 authority of a foreign corporation to transact business
5495 authorized to conduct its affairs in this state may be revoked
5496 by the department if:

5497 (a) ~~(1)~~ The foreign corporation does not deliver ~~has failed~~
5498 to file its annual report to with the department of State by 5
5499 p.m. Eastern Time on the third Friday in September of each
5500 year;—

5501 (b) ~~(2)~~ The foreign corporation does not pay a fee or
5502 penalty due to, within the department under time required by
5503 this chapter; act, any fees, taxes, or penalties imposed by this
5504 act or other law.

5505 (c) ~~(3)~~ The foreign corporation does not appoint and
5506 maintain ~~is without~~ a registered agent as required by s.
5507 617.1507; ~~or registered office in this state for 30 days or~~
5508 more.

5509 (4) ~~The foreign corporation does not notify the Department~~
5510 of State under s. 617.1508 or s. 617.1509 that its registered

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agent ~~has resigned or that its registered office has been discontinued within 30 days after the date of such resignation or discontinuance.~~

(d)(5) The foreign corporation does not deliver for filing a statement of a change under s. 617.1508 within 30 days after the change in the name or address of the agent has occurred, unless, within 30 days after the change occurred, either:

1. The registered agent files a statement of change under s. 617.1508; or

2. The change was made in accordance with s. 617.1508(4) or s. 617.1504(1)(e);

(e) The foreign corporation has failed to amend its certificate of authority to reflect a change in its name on the records of the department or its jurisdiction of incorporation;

(f) The foreign corporation's period of duration stated in its articles of incorporation has expired;

(g) An incorporator, director, officer, or agent of the foreign corporation signs ~~signed~~ a document that he or she knew was false in a ~~any~~ material respect with the intent that the document be delivered to the department ~~of State~~ for filing;:-

(h)(6) The department receives a duly authenticated certificate from the secretary of state or other official having custody of corporate records in the jurisdiction under the law of which the foreign corporation is incorporated stating that it has been dissolved or is no longer active on the official's record; or ~~disappeared as the result of a merger.~~

(i)(7) The foreign corporation has failed to answer truthfully and fully, within the time prescribed by this chapter act, interrogatories propounded by the department ~~of State~~.

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(2) Revocation of a foreign corporation's certificate of authority for failure to file an annual report shall occur on the fourth Friday in September of each year. The department shall issue a notice in a record of the revocation to the revoked foreign corporation. Issuance of the notice may be made by electronic transmission to a foreign corporation that has provided the department with an e-mail address.

(3) If the department determines that one or more grounds exist under paragraph (1)(b) for revoking a foreign corporation's certificate of authority, the department shall issue a notice in a record to the foreign corporation of the department's intent to revoke the certificate of authority. Issuance of the notice may be made by electronic transmission to a foreign corporation that has provided the department with an e-mail address.

(4) If, within 60 days after the department sends the notice of intent to revoke in accordance with subsection (3), and the foreign corporation does not correct each ground for revocation or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist, the department shall revoke the foreign corporation's authority to transact business in this state and issue a notice in a record of revocation which states the grounds for revocation. Issuance of the notice may be made by electronic transmission to a foreign corporation that has provided the department with an e-mail address.

(5) Revocation of a foreign corporation's certificate of authority does not terminate the authority of the registered agent of the corporation.

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5569 Section 99. Section 617.15315, Florida Statutes, is created
5570 to read:

5571 617.15315 Reinstatement following revocation.-

5572 (1) A foreign corporation whose certificate of authority
5573 has been revoked pursuant to s. 617.1530 or former s. 617.1531
5574 may apply to the department for reinstatement at any time after
5575 the effective date of revocation of authority. The foreign
5576 corporation applying for reinstatement must submit all fees and
5577 penalties then owed by the foreign corporation at rates provided
5578 by law at the time the foreign corporation applies for
5579 reinstatement, together with an application for reinstatement
5580 prescribed and furnished by the department, which is signed by
5581 both the registered agent and an officer or director of the
5582 foreign corporation and states:

5583 (a) The name under which the foreign corporation is
5584 authorized to conduct affairs in this state.

5585 (b) The street address of the foreign corporation's
5586 principal office and mailing address.

5587 (c) The jurisdiction of the foreign corporation's formation
5588 and the date on which it became qualified to conduct affairs in
5589 this state.

5590 (d) The foreign corporation's federal employer
5591 identification number or, if none, whether one has been applied
5592 for.

5593 (e) The name, title or capacity, and address of at least
5594 one officer or director of the foreign corporation.

5595 (f) Additional information that is necessary or appropriate
5596 to enable the department to carry out this chapter.

5597 (2) In lieu of the requirement to file an application for

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5598 reinstatement as described in subsection (1), a foreign
5599 corporation whose certificate of authority has been revoked may
5600 submit all fees and penalties owed by the corporation at the
5601 rates provided by law at the time the corporation applies for
5602 reinstatement, together with a current annual report, signed by
5603 both the registered agent and an officer or director of the
5604 corporation, which contains the information described in
5605 subsection (1).

5606 (3) If the department determines that an application for
5607 reinstatement contains the information required under subsection
5608 (1) or subsection (2) and that the information is correct, upon
5609 payment of all required fees and penalties, the department shall
5610 reinstate the foreign corporation's certificate of authority.

5611 (4) When a reinstatement becomes effective, it relates back
5612 to and takes effect as of the effective date of the revocation
5613 of authority, and the foreign corporation may operate in this
5614 state as if the revocation of authority had never occurred.

5615 (5) The name of the foreign corporation whose certificate
5616 of authority has been revoked is not available for assumption or
5617 use by another eligible entity until 1 year after the effective
5618 date of revocation of authority unless the corporation provides
5619 the department with a record signed as required by s. 617.01201,
5620 which authorizes the immediate assumption or use of the name by
5621 another eligible entity.

5622 (6) If the name of the foreign corporation applying for
5623 reinstatement has been lawfully assumed in this state by another
5624 eligible entity, the department must require the foreign
5625 corporation to comply with s. 617.1506 before accepting its
5626 application for reinstatement.

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5627 Section 100. Section 617.1532, Florida Statutes, is amended
5628 to read:

5629 (Substantial rewording of section.

5630 See s. 617.1532, F.S., for present text.)

5631 617.1532 Judicial review of denial of reinstatement.—

5632 (1) If the department denies a foreign corporation's

5633 application for reinstatement after revocation of its

5634 certificate of authority, the department shall serve the foreign

5635 corporation pursuant to s. 617.1510 with a written notice that

5636 explains the reasons for the denial.

5637 (2) Within 30 days after service of a notice of denial of
5638 reinstatement, a foreign corporation may appeal the department's

5639 denial by petitioning the Circuit Court of Leon County to set

5640 aside the revocation. The petition must be served on the

5641 department and contain a copy of the department's notice of

5642 revocation, the foreign corporation's application for

5643 reinstatement, and the department's notice of denial.

5644 (3) The circuit court may order the department to reinstate

5645 the certificate of authority of the foreign corporation or take

5646 other action the court considers appropriate.

5647 (4) The circuit court's final decision may be appealed as

5648 in other civil proceedings.

5649 Section 101. Section 617.1601, Florida Statutes, is amended
5650 to read:

5651 617.1601 Corporate records.—

5652 (1) A corporation shall maintain the following records:

5653 (a) Its articles of incorporation, as currently in effect.

5654 (b) Its bylaws, as currently in effect.

5655 (c) If the corporation has members, the minutes of all

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5656 members' meetings and records of all action taken by members

5657 without a meeting for the past 3 years.

5658 (d) The minutes of all meetings of its board of directors,

5659 a record of all actions taken by the board of directors without

5660 a meeting, and a record of all actions taken by a committee of

5661 the board of directors in place of the board of directors on

5662 behalf of the corporation.

5663 (e) If the corporation has members, all written

5664 communications within the past 3 years to members generally or

5665 to members of a class, including the financial statements

5666 furnished for the past 3 years under s. 617.1605.

5667 (f) A list of the names and business street addresses, or

5668 the home street addresses if there is no business street

5669 address, of its current directors and officers.

5670 (g) Its most recent annual report delivered to the

5671 department under s. 617.1622 ~~keep as records minutes of all~~

5672 ~~meetings of its members and board of directors, a record of all~~

5673 ~~actions taken by the members or board of directors without a~~

5674 ~~meeting, and a record of all actions taken by a committee of the~~

5675 ~~board of directors in place of the board of directors on behalf~~

5676 ~~of the corporation.~~

5677 (2) A corporation shall maintain accurate accounting

5678 records in a form that permits preparation of its financial

5679 statements as required by s. 617.1605.

5680 (3) If a corporation has members, a corporation or its

5681 agent ~~must shall~~ maintain a record of its members in a form that

5682 permits preparation of a list of the names and addresses, which

5683 may be an e-mail address or other electronic contact

5684 information, of all members in alphabetical order by class of

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5685 ~~voting~~ members. This subsection does not require the corporation
 5686 to include the e-mail address or other electronic contact
 5687 information of a member in such record.

5688 (4) A corporation shall maintain the its records specified
 5689 in this section in a manner that allows them to be made
 5690 available for inspection written form or in another form capable
 5691 of conversion into written form within a reasonable time.

5692 ~~(5) A corporation shall keep a copy of the following~~
 5693 ~~records:~~

5694 ~~(a) Its articles of incorporation or restated articles of~~
 5695 ~~incorporation and all amendments to them currently in effect.~~

5696 ~~(b) Its bylaws or restated bylaws and all amendments to~~
 5697 ~~them currently in effect.~~

5698 ~~(c) The minutes of all members' meetings and records of all~~
 5699 ~~action taken by members without a meeting for the past 3 years.~~

5700 ~~(d) Written communications to all members generally or all~~
 5701 ~~members of a class within the past 3 years, including the~~
 5702 ~~financial statements furnished for the past 3 years under s.~~
 5703 ~~617.1605.~~

5704 ~~(e) A list of the names and business street, or home if~~
 5705 ~~there is no business street, addresses of its current directors~~
 5706 ~~and officers.~~

5707 ~~(f) Its most recent annual report delivered to the~~
 5708 ~~Department of State under s. 617.1622.~~

5709 Section 102. Section 617.1602, Florida Statutes, is amended
 5710 to read:

5711 617.1602 Inspection of records by members.—

5712 (1) A member of a corporation is entitled to inspect and
 5713 copy, during regular business hours at the corporation's

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5714 principal office or at a reasonable location specified by the
 5715 corporation, any of the records of the corporation described in
 5716 s. 617.1601(1) ~~s. 617.1601(5)~~, excluding minutes of meetings of,
 5717 and records of actions taken without a meeting by, the
 5718 corporation's board of directors and any committee of the
 5719 corporation, if the member delivers to ~~gives~~ the corporation
 5720 written notice of the member's ~~his or her~~ demand at least 5 ~~10~~
 5721 business days before the date on which the member ~~he or she~~
 5722 wishes to inspect and copy.

5723 (2) A member of a corporation is entitled to inspect and
 5724 copy, during regular business hours at a reasonable location
 5725 specified by the corporation, any of the following records of
 5726 the corporation if the member meets the requirements of
 5727 subsection (3) and gives the corporation written notice of the
 5728 member's ~~his or her~~ demand at least 5 ~~10~~ business days before
 5729 the date on which the member ~~he or she~~ wishes to inspect and
 5730 copy:

5731 (a) Excerpts from minutes of any meeting of, or records of
 5732 any actions taken without a meeting by, the corporation's board
 5733 of directors and board committees of the corporation maintained
 5734 in accordance with s. 617.1601(1)(d); ~~records of any action of~~
 5735 ~~a committee of the board of directors while acting in place of~~
 5736 ~~the board of directors on behalf of the corporation, minutes of~~
 5737 ~~any meeting of the members, and records of action taken by the~~
 5738 ~~members or board of directors without a meeting, to the extent~~
 5739 ~~not subject to inspection under subsection (1).~~

5740 (b) Accounting records of the corporation;

5741 (c) The record of members maintained in accordance with s.
 5742 617.1601(3); and.

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5743 (d) Any other books and records.

5744 (3) A member may inspect and copy the records described in

5745 subsection (2) only if:

5746 (a) The member's demand is made in good faith and for a

5747 proper purpose;

5748 (b) The ~~member's demand~~ ~~member~~ describes with reasonable

5749 particularity the member's his or her purpose and the records

5750 the member he or she desires to inspect; and

5751 (c) The records are directly connected with the member's

5752 purpose.

5753 (4) The corporation may impose reasonable restrictions on

5754 the disclosure, use, or distribution of, and reasonable

5755 obligations to maintain the confidentiality of, records

5756 described in subsection (2).

5757 (5) For any meeting of members for which the record date

5758 for determining members entitled to vote at the meeting is

5759 different than the record date for notice of the meeting, any

5760 person who becomes a member after the record date for notice of

5761 the meeting and is entitled to vote at the meeting is entitled

5762 to obtain from the corporation upon request the notice and any

5763 other information provided by the corporation to members in

5764 connection with the meeting, unless the corporation has made

5765 such information generally available to members by posting it on

5766 its website or by other generally recognized means. Failure of a

5767 corporation to provide such information does not affect the

5768 validity of action taken at the meeting.

5769 (6) The right of inspection granted by this section may not

5770 be abolished or limited by a corporation's articles of

5771 incorporation or bylaws.

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5772 ~~(7)(4)~~ This section does not affect:

5773 (a) The right of a member in litigation with the

5774 corporation to inspect and copy records to the same extent as

5775 any other litigant; ~~or-~~

5776 (b) The power of a court, independently of this chapter, to

5777 compel the production of corporate records for examination and

5778 to impose reasonable restrictions as provided in s. 617.1604(3),

5779 provided that, in the case of production of records described in

5780 subsection (2) at the request of the member, the member has met

5781 the requirements of subsection (3).

5782 ~~(8)(5)~~ A corporation may deny any demand for inspection

5783 made pursuant to subsection (2) if the demand was made for an

5784 improper purpose, or if the demanding member has within 2 years

5785 preceding the member's his or her demand sold or offered for

5786 sale any list of members of the corporation or any other

5787 corporation, has aided or abetted any person in procuring any

5788 list of members for any such purpose, or has improperly used any

5789 information secured through any prior examination of the records

5790 of the corporation or any other corporation.

5791 (9) A member may not sell or otherwise distribute any

5792 information or records inspected under this section, except to

5793 the extent that such use is for a proper purpose.

5794 (10) Without consent of the board of directors, a

5795 membership list or any part thereof may not be obtained or used

5796 by any person for any purpose unrelated to a member's interest

5797 as a member. Without limiting the foregoing, without the consent

5798 of the board, a membership list or any part thereof may not be:

5799 (a) Used to solicit money or property unless the money or

5800 property will be used solely to solicit the votes of the

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members;

(b) Used for any commercial purpose; or

(c) Sold to or purchased by any person.

(11)(6) For purposes of this section, the term "member" includes a beneficial owner whose beneficial interest is shares ~~are~~ held in a voting trust or by a nominee on the individual's ~~his or her~~ behalf.

(12)(7) For purposes of this section, a "proper purpose" means a purpose reasonably related to such person's interest as a member.

(13) The rights of a member to obtain records under subsections (1) and (2) apply to the records of subsidiaries of the corporation.

Section 103. Section 617.1603, Florida Statutes, is amended to read:

617.1603 Scope of inspection right.—

(1) A member's agent or attorney has the same inspection and copying rights as the member ~~he or she represents~~.

(2) The corporation may, if deemed reasonable, satisfy the right of a member to copy records under s. 617.1602 by furnishing to the member copies by such means as are chosen by the corporation, including furnishing copies through electronic delivery ~~The right to copy records under s. 617.1602 includes, if reasonable, the right to receive copies made by photographic, xerographic, or other means.~~

(3) The corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the member. The charge may not exceed the estimated cost of production or reproduction of the records. If

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the records are kept in other than written form, the corporation ~~must shall~~ convert such records into written form upon the request of any person entitled to inspect the same. The corporation shall bear the reasonable costs of converting any records described in s. 617.1601(1) ~~s. 617.1601(5)~~. The requesting member shall bear the costs, including the cost of compiling the information requested, incurred to convert any records described in s. 617.1602(2).

(4) If requested by a member, the corporation shall comply with a member's demand to inspect the records of members under s. 617.1602(2)(c) by providing the member ~~him or her~~ with a list of its members of the nature described in s. 617.1601(3). Such a list must ~~shall~~ be compiled as of the last record date for which it has been compiled or as of a subsequent date if specified by the member.

Section 104. Section 617.1604, Florida Statutes, is amended to read:

617.1604 Court-ordered inspection.—

(1) If a corporation does not, within a reasonable time, allow a member who complies with s. 617.1602 to inspect and copy any record, and the member complies with any prerequisites to inspection and copying imposed by this section, the member may apply to the circuit court in the county where the corporation's principal office, or, if none in this state, its registered office, is located for an order to permit inspection and copying of the records demanded. The court shall dispose of an application under this subsection on an expedited ~~summary~~ basis.

(2) If the court orders inspection or copying of the records demanded, it shall also order the corporation and the

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custodian of the particular records demanded to pay the member's costs, including reasonable ~~attorney~~ ~~attorney's~~ fees, reasonably incurred to obtain the order and enforce its rights under this section unless the corporation establishes that the corporation, or the officer, director, or agent, as the case may be, provides that it or he or she refused inspection in good faith because it ~~or he or she~~ had:

(a) A reasonable basis for doubt about the right of the member to inspect or copy the records demanded; or

(b) Required reasonable restrictions on the disclosure, use, or distribution of, and reasonable obligations to maintain the confidentiality of, such records demanded to which the demanding member had been unwilling to agree.

(3) If the court orders inspection or copying of the records demanded, it may impose reasonable restrictions on their confidentiality and the use or distribution of the records by the demanding member.

Section 105. Section 617.1605, Florida Statutes, is amended to read:

617.1605 Financial reports for members.—

(1) A corporation, upon a member's written demand, shall furnish that member its latest annual financial statements, which may be consolidated or combined statements of the corporation and one or more of its subsidiaries or affiliates, as appropriate, and which include a balance sheet as of the end of the fiscal year and a statement of operations for that year. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on such basis.

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(2) A corporation must deliver or make available the latest annual financial statements to such member within 5 business days after the request if the annual financial statements have already been prepared and are available. If the annual financial statements have not been prepared for the fiscal year requested, the corporation must notify the member within 5 business days that the annual financial statements have not yet been prepared and must deliver or make available such annual financial statements to the member within 60 days after the corporation receives the request, or within such additional time thereafter as is reasonably necessary to enable the corporation to prepare its annual financial statements if, for reasons beyond the corporation's control, it is unable to prepare its annual financial statements within the prescribed period.

(3) A corporation may fulfill its responsibilities under this section by delivering the specified annual financial statements by posting the specified annual financial statements on its website or by any other generally recognized means.

(4) Notwithstanding subsections (1), (2), and (3):

(a) As a condition to delivering or making available annual financial statements to any requesting member, the corporation may require the requesting member to agree to reasonable restrictions on the confidentiality, use, and distribution of such annual financial statements; and

(b) The corporation may, if it reasonably determines that the member's request is not made in good faith or for a proper purpose, decline to deliver or make available such annual financial statements to that member.

(5) If a corporation does not respond to a member's request

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5917 for annual financial statements pursuant to this section within
 5918 the applicable period specified in subsection (2), all of the
 5919 following apply:

5920 (a) The requesting member may apply to the circuit court in
 5921 the applicable county for an order requiring delivery of or
 5922 access to the requested annual financial statements. The court
 5923 shall dispose of an application under this subsection on an
 5924 expedited basis.

5925 (b) If the court orders delivery or access to the requested
 5926 annual financial statements, it may impose reasonable
 5927 restrictions on their confidentiality, use, or distribution.

5928 (c) In such proceeding, if the corporation has declined to
 5929 deliver or make available such annual financial statements
 5930 because the member had been unwilling to agree to restrictions
 5931 proposed by the corporation on the confidentiality, use, and
 5932 distribution of such financial statements, the corporation has
 5933 the burden of demonstrating that the restrictions proposed by
 5934 the corporation were reasonable.

5935 (d) In such a proceeding, if the corporation has declined
 5936 to deliver or make available such annual financial statements
 5937 pursuant to this section, the corporation has the burden of
 5938 demonstrating that it reasonably determined that the member's
 5939 request was not made in good faith or for a proper purpose.

5940 (6) If the court orders delivery or access to the requested
 5941 annual financial statements, it shall order the corporation to
 5942 pay the member's expenses, including reasonable attorney fees,
 5943 incurred to obtain such order unless the corporation establishes
 5944 that it had refused delivery or access to the requested annual
 5945 financial statements because the member had refused to agree to

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5946 reasonable restrictions on the confidentiality, use, or
 5947 distribution of the annual financial statements or that the
 5948 corporation had reasonably determined that the member's request
 5949 was not made in good faith or for a proper purpose.

5950 Section 106. Section 617.16051, Florida Statutes, is
 5951 created to read:

5952 617.16051 Inspection rights of directors.-

5953 (1) A director of a corporation is entitled to inspect and
 5954 copy the books, records, and documents of the corporation at any
 5955 reasonable time to the extent reasonably related to the
 5956 performance of the director's duties as a director, including
 5957 duties as a member of a board committee, but not for any other
 5958 purpose or in any manner that would violate any duty to the
 5959 corporation or attorney-client privilege or work-product
 5960 privilege of the corporation.

5961 (2) The circuit court of the applicable county may order
 5962 inspection and copying of the books, records, and documents at
 5963 the corporation's expense, upon application of a director who
 5964 has been refused such inspection rights, unless the corporation
 5965 establishes that the director is not entitled to such inspection
 5966 rights. The court shall dispose of an application under this
 5967 subsection on an expedited basis.

5968 (3) If an order is issued, the court may include provisions
 5969 protecting the corporation from undue burden or expense and
 5970 prohibiting the director from using information obtained upon
 5971 exercise of the inspection rights in a manner that would violate
 5972 a duty to the corporation, and may also order the corporation to
 5973 reimburse the director for the director's costs, including
 5974 reasonable attorney fees, incurred in connection with the

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5975 application.

5976 Section 107. Section 617.1622, Florida Statutes, is amended
5977 to read:

5978 617.1622 Annual report for department ~~of State.~~

5979 (1) Each domestic corporation and each foreign corporation
5980 authorized to transact business ~~conduct its affairs~~ in this
5981 state shall deliver to the department ~~of State~~ for filing an a
5982 ~~sworn~~ annual report, ~~on such form as the Department of State~~
5983 ~~prescribes,~~ that states the following sets forth:

5984 (a) The name of the corporation or, if a foreign
5985 corporation, the name under which the foreign corporation is
5986 authorized to transact business in this state and the state or
5987 country under the law of which it is incorporated;

5988 (b) The date of its incorporation and ~~or~~, if a foreign
5989 corporation, the jurisdiction of its incorporation and the date
5990 on which it became qualified to transact business ~~was admitted~~
5991 ~~to conduct its affairs~~ in this state;

5992 (c) The street address of its ~~the~~ principal office and the
5993 mailing address of the corporation;

5994 (d) The corporation's or foreign corporation's federal
5995 employer identification number, if any, or, if none, whether one
5996 has been applied for;

5997 (e) The names and business street addresses of its
5998 directors and principal officers; and

5999 (f) ~~The street address of its registered office in this~~
6000 ~~state and the name of its registered agent at that office; and~~

6001 ~~(g)~~ Any such additional information that the department has
6002 identified as may be necessary or appropriate to enable the
6003 department ~~of State~~ to carry out the provisions of this chapter

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6004 ~~aet.~~

6005 (2) If an annual report contains the name and address of a
6006 registered agent which differs from the information shown in the
6007 records of the department immediately before the annual report
6008 becomes effective, the differing information in the annual
6009 report is considered a statement of change under s. 617.0502 or
6010 s. 617.1508, as the case may be ~~The deposit of such report, on~~
6011 ~~or before May 1, in the United States mail in a sealed envelope,~~
6012 ~~properly addressed with postage prepaid, constitutes compliance~~
6013 ~~with subsection (1).~~

6014 (3) If an annual report does not contain the information
6015 required by this section ~~subsection (1)~~, the department ~~of State~~
6016 shall promptly notify the reporting domestic corporation or
6017 foreign corporation ~~in writing and return the report to it for~~
6018 ~~correction.~~ If the report is corrected to contain the
6019 information required by subsection (1) and delivered to the
6020 department ~~of State~~ within 30 days after the effective date of
6021 notice, it will ~~is deemed to be~~ considered timely delivered
6022 filed.

6023 (4) ~~Each annual report must be executed by the corporation~~
6024 ~~by an officer or director or, if the corporation is in the hands~~
6025 ~~of a receiver or trustee, must be executed on behalf of the~~
6026 ~~corporation by such receiver or trustee, and the signing of the~~
6027 ~~annual report shall have the same legal effect as if made under~~
6028 ~~oath, without the necessity of appending such oath thereto.~~
6029 ~~(5)~~ The first annual report must be delivered to the department
6030 ~~of State~~ between January 1 and May 1 of the year following the
6031 calendar year in which a domestic corporation's articles of
6032 incorporation became effective or a foreign corporation obtained

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its certificate of authority to transact business in this state ~~corporation was incorporated or a foreign corporation was authorized to conduct affairs.~~ Subsequent annual reports must be delivered to the department ~~of State~~ between January 1 and May 1 of ~~each the subsequent~~ calendar year thereafter. If one or more forms of annual report are submitted for a calendar year, the department shall file each of them and make the information contained in them part of the official record. The first form of annual report filed in a calendar year shall be considered the annual report for that calendar year, and each report filed after that one in the same calendar year shall be treated as an amended report for that calendar year ~~years~~.

~~(5)(6)~~ Information in the annual report must be current as of the date the annual report is delivered to the department for filing ~~executed on behalf of the corporation.~~

~~(7)~~ If an additional report is received, the department shall file the document and make the information contained therein part of the official record.

~~(6)(8)~~ Any domestic corporation or foreign corporation that fails to file an annual report ~~that which~~ complies with the requirements of this section may not prosecute or maintain ~~or defend~~ any action in any court of this state until the ~~such~~ report is filed and all fees and penalties ~~taxes~~ due under this chapter ~~act~~ are paid, and ~~such corporation~~ is subject to dissolution or cancellation of its certificate of authority to transact business ~~conduct its affairs~~ as provided in this chapter ~~act~~.

~~(7)(9)~~ The department shall prescribe the forms, which may be in an electronic format, on which to make the annual report

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called for in this section and may substitute the uniform business report, pursuant to s. 606.06, as a means of satisfying the requirement of this ~~chapter section~~.

(8) As a condition of a merger under s. 617.1101, each party to a merger which exists under the laws of this state, and each party to a merger which exists under the laws of another jurisdiction and has a certificate of authority to transact business or conduct its affairs in this state, must be active and current in filing its annual reports in the records of the department through December 31 of the calendar year in which the articles of merger are submitted to the department for filing.

(9) As a condition of a conversion of an entity to a corporation under s. 617.1804, the entity, if it exists under the laws of this state or if it exists under the laws of another jurisdiction and has a certificate of authority to transact business or conduct its affairs in this state, must be active and current in filing its annual reports in the records of the department through December 31 of the calendar year in which the articles of conversion are submitted to the department for filing.

(10) As a condition of a conversion of a domestic corporation to another type of entity under s. 617.1804, the domestic corporation converting to the other type of entity must be active and current in filing its annual reports in the records of the department through December 31 of the calendar year in which the articles of conversion are submitted to the department for filing.

(11) As a condition of domestication of a domestic corporation into a foreign jurisdiction under s. 617.180301, the

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6091 domestic corporation domesticating into a foreign jurisdiction
 6092 must be active and current in filing its annual reports in the
 6093 records of the department through December 31 of the calendar
 6094 year in which the articles of domestication are submitted to the
 6095 department for filing.

6096 Section 108. Section 617.180301, Florida Statutes, is
 6097 created to read:

6098 617.180301 Domestication.—

6099 (1) By complying with this section and ss. 617.18031-
 6100 617.18034, as applicable, a foreign corporation may become a
 6101 domestic corporation if the domestication is permitted by the
 6102 organic law of the foreign corporation.

6103 (2) By complying with this section and ss. 617.18031-
 6104 617.18034, as applicable, a domestic corporation may become a
 6105 foreign corporation pursuant to a plan of domestication if the
 6106 domestication is permitted by the organic law of the foreign
 6107 corporation.

6108 (3) In a domestication under subsection (2), the
 6109 domesticating corporation must enter into a plan of
 6110 domestication. The plan of domestication must include:

6111 (a) The name of the domesticating corporation;

6112 (b) The name and governing jurisdiction of the domesticated
 6113 corporation;

6114 (c) The manner and basis of cancelling or converting the
 6115 eligible interests or other rights of the domesticating
 6116 corporation into other eligible interests, obligations, rights
 6117 to acquire eligible interests, cash, other property, or any
 6118 combination of the foregoing of the domesticated corporation;

6119 (d) The proposed organic rules of the domesticated

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6120 corporation, which must be in writing; and

6121 (e) The other terms and conditions of the domestication.

6122 (4) In addition to the requirements of subsection (3), a
 6123 plan of domestication may contain any other provision not
 6124 prohibited by law.

6125 (5) The terms of a plan of domestication may be made
 6126 dependent upon facts objectively ascertainable outside the plan
 6127 in accordance with s. 617.01201(10).

6128 (6) If a protected agreement of a domesticating corporation
 6129 in effect immediately before the domestication becomes effective
 6130 contains a provision applying to a merger of the corporation and
 6131 the agreement does not refer to a domestication of the
 6132 corporation, the provision applies to a domestication of the
 6133 corporation as if the domestication were a merger until such
 6134 time as the provision is first amended after July 1, 2026.

6135 Section 109. Section 617.18031, Florida Statutes, is
 6136 created to read:

6137 617.18031 Action on a plan of domestication.—In the case of
 6138 a domestication of a domestic corporation into a foreign
 6139 jurisdiction, the plan of domestication must be adopted in the
 6140 following manner:

6141 (1) Except as otherwise provided in the articles of
 6142 incorporation or bylaws, the plan of domestication must first be
 6143 adopted by the board of directors of such domestic corporation.
 6144 If the domesticating corporation does not have any members
 6145 entitled to vote on the domestication, a plan of domestication
 6146 is adopted by the corporation when it has been adopted by the
 6147 board of directors pursuant to this section.

6148 (2) If the domesticating corporation has members entitled

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to vote on the domestication, the plan of domestication must be approved by such members. In submitting the plan of domestication to the members for approval, the board of directors shall recommend that the members approve the plan, unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, in which case the board of directors must inform the members of the basis for its so proceeding without such recommendation.

(3) The board of directors may set conditions for approval of the plan of domestication by the members or the effectiveness of the plan of domestication.

(4) If the plan of domestication is required to be approved by the members, and if the approval of the members is to be given at a meeting, the corporation must notify each member entitled to vote on the domestication of the meeting of members at which the plan of domestication is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the plan of domestication and must contain or be accompanied by a copy of the plan. The notice must include or be accompanied by a written copy of the organic rules of the domesticated corporation as they will be in effect immediately after the domestication.

(5) Unless this chapter, the articles of incorporation, the bylaws, or the board of directors acting pursuant to subsection (3) require a greater vote or a greater quorum in the respective case, approval of the plan of domestication requires:

(a) The approval of the members entitled to vote on the domestication at a meeting at which a quorum exists consisting

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of a majority of the votes entitled to be cast on the plan; and

(b) If any class of members is entitled to vote as a separate group on the plan of domestication, the approval of each class of members voting as a separate voting group at a meeting at which a quorum of the voting group exists consisting of a majority of the votes entitled to be cast on the plan by that voting group.

(6) The articles of incorporation may expressly limit or eliminate the separate voting rights provided in paragraph (5) (b) as to any class of members, except when the public organic rules of the foreign corporation resulting from the domestication include what would be in effect an amendment that would entitle the class to vote as a separate voting group if it were a proposed amendment of the articles of incorporation of a domestic domesticating corporation.

(7) If, as a result of a domestication, one or more members of a domestic domesticating corporation would become subject to interest holder liability, approval of the plan of domestication must require the signing in connection with the domestication, by each such member, of a separate written consent to become subject to such interest holder liability, unless in the case of a member that already has interest holder liability with respect to the domesticating corporation, the terms and conditions of the interest holder liability with respect to the domesticated corporation are substantially identical to those of the existing interest holder liability, other than for changes that eliminate or reduce such interest holder liability.

(8) In addition to the adoption and approval of the plan of domestication by the board of directors and any members entitled

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6207 to vote on the domestication as required by this section, the
 6208 plan of domestication must be approved in writing by any person
 6209 or group of persons whose approval is required under the
 6210 articles of incorporation or bylaws or whose approval is
 6211 required to amend the articles of incorporation or bylaws.
 6212 Section 110. Section 617.18032, Florida Statutes, is
 6213 created to read:
 6214 617.18032 Articles of incorporation; effectiveness.—
 6215 (1) Articles of domestication must be signed by the
 6216 domesticating corporation after:
 6217 (a) A plan of domestication of a domestic corporation has
 6218 been adopted and approved as required by this chapter; or
 6219 (b) A foreign corporation that is the domesticating
 6220 corporation has approved a domestication as required by this
 6221 chapter and under the foreign corporation's organic law.
 6222 (2) Articles of domestication must set forth:
 6223 (a) The name of the domesticating corporation and its
 6224 governing jurisdiction;
 6225 (b) The name and governing jurisdiction of the domesticated
 6226 corporation; and
 6227 (c) 1. If the domesticating corporation is a domestic
 6228 corporation, a statement that the plan of domestication was
 6229 approved in accordance with this chapter; or
 6230 2. If the domesticating corporation is a foreign
 6231 corporation, a statement that the domestication was approved in
 6232 accordance with its organic law.
 6233 (3) If the domesticated corporation is to be a domestic
 6234 corporation, articles of incorporation of the domesticated
 6235 corporation that satisfy the requirements of s. 617.0202 must be

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6236 attached to the articles of domestication. Provisions that would
 6237 not be required to be included in restated articles of
 6238 incorporation may be omitted from the articles of incorporation
 6239 attached to the articles of domestication.
 6240 (4) The articles of domestication shall be delivered to the
 6241 department for filing and shall take effect on the effective
 6242 date determined in accordance with s. 617.0123.
 6243 (5) (a) If the domesticated corporation is a domestic
 6244 corporation, the domestication becomes effective when the
 6245 articles of domestication are effective.
 6246 (b) If the domesticated corporation is a foreign
 6247 corporation, the domestication becomes effective on the later of
 6248 the date and time provided by the organic law of the
 6249 domesticated corporation or when the articles of domestication
 6250 are effective.
 6251 (6) If the domesticating corporation is a foreign
 6252 corporation that is qualified to transact business in this state
 6253 under ss. 617.1501-617.1532, its certificate of authority is
 6254 automatically canceled when the domestication becomes effective.
 6255 (7) A copy of the articles of domestication, certified by
 6256 the department, may be filed in the official records of any
 6257 county in this state in which the domesticating corporation
 6258 holds an interest in real property.
 6259 Section 111. Section 617.18033, Florida Statutes, is
 6260 created to read:
 6261 617.18033 Amendment of a plan of domestication;
 6262 abandonment.—
 6263 (1) Except as otherwise provided in the plan of
 6264 domestication and before the articles of domestication have

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taken effect, a plan of domestication of a domestic corporation adopted under s. 617.180301(3) may be amended:

(a) In the same manner as the plan of domestication was approved, if the plan does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan of domestication, except that an interest holder who was entitled to vote on or consent to approval of the plan is entitled to vote on or consent to any amendment of the plan which will change:

1. The amount or kind of eligible interests or other rights, obligations, rights to acquire eligible interests, cash, other property, or any combination of the foregoing, to be received by any of the interest holders of the domesticating corporation under the plan;

2. The organic rules of the domesticated corporation that are to be in writing and that will be in effect immediately after the domestication becomes effective, except for changes that do not require approval of the interest holder of the domesticated corporation under its proposed organic rules as set forth in the plan of domestication; or

3. Any of the other terms or conditions of the plan, if the change would adversely affect the interest holder in any material respect.

(2) After a plan of domestication has been adopted and approved by a domestic corporation as required by this chapter, and before the articles of domestication have become effective, the plan may be abandoned by the corporation in the same manner as the plan was approved by the corporation without action by its interest holders in accordance with any procedures set forth

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in the plan or, if no such procedures are set forth in the plan, in the manner determined by the board of directors of the domestic corporation.

(3) If a domestication is abandoned after the articles of domestication have been delivered to the department for filing but before the articles of domestication become effective, a statement of abandonment signed by the domesticating corporation must be delivered to the department for filing before the articles of domestication become effective. The statement shall take effect upon filing, and the domestication shall be deemed abandoned and may not become effective. The statement of abandonment must contain:

(a) The name of the domesticating corporation;

(b) The date on which the articles of domestication were filed by the department; and

(c) A statement that the domestication has been abandoned in accordance with this section.

Section 112. Section 617.18034, Florida Statutes, is created to read:

617.18034 Effect of domestication.—

(1) When a domestication becomes effective:

(a) All real property and other property owned by the domesticating corporation, including any interests therein and all title thereto, and every contract right and other right possessed by the domesticating corporation, are the property, contract rights, and other rights of the domesticated corporation without transfer, reversion, or impairment;

(b) All debts, obligations, and other liabilities of the domesticating corporation are the debts, obligations, and other

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6323 liabilities of the domesticated corporation;
 6324 (c) The name of the domesticated corporation may be, but
 6325 need not be, substituted for the name of the domesticating
 6326 corporation in any pending action or proceeding;
 6327 (d) The organic rules of the domesticated corporation
 6328 become effective;
 6329 (e) The eligible interests or other rights of the
 6330 domesticating corporation are cancelled or reclassified into
 6331 eligible interests or other rights, obligations, rights to
 6332 acquire eligible interests, cash, other property, or any
 6333 combination of the foregoing, in accordance with the terms of
 6334 the domestication, and the interest holders of the domesticating
 6335 corporation are entitled only to the rights provided to them by
 6336 those terms; and
 6337 (f) The domesticated corporation is:
 6338 1. Incorporated under and subject to the organic law of the
 6339 domesticated corporation;
 6340 2. The same corporation, without interruption, as the
 6341 domesticating corporation; and
 6342 3. Deemed to have been incorporated on the date the
 6343 domesticating corporation was originally incorporated.
 6344 (2) Except as otherwise provided in the organic law or
 6345 organic rules of a domesticating foreign corporation, the
 6346 interest holder liability of an interest holder in a foreign
 6347 corporation that is domesticated into this state who had
 6348 interest holder liability with respect to such domesticating
 6349 corporation before the domestication becomes effective must be
 6350 as follows:
 6351 (a) The domestication does not discharge that prior

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6352 interest holder liability with respect to any interest holder
 6353 liabilities that arose before the domestication becomes
 6354 effective.
 6355 (b) The organic law of the domesticating corporation must
 6356 continue to apply to the collection or discharge of any interest
 6357 holder liabilities preserved by paragraph (a), as if the
 6358 domestication had not occurred.
 6359 (c) The interest holder shall have such rights of
 6360 contribution from other persons as are provided by the organic
 6361 law of the domesticating corporation with respect to any
 6362 interest holder liabilities preserved by paragraph (a), as if
 6363 the domestication had not occurred.
 6364 (d) The interest holder may not, by reason of such prior
 6365 interest holder liability, have interest holder liability with
 6366 respect to any interest holder liabilities that are incurred
 6367 after the domestication becomes effective.
 6368 (3) An interest holder who becomes subject to interest
 6369 holder liability in respect of the domesticated corporation as a
 6370 result of the domestication has such interest holder liability
 6371 only with respect to interest holder liabilities that arise
 6372 after the domestication becomes effective.
 6373 (4) A domestication does not constitute or cause the
 6374 dissolution of the domesticating corporation.
 6375 (5) Property held in trust or otherwise dedicated to a
 6376 charitable purpose and held by a domestic or foreign corporation
 6377 immediately before a domestication becomes effective may not, as
 6378 a result of the domestication, be diverted from the purposes for
 6379 which it was donated, granted, devised, or otherwise transferred
 6380 except pursuant to the laws of this state addressing cy pres or

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6381 dealing with nondiversion of charitable assets.

6382 (6) A bequest, devise, gift, grant, or promise contained in
 6383 a will or other instrument of donation, subscription, or
 6384 conveyance which is made to the domesticating corporation, and
 6385 which takes effect or remains payable after the domestication
 6386 inures to the domesticated corporation.

6387 (7) A trust obligation that would govern property if
 6388 transferred to the domesticating corporation applies to property
 6389 that is to be transferred to the domesticated corporation after
 6390 the domestication takes effect.

6391 Section 113. Section 617.1804, Florida Statutes, is created
 6392 to read:

6393 617.1804 Conversion.—

6394 (1) By complying with this chapter, including being
 6395 eligible under s. 617.18041, adopting a plan of conversion in
 6396 accordance with s. 617.18042, and complying with s. 617.18043, a
 6397 domestic corporation may become:

6398 (a) A domestic eligible entity, other than a domestic
 6399 corporation; or

6400 (b) If the conversion is permitted by the organic law of
 6401 the foreign eligible entity, a foreign eligible entity.

6402 (2) By complying with this section and ss. 617.18042–
 6403 617.18046, as applicable, and applicable provisions of its
 6404 organic law, a domestic eligible entity other than a domestic
 6405 corporation may become a domestic corporation.

6406 (3) By complying with this section and ss. 617.18042–
 6407 617.18046, as applicable, and by complying with the applicable
 6408 provisions of its organic law, a foreign eligible entity may
 6409 become a domestic corporation, but only if the organic law of

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6410 the foreign eligible entity permits it to become a nonprofit
 6411 corporation in another jurisdiction.

6412 (4) If a protected agreement of a domestic converting
 6413 corporation in effect immediately before the conversion becomes
 6414 effective contains a provision applying to a merger of the
 6415 corporation that is a converting corporation and the agreement
 6416 does not refer to a conversion of the corporation, the provision
 6417 applies to a conversion of the corporation as if the conversion
 6418 were a merger, until such time as the provision is first amended
 6419 after July 1, 2026.

6420 Section 114. Section 617.18041, Florida Statutes, is
 6421 created to read:

6422 617.18041 Limitation on conversion.—A domestic corporation
 6423 that holds property for a charitable purpose is prohibited from
 6424 becoming a domestic eligible entity or a foreign eligible
 6425 entity, except by domestication to become a foreign corporation.

6426 Section 115. Section 617.18042, Florida Statutes, is
 6427 created to read:

6428 617.18042 Plan of conversion.—

6429 (1) A domestic corporation may convert to a domestic or
 6430 foreign eligible entity under this chapter by approving a plan
 6431 of conversion. The plan of conversion must include all of the
 6432 following:

6433 (a) The name of the domestic converting corporation.

6434 (b) The name, governing jurisdiction, and type of entity of
 6435 the converted eligible entity.

6436 (c) The manner and basis of canceling or converting the
 6437 eligible interests or other rights of the domestic corporation;
 6438 or the rights to acquire eligible interests, obligations, or any

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6439 combination of the foregoing of the domestic corporation, into:
 6440 1. Shares.
 6441 2. Other securities.
 6442 3. Eligible interests.
 6443 4. Obligations.
 6444 5. Rights to acquire shares, other securities, or eligible
 6445 interests.
 6446 6. Cash.
 6447 7. Other property.
 6448 8. Other rights.
 6449 (d) The other terms and conditions of the conversion.
 6450 (e) The full text, as it will be in effect immediately
 6451 after the conversion becomes effective, of the organic rules of
 6452 the converted eligible entity, which are to be in writing.
 6453 (2) In addition to the requirements of subsection (1), a
 6454 plan of conversion may contain any other provision not
 6455 prohibited by law.
 6456 (3) The terms of a plan of conversion may be made dependent
 6457 upon facts objectively ascertainable outside the plan in
 6458 accordance with s. 617.01201(10).
 6459 Section 116. Section 617.18043, Florida Statutes, is
 6460 created to read:
 6461 617.18043 Action on a plan of conversion.—In the case of a
 6462 conversion of a domestic corporation to a domestic or foreign
 6463 eligible entity other than a domestic corporation, the plan of
 6464 conversion must be adopted in the following manner:
 6465 (1) Except as provided in the articles of incorporation or
 6466 bylaws, the plan of conversion must first be adopted by the
 6467 board of directors of such domestic corporation. If the

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6468 converting corporation does not have any members entitled to
 6469 vote on the conversion, a plan of conversion is adopted by the
 6470 corporation when it has been adopted by the board of directors
 6471 pursuant to this section.
 6472 (2) (a) If the converting corporation has members entitled
 6473 to vote on the conversion, the plan of conversion must then be
 6474 approved by such members.
 6475 (b) In submitting the plan of conversion to the members for
 6476 approval, the board of directors must recommend that the members
 6477 approve the plan of conversion, unless the board of directors
 6478 makes a determination that because of conflicts of interest or
 6479 other special circumstances it should not make such a
 6480 recommendation, in which case the board of directors must inform
 6481 the members of the basis for proceeding without such
 6482 recommendation.
 6483 (3) The board of directors may set conditions for approval
 6484 of the plan of conversion by the members or the effectiveness of
 6485 the plan of conversion.
 6486 (4) If a plan of conversion is required to be approved by
 6487 the members, and if the approval of the members is to be given
 6488 at a meeting, the corporation must notify each member entitled
 6489 to vote on the conversion of the meeting of members at which the
 6490 plan of conversion is to be submitted for approval. The notice
 6491 must state that the purpose, or one of the purposes, of the
 6492 meeting is to consider the plan of conversion and must contain
 6493 or be accompanied by a copy of the plan. The notice must include
 6494 or be accompanied by a written copy of the organic rules of the
 6495 converted eligible entity as they will be in effect immediately
 6496 after the conversion.

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(5) Unless this chapter, the articles of incorporation, bylaws, or the board of directors acting pursuant to subsection (3) require a greater vote or a greater quorum in the respective case, approval of the plan of conversion requires:

(a) The approval of the members entitled to vote on the conversion at a meeting at which a quorum exists consisting of a majority of the votes entitled to be cast on the plan; and

(b) If any class of members is entitled to vote as a separate group on the plan of conversion, the approval of each class of members voting as a separate voting group at a meeting at which a quorum of the voting group exists consisting of a majority of the votes entitled to be cast on the plan by that voting group.

(6) If, as a result of the conversion, one or more members of the converting domestic corporation would become subject to interest holder liability, approval of the plan of conversion must require the signing in connection with the conversion, by each such member, of a separate written consent to become subject to such interest holder liability, unless in the case of a member that already has interest holder liability with respect to the converting corporation, the terms and conditions of the interest holder liability with respect to the converted entity are substantially identical to those of the existing interest holder liability, other than for changes that eliminate or reduce such interest holder liability.

(7) If the converted eligible entity is a partnership or limited partnership, a member of the converting domestic corporation may not, as a result of the conversion, become a general partner of the partnership or limited partnership,

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unless such member specifically consents in writing to becoming a general partner of such partnership or limited partnership, and, unless such written consent is obtained from each such member, such conversion may not become effective under s. 617.18044. Any member providing such consent in writing is deemed to have voted in favor of the plan of conversion pursuant to which the member became a general partner.

(8) In addition to the adoption and approval of the plan of conversion by the board of directors and any members entitled to vote on the conversion as required by this section, the plan of conversion must also be approved in writing by any person or group of persons whose approval is required under the articles of incorporation or bylaws or whose approval is required to amend the articles of incorporation or bylaws.

Section 117. Section 617.18044, Florida Statutes, is created to read:

617.18044 Articles of conversion; effectiveness.—

(1) After a plan of conversion of a domestic corporation has been adopted and approved as required by this chapter, or a domestic or foreign eligible entity, other than a domestic corporation, that is the converting eligible entity has approved a conversion as required by its organic law, articles of conversion must be signed by the converting eligible entity as required by s. 617.01201 and must:

(a) State the name, governing jurisdiction, and type of entity of the converting eligible entity;

(b) State the name, governing jurisdiction, and type of entity of the converted eligible entity;

(c) If the converting eligible entity is:

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6555 1. A domestic corporation, state that the plan of
 6556 conversion was approved in accordance with this chapter; or
 6557 2. A domestic or foreign eligible entity other than a
 6558 domestic corporation, state that the conversion was approved by
 6559 the eligible entity in accordance with its organic law; and
 6560 (d) If the converted eligible entity is:
 6561 1. A domestic corporation or a domestic or foreign eligible
 6562 entity that is not a domestic corporation, attach the public
 6563 organic record of the converted eligible entity, except that
 6564 provisions that would not be required to be included in a
 6565 restated public organic record may be omitted; or
 6566 2. A domestic limited liability partnership, attach the
 6567 filing or filings required to become a domestic limited
 6568 liability partnership.
 6569 (2) If the converted eligible entity is a domestic
 6570 corporation, its articles of incorporation must satisfy the
 6571 requirements of s. 617.0202, except that provisions that would
 6572 not be required to be included in restated articles of
 6573 incorporation may be omitted from the articles of incorporation.
 6574 If the converted eligible entity is a domestic eligible entity
 6575 that is not a domestic corporation, its public organic record,
 6576 if any, must satisfy the applicable requirements of the organic
 6577 law of this state, except that the public organic record does
 6578 not need to be signed.
 6579 (3) The articles of conversion must be delivered to the
 6580 department for filing and shall take effect on the effective
 6581 date determined in accordance with s. 617.0123.
 6582 (4) (a) If the converted eligible entity is a domestic
 6583 eligible entity, the conversion becomes effective when the

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6584 articles of conversion are effective.
 6585 (b) If the converted eligible entity is a foreign eligible
 6586 entity, the conversion becomes effective at the later of:
 6587 1. The date and time provided by the organic law of that
 6588 eligible entity; or
 6589 2. When the articles of conversion take effect.
 6590 (5) Articles of conversion required to be filed under this
 6591 section may be combined with any filing required under the
 6592 organic law of a domestic eligible entity that is the converting
 6593 eligible entity or the converted eligible entity if the combined
 6594 filing satisfies the requirements of both this section and the
 6595 other organic law.
 6596 (6) If the converting eligible entity is a foreign eligible
 6597 entity that is authorized to transact business in this state
 6598 under a law similar to ss. 617.1501-617.1532, its foreign
 6599 qualification is canceled automatically on the effective date of
 6600 its conversion.
 6601 (7) A copy of the articles of conversion, certified by the
 6602 department, may be filed in the official records of any county
 6603 in this state in which the converting eligible entity holds an
 6604 interest in real property.
 6605 Section 118. Section 617.18045, Florida Statutes, is
 6606 created to read:
 6607 617.18045 Amendment to a plan of conversion; abandonment.-
 6608 (1) Except as otherwise provided in the plan of conversion
 6609 and before the articles of conversion have taken effect, a plan
 6610 of conversion of a converting eligible entity that is a domestic
 6611 corporation may be amended:
 6612 (a) In the same manner as the plan of conversion was

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approved, if the plan does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan of conversion, except that an interest holder that was entitled to vote on or consent to approval of the plan is entitled to vote on or consent to any amendment of the plan which will change:

1. The amount or kind of interests; obligations; rights to acquire other interests; cash; other property; or any combination of the foregoing, to be received by any of the interest holders of the converting corporation under the plan;

2. The organic rules of the converted eligible entity which will be in effect immediately after the conversion becomes effective, except for changes that do not require approval of the eligible interest holders of the converted eligible entity under its organic law or organic rules; or

3. Any other terms or conditions of the plan, if the change would adversely affect such interest holders in any material respect.

(2) After a plan of conversion has been adopted and approved by a converting eligible entity that is a domestic corporation in the manner required by this chapter and before the articles of conversion become effective, the plan may be abandoned by the domestic corporation without action by its interest holders in accordance with any procedures set forth in the plan or, if no such procedures are set forth in the plan, in the manner determined by the board of directors of the domestic corporation.

(3) If a conversion is abandoned after the articles of conversion have been delivered to the department for filing but

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before the articles of conversion have become effective, a statement of abandonment signed by the converting eligible entity must be delivered to the department for filing before the articles of conversion become effective. The statement takes effect upon filing, and the conversion is deemed abandoned and may not become effective. The statement of abandonment must contain:

(a) The name of the converting eligible entity;

(b) The date on which the articles of conversion were filed by the department; and

(c) A statement that the conversion has been abandoned in accordance with this section.

Section 119. Section 617.18046, Florida Statutes, is created to read:

617.18046 Effect of conversion.—

(1) When a conversion becomes effective:

(a) All real property and other property owned by the converting eligible entity, including any interest therein and all title thereto, and every contract right and other right possessed by the converting eligible entity remain the property, contract rights, and other rights of the converted eligible entity without transfer, reversion, or impairment;

(b) All debts, obligations, and other liabilities of the converting eligible entity remain the debts, obligations, and other liabilities of the converted eligible entity;

(c) The name of the converted eligible entity may be substituted for the name of the converting eligible entity in any pending action or proceeding;

(d) If the converted eligible entity is a filing entity, a

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6671 domestic corporation, or a domestic or foreign corporation, its
 6672 public organic record and its private organic rules become
 6673 effective;

6674 (e) If the converted eligible entity is a nonfiling entity,
 6675 its private organic rules become effective;

6676 (f) If the converted eligible entity is a limited liability
 6677 partnership, the filing required to become a limited liability
 6678 partnership and its private organic rules become effective;

6679 (g) The shares; obligations; eligible interests; other
 6680 securities; and rights to acquire shares, obligations, eligible
 6681 interests, or other securities of the converting eligible entity
 6682 are reclassified into shares; obligations; eligible interests;
 6683 other securities; and rights to acquire shares, obligations,
 6684 eligible interests, or other securities; or eligible interests,
 6685 cash; other property; or any combination of the foregoing, in
 6686 accordance with the terms of the conversion, and the members or
 6687 interest holders of the converting eligible entity are entitled
 6688 only to the rights provided to them by those terms or under the
 6689 organic law of the converting eligible entity; and

6690 (h) The converted eligible entity is:

6691 1. Deemed to be incorporated or organized under and subject
 6692 to the organic law of the converted eligible entity;

6693 2. Deemed to be the same entity without interruption as the
 6694 converting eligible entity; and

6695 3. Deemed to have been incorporated or otherwise organized
 6696 on the date that the converting eligible entity was originally
 6697 incorporated or organized.

6698 (2) Except as otherwise provided in the articles of
 6699 incorporation or bylaws of a domestic corporation or the organic

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6700 law or organic rules of a domestic or foreign eligible entity
 6701 other than a domestic corporation, a member or eligible interest
 6702 holder who becomes subject to interest holder liability in
 6703 respect of a domestic corporation or domestic or foreign
 6704 eligible entity other than a domestic corporation as a result of
 6705 the conversion shall have such interest holder liability only in
 6706 respect of interest holder liabilities that arise after the
 6707 conversion becomes effective.

6708 (3) Except as otherwise provided in the organic law or the
 6709 organic rules of the domestic or foreign eligible entity, the
 6710 interest holder liability of an interest holder in a converting
 6711 eligible entity that converts to a domestic corporation who had
 6712 interest holder liability in respect of such converting eligible
 6713 entity before the conversion becomes effective is as follows:

6714 (a) The conversion does not discharge that prior interest
 6715 holder liability with respect to any interest holder liabilities
 6716 that arose before the conversion became effective.

6717 (b) The organic law of the eligible entity continues to
 6718 apply to the collection or discharge of any interest holder
 6719 liabilities preserved by paragraph (a), as if the conversion had
 6720 not occurred.

6721 (c) The eligible interest holder has such rights of
 6722 contribution from other persons as are provided by the organic
 6723 law of the eligible entity with respect to any interest holder
 6724 liabilities preserved by paragraph (a), as if the conversion had
 6725 not occurred.

6726 (d) The eligible interest holder may not, by reason of such
 6727 prior interest holder liability, have interest holder liability
 6728 with respect to any interest holder liabilities that arise after

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the conversion becomes effective.

(4) A conversion does not require the converting eligible entity to wind up its affairs and does not constitute or cause the dissolution or termination of the entity.

(5) Property held for charitable purposes under the laws of this state by a domestic or foreign eligible entity immediately before a conversion becomes effective may not, as a result of the conversion, be diverted from the purposes for which it was donated, granted, devised, or otherwise transferred except and to the extent permitted by or pursuant to the laws of this state addressing cy pres or dealing with nondiversion of charitable assets.

(6) Any bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance which is made to the converting eligible entity and which takes effect or remains payable after the conversion inures to the converted eligible entity.

(7) A trust obligation that would govern property if transferred to the converting eligible entity applies to property that is to be transferred to the converted eligible entity after the conversion becomes effective.

Section 120. Section 617.2005, Florida Statutes, is amended to read:

617.2005 Extinct churches and religious societies; dissolution.—Any church or religious society in this state which has ceased or failed to maintain religious worship or service, or to use its property for religious worship or services according to the tenets, usages, and customs of a church of the denomination of which it is a member in this state for the space

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of 2 consecutive years, or whose membership has so diminished in numbers or in financial strength as to render it impossible for such church or society to maintain religious worship or services, or to protect its property from exposure to waste and dilapidation for a period of 2 years, shall be extinct. Upon an action filed by a member of the church or religious society, the facts being established to the satisfaction of the circuit court in and for the county in which such church or society has been situated, an order of such court may be made dissolving the church or religious society and the property of such church or society, or the property which may be held in trust for such church or society, may by court order be transferred to and the title and possession thereof vested in the denomination of which such church or society was a member. A copy of the decree of dissolution must ~~shall~~ be filed with the department ~~of State~~.

Section 121. Section 617.2006, Florida Statutes, is amended to read:

617.2006 Incorporation of labor unions or bodies.—

(1) Any group or combination of groups of workers or wage earners, bearing the name labor, organized labor, federation of labor, brotherhood of labor, union labor, union labor committee, trade union, trades union, union labor council, building trades council, building trades union, allied trades union, central labor body, central labor union, federated trades council, local union, state union, national union, international union, district labor council, district labor union, American Federation of Labor, Florida Federation of Labor, or any component parts or significant words of such terms, whether the same be used in juxtaposition or with interspace, may be

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6787 incorporated under this chapter act.

6788 (2)(1) In addition to the requirements of ss. 617.02011 and
 6789 617.0202, the articles of incorporation for a labor union or
 6790 body ~~must~~ shall set forth the necessity for the incorporation,
 6791 ~~shall~~ be subscribed to by not less than five persons, and ~~shall~~
 6792 be acknowledged by all of the subscribers, who shall also make
 6793 and subscribe to an oath, to be endorsed on the articles of
 6794 incorporation, that it is intended in good faith to carry out
 6795 the purposes and objects set forth in the articles of
 6796 incorporation. The articles of incorporation shall be filed in
 6797 the office of the clerk of the circuit court of the county in
 6798 which the labor union or body is organized, and the approval of
 6799 the judge of the circuit court shall be obtained.

6800 (2) The subscribers of the articles of incorporation shall
 6801 give notice of their intention to obtain approval thereof by the
 6802 circuit judge. Such notice shall state the name of the judge,
 6803 the date the articles of incorporation will be presented, and
 6804 the general nature and necessity of the articles of
 6805 incorporation. Notice shall be published in a newspaper of
 6806 general circulation in the county in which the labor union or
 6807 body is organized at least once, or posted at the courthouse
 6808 door in counties having no newspapers, at least 10 days prior to
 6809 the date the articles of incorporation will be presented to the
 6810 judge.

6811 (3) When presented to the judge, the articles of
 6812 incorporation shall be accompanied by a petition, signed and
 6813 sworn to by the subscribers, stating fully the aims and purposes
 6814 of such organization and the necessity therefor.

6815 (4) Upon the filing of the articles of incorporation and

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6816 the petition, and the giving of such notice, the circuit judge
 6817 to whom such petition may be addressed shall, upon the date
 6818 stated in such notice, take testimony and inquire into the
 6819 admissions and purposes of such organization and the necessity
 6820 therefor, and upon such hearing, if the circuit judge shall be
 6821 satisfied that the allegations set forth in the petition and
 6822 articles of incorporation have been substantiated, and shall
 6823 find that such organization will not be harmful to the community
 6824 in which it proposes to operate, or to the state, and that it is
 6825 intended in good faith to carry out the purposes and objects set
 6826 forth in the articles of incorporation, and that there is a
 6827 necessity therefor, the judge shall approve the articles of
 6828 incorporation and endorse his or her approval thereon. Upon the
 6829 filing of the articles of incorporation with its endorsements
 6830 thereupon with the Department of State and payment of the filing
 6831 fees specified in s. 617.0122, the subscribers and their
 6832 associates and successors shall be a corporation by the name
 6833 given.

6834 (5) Any person may intervene by filing an answer to the
 6835 petition stating his or her reasons, if any, and be heard
 6836 thereon, why the circuit judge shall not approve the articles of
 6837 incorporation.

6838 (6) The existence, amendment of the articles of
 6839 incorporation, and dissolution of any such corporation shall be
 6840 in accordance with this act.

6841 Section 122. Subsection (7) of section 39.8298, Florida
 6842 Statutes, is amended to read:

6843 39.8298 Guardian ad Litem direct-support organization.—

6844 (7) LIMITS ON DIRECT-SUPPORT ORGANIZATION.—The direct-

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6845 support organization shall not exercise any power under s.
 6846 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~. No state employee
 6847 shall receive compensation from the direct-support organization
 6848 for service on the board of directors or for services rendered
 6849 to the direct-support organization.

6850 Section 123. Paragraph (a) of subsection (2) of section
 6851 381.00316, Florida Statutes, is amended to read:

6852 381.00316 Discrimination by governmental and business
 6853 entities based on health care choices; prohibition.—

6854 (2) As used in this section, the term:

6855 (a) "Business entity" has the same meaning as in s. 606.03.
 6856 The term also includes a charitable organization as defined in
 6857 s. 496.404, a nonprofit corporation ~~not for profit~~ as defined in
 6858 s. 617.01401, or any other business operating in this state.

6859 Section 124. Subsection (6) of section 605.1025, Florida
 6860 Statutes, is amended to read:

6861 605.1025 Articles of merger.—

6862 (6) A limited liability company is not required to deliver
 6863 articles of merger for filing pursuant to subsection (1) if the
 6864 limited liability company is named as a merging entity or
 6865 surviving entity in articles of merger or a certificate of
 6866 merger filed for the same merger in accordance with s. 607.1105,
 6867 ~~s. 617.1108~~, s. 620.2108(3), or s. 620.8918(3), and if such
 6868 articles of merger or certificate of merger substantially comply
 6869 with the requirements of this section. In such a case, the other
 6870 articles of merger or certificate of merger may also be used for
 6871 purposes of subsection (5).

6872 Section 125. Section 617.0102, Florida Statutes, is amended
 6873 to read:

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6874 617.0102 Reservation of power to amend or repeal.—The
 6875 Legislature has the power to amend or repeal all or part of this
 6876 chapter act at any time, and all domestic and foreign
 6877 corporations subject to this chapter act shall be governed by
 6878 the amendment or repeal.

6879 Section 126. Section 617.0121, Florida Statutes, is amended
 6880 to read:

6881 617.0121 Forms.—

6882 (1) The department ~~of State~~ may prescribe and furnish on
 6883 request forms for:

6884 (a) An application for certificate of status,

6885 (b) A foreign corporation's application for certificate of
 6886 authority to conduct its affairs in the state,

6887 (c) A foreign corporation's application for certificate of
 6888 withdrawal, and

6889 (d) The annual report, for which the department may
 6890 prescribe the use of the uniform business report, pursuant to s.
 6891 606.06.

6892
 6893 If the department ~~of State~~ so requires, the use of these forms
 6894 are shall be mandatory.

6895 (2) The department ~~of State~~ may prescribe and furnish on
 6896 request forms for other documents required or permitted to be
 6897 filed by this chapter act, but their use may shall not be
 6898 mandatory.

6899 Section 127. Section 617.0122, Florida Statutes, is amended
 6900 to read:

6901 617.0122 Fees for filing documents and issuing
 6902 certificates.—The department ~~of State~~ shall collect the

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6903 following fees on documents delivered to the department for
 6904 filing:

- 6905 (1) Articles of incorporation: \$35.
- 6906 (2) Application for registered name: \$87.50.
- 6907 (3) Application for renewal of registered name: \$87.50.
- 6908 (4) Corporation's statement of change of registered agent
 6909 or registered office or both if not included on the annual
 6910 report: \$35.
- 6911 (5) Designation of and acceptance by registered agent: \$35.
- 6912 (6) Agent's statement of resignation from a corporation
 6913 that has not been dissolved: \$87.50.
- 6914 (7) Agent's statement of resignation from a dissolved
 6915 corporation or a composite statement of resignation from two or
 6916 more dissolved corporations pursuant to s. 617.05021(1)(b) ~~s.~~
 6917 ~~617.0502(2)(b)~~: \$35.
- 6918 (8) Amendment of articles of incorporation: \$35.
- 6919 (9) Restatement of articles of incorporation with amendment
 6920 of articles: \$35.
- 6921 (10) Articles of merger for each party thereto: \$35.
- 6922 (11) Articles of dissolution: \$35.
- 6923 (12) Articles of revocation of dissolution: \$35.
- 6924 (13) Application for reinstatement following administrative
 6925 dissolution: \$175.
- 6926 (14) Application for certificate of authority to transact
 6927 business in this state by a foreign corporation: \$35.
- 6928 (15) Application for amended certificate of authority: \$35.
- 6929 (16) Application for certificate of withdrawal by a foreign
 6930 corporation: \$35.
- 6931 (17) Annual report: \$61.25.

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6932 (18) Articles of correction: \$35.

6933 (19) Application for certificate of status: \$8.75.

6934 (20) Certified copy of document: \$52.50.

6935 (21) Serving as agent for substitute service of process:
 6936 \$87.50.

6937 (22) Certificate of conversion of a limited agricultural
 6938 association to a domestic corporation: \$35.

6939 (23) Any other document required or permitted to be filed
 6940 by this chapter: \$35.

6941

6942 Any citizen support organization that is required by rule of the
 6943 Department of Environmental Protection to be formed as a
 6944 nonprofit organization and is under contract with the Department
 6945 of Environmental Protection ~~department~~ is exempt from any fees
 6946 required for incorporation as a nonprofit organization, and the
 6947 Secretary of State may not assess any such fees if the citizen
 6948 support organization is certified by the Department of
 6949 Environmental Protection to the Secretary of State as being
 6950 under contract with the Department of Environmental Protection.

6951 Section 128. Section 617.0125, Florida Statutes, is amended
 6952 to read:

6953 617.0125 Filing duties of the department ~~of State~~.—

6954 (1) If a document delivered to the department for filing
 6955 satisfies the requirements of s. 617.01201, the department shall
 6956 file it.

6957 (2) The department files a document by stamping or
 6958 otherwise endorsing "filed," together with the Secretary of
 6959 State's official title and the date and time of receipt. After
 6960 filing a document, the department shall send a notice of the

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6961 filing to the electronic mail address on file for the domestic
 6962 or foreign corporation or its representative or send a copy of
 6963 the document to the mailing address of such corporation or its
 6964 representative. If the record changes the electronic mail
 6965 address of the domestic or foreign corporation, the department
 6966 must send such notice to the new electronic mail address and to
 6967 the most recent prior electronic mail address. If the record
 6968 changes the mailing address of the domestic or foreign
 6969 corporation, the department must send such notice to the new
 6970 mailing address and to the most recent prior mailing address.

6971 (3) If the department refuses to file a document, it shall
 6972 return it to the domestic or foreign corporation or its
 6973 representative within 15 days after the document was received
 6974 for filing, together with a brief, written explanation of the
 6975 reason for refusal.

6976 (4) The department's duty to file documents under this
 6977 section is ministerial. The filing or refusing to file a
 6978 document does not:

6979 (a) Affect the validity or invalidity of the document in
 6980 whole or part;

6981 (b) Relate to the correctness or incorrectness of
 6982 information contained in the document; or

6983 (c) Create a presumption that the document is valid or
 6984 invalid or that information contained in the document is correct
 6985 or incorrect.

6986 (5) If not otherwise provided by law and ~~the provisions of~~
 6987 this chapter act, the department shall determine, by rule, the
 6988 appropriate format for, number of copies of, manner of execution
 6989 of, method of electronic transmission of, and amount of and

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6990 method of payment of fees for, any document placed under its
 6991 jurisdiction.

6992 Section 129. Section 617.02011, Florida Statutes, is
 6993 amended to read:

6994 617.02011 Incorporators.—One or more persons may act as the
 6995 incorporator or incorporators of a corporation by delivering
 6996 articles of incorporation to the department ~~of State~~ for filing.

6997 Section 130. Subsection (2) of section 617.0203, Florida
 6998 Statutes, is amended to read:

6999 617.0203 Incorporation.—

7000 (2) The department's ~~Department of State's~~ filing of the
 7001 articles of incorporation, and the original recorded charter or
 7002 certified copy of the charter of a corporation which has not
 7003 been reincorporated under s. 617.0901, is conclusive proof that
 7004 the incorporators satisfied all conditions precedent to
 7005 incorporation and that the corporation has been incorporated
 7006 under this chapter act, except in a proceeding by the state to
 7007 cancel or revoke the incorporation or involuntarily dissolve the
 7008 corporation.

7009 Section 131. Subsection (2) of section 617.0205, Florida
 7010 Statutes, is amended to read:

7011 617.0205 Organizational meeting of directors.—

7012 (2) Action required or permitted by this chapter act to be
 7013 taken by incorporators or directors at an organizational meeting
 7014 may be taken without a meeting if the action taken is evidenced
 7015 by one or more written consents describing the action taken and
 7016 signed by each incorporator or director.

7017 Section 132. Section 617.0301, Florida Statutes, is amended
 7018 to read:

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7019 617.0301 Purposes and application.—Corporations may be
 7020 organized under this chapter ~~act~~ for any lawful purpose or
 7021 purposes not for pecuniary profit and not specifically
 7022 prohibited to corporations under other laws of this state. Such
 7023 purposes include, without limitation, charitable, benevolent,
 7024 ~~eleemosynary~~, educational, historical, civic, patriotic,
 7025 political, religious, social, fraternal, literary, cultural,
 7026 athletic, scientific, agricultural, horticultural, animal
 7027 husbandry, and professional, commercial, industrial, or trade
 7028 association purposes. If special provisions are made, by law,
 7029 for the organization of designated classes of nonprofit
 7030 corporations ~~not for profit~~, such corporations must ~~shall~~ be
 7031 formed under such provisions and not under this chapter ~~act~~.

7032 Section 133. Subsection (2) of section 617.0504, Florida
 7033 Statutes, is amended to read:

7034 617.0504 Serving process, giving notice, or making a demand
 7035 on a corporation.—

7036 (2) Any notice to or demand on a corporation made pursuant
 7037 to this chapter ~~act~~ may be made to the chair of the board, the
 7038 president, any vice president, the secretary, the treasurer, the
 7039 registered agent of the corporation at the registered office of
 7040 the corporation in this state, or any address in this state that
 7041 is in fact the principal office of the corporation in this
 7042 state.

7043 Section 134. Section 617.0806, Florida Statutes, is amended
 7044 to read:

7045 617.0806 Staggered terms for directors.—The articles of
 7046 incorporation or bylaws may provide that directors be divided
 7047 into classes. Each director shall hold office for the term to

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7048 which such director ~~he or she~~ is elected or appointed and until
 7049 such director's ~~his or her~~ successor has been elected or
 7050 appointed and qualified or until such director's ~~his or her~~
 7051 earlier resignation, removal from office, or death.

7052 Section 135. Subsection (4) of section 617.0824, Florida
 7053 Statutes, is amended to read:

7054 617.0824 Quorum and voting.—

7055 (4) A director of a corporation who is present at a meeting
 7056 of the board of directors or a committee of the board of
 7057 directors when corporate action is taken is deemed to have
 7058 assented to the action taken unless:

7059 (a) The director objects, at the beginning of the meeting
 7060 or promptly upon such director's ~~his or her~~ arrival, to holding
 7061 the meeting or transacting specified affairs at the meeting; or

7062 (b) The director votes against or abstains from the action
 7063 taken.

7064 Section 136. Subsections (3), (4), and (7) of section
 7065 617.0825, Florida Statutes, are amended to read:

7066 617.0825 Board committees and advisory committees.—

7067 (3) To the extent provided by the board of directors in a
 7068 resolution or in the articles of incorporation or the bylaws of
 7069 the corporation, each such committee has ~~shall have~~ and may
 7070 exercise powers and authority of the board of directors, except
 7071 that ~~no~~ such committee does not ~~shall~~ have the power or
 7072 authority to:

7073 (a) Approve or recommend to members actions or proposals
 7074 required by this chapter ~~act~~ to be approved by members.

7075 (b) Fill vacancies on the board of directors or any
 7076 committee thereof.

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7077 (c) Adopt, amend, or repeal the bylaws.

7078 (4) Unless the articles of incorporation or the bylaws
7079 provide otherwise, ss. 617.0820, 617.0823, and 617.0824 ~~ss.~~
7080 ~~617.0820, 617.0822, 617.0823, and 617.0824~~, which govern
7081 meetings, ~~notice and~~ waiver of notice, and quorum and voting
7082 requirements of the board of directors, apply to committees and
7083 their members as well.

7084 (7) ~~Neither~~ The designation of any such committee, the
7085 delegation thereto of authority, or ~~per~~ action by such committee
7086 pursuant to such authority does not ~~shall~~ alone constitute
7087 compliance by any member of the board of directors not a member
7088 of the committee in question with such member's ~~his or her~~
7089 responsibility to act in good faith, in a manner such member ~~he~~
7090 ~~or she~~ reasonably believes to be in the best interests of the
7091 corporation, and with such care as an ordinarily prudent person
7092 in a like position would use under similar circumstances.

7093 Section 137. Section 617.0831, Florida Statutes, is amended
7094 to read:

7095 617.0831 Indemnification and liability of officers,
7096 directors, employees, and agents.— Sections Except as provided
7097 ~~in s. 617.0834, s. 607.0831 and ss. 607.0850-607.0859~~ apply to a
7098 corporation organized under this chapter act and a rural
7099 electric cooperative organized under chapter 425. Any reference
7100 to "directors" in those sections includes the directors,
7101 managers, or trustees of a corporation organized under this
7102 chapter act or of a rural electric cooperative organized under
7103 chapter 425. However, the term "director" as used in s. 607.0831
7104 and ss. 607.0850-607.0859 does not include a director appointed
7105 by the developer to the board of directors of a condominium

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7106 association under chapter 718, a cooperative association under
7107 chapter 719, a homeowners' association defined in s. 720.301, or
7108 a timeshare managing entity under chapter 721. Any reference to
7109 "shareholders" in those sections includes members of a
7110 corporation organized under this chapter act and members of a
7111 rural electric cooperative organized under chapter 425.

7112 Section 138. Section 617.0901, Florida Statutes, is amended
7113 to read:

7114 617.0901 Reincorporation.—

7115 (1) Any corporation which has a charter approved by a
7116 circuit judge under former chapter 617, Florida Statutes (1989),
7117 or a charter granted by the Legislature of this state, on or
7118 prior to September 1, 1959, the effective date of chapter 59-
7119 427, Laws of Florida, may reincorporate under this chapter act
7120 by filing with the department ~~of State~~ a copy of its charter and
7121 all amendments thereto, certified by the clerk of the circuit
7122 court of the county wherein recorded, as to charters and
7123 amendments granted by circuit judges, and by the department ~~of~~
7124 ~~State~~, as to legislative charters, together with a certificate
7125 containing the provisions required in original articles of
7126 incorporation by s. 617.0202, and accepting ~~the provisions of~~
7127 this chapter act.

7128 (2) A certificate of reincorporation must be executed in
7129 accordance with s. 617.01201, and it must show that its issuance
7130 was duly authorized by a meeting of its members regularly
7131 called, or if there are no members entitled to vote on
7132 reincorporation, by a meeting of its board of directors. Upon
7133 the filing of a certificate of reincorporation in accordance
7134 with s. 617.01201, the corporation is ~~shall be~~ deemed to be

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7135 incorporated under this chapter ~~act~~ and the certificate
 7136 ~~constitutes shall constitute~~ its articles of incorporation.
 7137 (3) The corporation shall then be entitled to and be
 7138 possessed of all the privileges, franchises, and powers as if
 7139 originally incorporated under this chapter ~~act~~, and all the
 7140 properties, rights, and privileges belonging to the corporation
 7141 ~~before prior to~~ reincorporation, which were acquired by gift,
 7142 grant, conveyance, assignment, or otherwise are hereby ratified,
 7143 approved, confirmed, and assured to the corporation with like
 7144 effect and to all intents and purposes as if they had been
 7145 originally acquired pursuant to incorporation under this chapter
 7146 ~~act~~. However, any corporation reincorporating under this chapter
 7147 ~~is act shall be~~ subject to all the contracts, duties, and
 7148 obligations resting upon the corporation ~~before prior to~~
 7149 reincorporation or to which the corporation ~~is shall then be~~ in
 7150 any way liable.
 7151 Section 139. Subsection (2) of section 617.1008, Florida
 7152 Statutes, is amended to read:
 7153 617.1008 Amendment pursuant to reorganization.—
 7154 (2) The individual or individuals designated by the court
 7155 shall deliver to the department ~~of State~~ for filing articles of
 7156 amendment setting forth:
 7157 (a) The name of the corporation;
 7158 (b) The text of each amendment approved by the court;
 7159 (c) The date of the court's order or decree approving the
 7160 articles of amendment;
 7161 (d) The title of the reorganization proceeding in which the
 7162 order or decree was entered; and
 7163 (e) A statement that the court had jurisdiction of the

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7164 proceeding under federal or state law.
 7165 Section 140. Section 617.1009, Florida Statutes, is amended
 7166 to read:
 7167 617.1009 Effect of amendment.—An amendment to articles of
 7168 incorporation does not affect a cause of action existing against
 7169 or in favor of the corporation, a proceeding to which the
 7170 corporation is a party, or the existing rights of persons other
 7171 than members of the corporation. An amendment changing a
 7172 corporation's name does not affect ~~abate~~ a proceeding brought by
 7173 or against the corporation in its former name.
 7174 Section 141. Subsection (3) of section 617.1404, Florida
 7175 Statutes, is amended to read:
 7176 617.1404 Revocation of dissolution.—
 7177 (3) After the revocation of dissolution is authorized, the
 7178 corporation may revoke the dissolution by delivering to the
 7179 department ~~of State~~ for filing articles of revocation of
 7180 dissolution, together with a copy of its articles of
 7181 dissolution, that set forth:
 7182 (a) The name of the corporation;
 7183 (b) The effective date of the dissolution that was revoked;
 7184 (c) The date that the revocation of dissolution was
 7185 authorized;
 7186 (d) If the corporation's board of directors revoked a
 7187 dissolution authorized by the members, a statement that
 7188 revocation was permitted by action by the board of directors
 7189 alone pursuant to that authorization; and
 7190 (e) If member action was required to revoke the
 7191 dissolution, the information required by s. 617.1403(1)(b) or
 7192 (c), whichever is applicable.

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7193 Section 142. Subsection (1) of section 617.1422, Florida
 7194 Statutes, is amended, and subsection (4) of that section is
 7195 reenacted, to read:

7196 617.1422 Reinstatement following administrative
 7197 dissolution.—

7198 (1) A corporation administratively dissolved under s.
 7199 617.1421 may apply to the department for reinstatement at any
 7200 time after the effective date of dissolution. The corporation
 7201 must submit a reinstatement form prescribed and furnished by the
 7202 department or a current uniform business annual report signed by
 7203 a registered agent and an officer or director and submit all
 7204 fees owed by the corporation and computed at the rate provided
 7205 by law at the time the corporation applies for reinstatement.

7206 (4) The name of the dissolved corporation is not available
 7207 for assumption or use by another corporation until 1 year after
 7208 the effective date of dissolution unless the dissolved
 7209 corporation provides the department with an affidavit executed
 7210 pursuant to s. 617.01201 authorizing the immediate assumption or
 7211 use of the name by another corporation.

7212 Section 143. Subsections (2) and (3) of section 617.1423,
 7213 Florida Statutes, are amended to read:

7214 617.1423 Appeal from denial of reinstatement.—

7215 (2) After exhaustion of administrative remedies, the
 7216 corporation may appeal the denial of reinstatement to the
 7217 appropriate court as provided in s. 120.68 within 30 days after
 7218 service of the notice of denial is perfected. The corporation
 7219 appeals by petitioning the court to set aside the dissolution
 7220 and attaching to the petition copies of the department's
 7221 ~~department of State's~~ certificate of dissolution, the

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7222 corporation's application for reinstatement, and the
 7223 department's notice of denial.

7224 (3) The court may summarily order the department ~~of State~~
 7225 to reinstate the dissolved corporation or may take other action
 7226 the court considers appropriate.

7227 Section 144. Subsection (1) of section 617.1501, Florida
 7228 Statutes, is amended to read:

7229 617.1501 Authority of foreign corporation to conduct
 7230 affairs required.—

7231 (1) A foreign corporation may not conduct its affairs in
 7232 this state until it obtains a certificate of authority from the
 7233 department ~~of State~~.

7234 Section 145. Subsection (2) of section 617.1510, Florida
 7235 Statutes, is amended to read:

7236 617.1510 Serving process, giving notice, or making a demand
 7237 on a foreign corporation.—

7238 (2) Any notice to or demand on a foreign corporation made
 7239 pursuant to this chapter ~~act~~ may be made in accordance with the
 7240 procedures for notice to or demand on domestic corporations
 7241 under s. 617.0504.

7242 Section 146. Section 617.1606, Florida Statutes, is amended
 7243 to read:

7244 617.1606 Access to records.—Sections 617.1601-617.16051
 7245 ~~617.1601-617.1605~~ do not apply to a corporation that is an
 7246 association, as defined in s. 720.301, or a corporation
 7247 regulated under chapter 718 or chapter 719.

7248 Section 147. Paragraphs (a), (b), (d), and (e) of
 7249 subsection (1) of section 617.1623, Florida Statutes, are
 7250 amended, to read:

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7251 617.1623 Corporate information available to the public;
 7252 application to corporations incorporated by circuit courts and
 7253 by special act of the Legislature.—

7254 (1) (a) Each corporation incorporated in this state shall
 7255 maintain a registered agent and registered office in accordance
 7256 with s. 617.0501, and current information regarding the
 7257 corporations incorporated in this state must ~~shall~~ be readily
 7258 available to the public. At a minimum, such information must
 7259 include the text of the charter or articles of incorporation and
 7260 all amendments thereto, the name of the corporation, the date of
 7261 incorporation, the street address of the principal office of the
 7262 corporation, the corporation's federal employer identification
 7263 number, the name and business street address of each officer,
 7264 the name and business street address of each director, the name
 7265 of its registered agent, and the street address of its
 7266 registered office.

7267 (b) Any corporation which has a charter approved by a
 7268 circuit judge under former chapter 617, Florida Statutes 1989,
 7269 or a charter granted by the Legislature on or before September
 7270 1, 1959, the effective date of chapter 59-427, Laws of Florida,
 7271 must file with the department ~~of State~~, not later than July 1,
 7272 1992, a copy of its charter and all amendments thereto,
 7273 certified by the clerk of the circuit court of the county
 7274 wherein recorded, together with a registration containing the
 7275 provisions required in paragraph (a), as to charters and
 7276 amendments granted by circuit judges, and by the department ~~of~~
 7277 ~~State~~, as to legislative charters, and the corporation
 7278 thereafter is ~~shall be~~ subject to the requirements of ss.
 7279 617.0501 and 617.1622.

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7280 (d) Any corporation dissolved pursuant to paragraph (c)
 7281 shall be reinstated upon application to the department ~~of State~~,
 7282 signed by an officer or director thereof, accompanied by a copy
 7283 of its charter and all amendments thereto, certified by the
 7284 clerk of the circuit court of the county wherein recorded, as to
 7285 charters and amendments granted by circuit judges, and by the
 7286 department ~~of State~~, as to legislative charters, together with a
 7287 registration containing the provisions required in paragraph
 7288 (a), and the payment of all fees due from the time of
 7289 dissolution computed at the rate provided by law at the time the
 7290 corporation applies for reinstatement.

7291 (e) Whenever the application for reinstatement is approved
 7292 and filed by the department ~~of State~~, the corporate existence is
 7293 ~~shall be~~ deemed to have continued without interruption from the
 7294 date of dissolution. The reinstatement terminates any personal
 7295 liability of the directors, officers, or agents of the
 7296 corporation incurred on account of actions taken during the
 7297 period between dissolution and reinstatement. Upon
 7298 reinstatement, the corporation is ~~shall be~~ subject to the
 7299 requirements of ss. 617.0501 and 617.1622.

7300 Section 148. Section 617.1701, Florida Statutes, is amended
 7301 to read:

7302 617.1701 Application to existing domestic corporation.—This
 7303 chapter act ~~act~~ applies to all domestic corporations in existence on
 7304 July 1, 1991, that were incorporated under any general statute
 7305 of this state providing for incorporation of nonprofit
 7306 corporations ~~not for profit~~ if power to amend or repeal the
 7307 statute under which the corporation was incorporated was
 7308 reserved.

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7309 Section 149. Section 617.1702, Florida Statutes, is amended
7310 to read:

7311 617.1702 Application to qualified foreign corporations.—A
7312 foreign corporation authorized to conduct its affairs in this
7313 state on July 1, 1991, is subject to this chapter act but is not
7314 required to obtain a new certificate of authority to conduct its
7315 affairs under this chapter act.

7316 Section 150. Subsection (2) of section 617.1703, Florida
7317 Statutes, is amended to read:

7318 617.1703 Application of chapter.—

7319 (2) Sections ~~The provisions of ss.~~ 617.0605-617.0608 do not
7320 apply to corporations regulated by any of the foregoing chapters
7321 or to any other corporation where membership in the corporation
7322 is required pursuant to a document recorded in the county's
7323 official county property records.

7324 Section 151. Section 617.1711, Florida Statutes, is amended
7325 to read:

7326 617.1711 Application to foreign and interstate commerce.—
7327 ~~The provisions of This chapter applies act apply~~ to commerce
7328 with foreign nations and among the several states only insofar
7329 as such commerce may be permitted under the Constitution and
7330 laws of the United States.

7331 Section 152. Section 617.1808, Florida Statutes, is amended
7332 to read:

7333 617.1808 Application of chapter act to corporation
7334 converted to nonprofit corporation ~~corporation not for profit~~.—
7335 ~~All the provisions of This chapter act~~ relating to corporations
7336 ~~not for profit~~, except insofar as they are inconsistent with ss.
7337 617.1804-617.18046, apply ss. 617.1805, 617.1806, and 617.1807,

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7338 ~~shall be applicable~~ to any for profit corporation whose
7339 character has been changed under ss. 617.1804-617.18046 ss-
7340 617.1805, 617.1806, and 617.1807 and shall henceforth govern
7341 such corporation.

7342 Section 153. Section 617.1809, Florida Statutes, is amended
7343 to read:

7344 617.1809 Limited agricultural association; conversion to a
7345 domestic corporation ~~not for profit~~.—

7346 (1) As used in this section, the term "limited agricultural
7347 association" or "association" means a limited agricultural
7348 association formed under ss. 604.09-604.14.

7349 (2) A limited agricultural association may convert to a
7350 domestic corporation ~~not for profit~~ by filing the following
7351 documents with the department in accordance with s. 617.01201:

7352 (a) A certificate of conversion, which must be executed by
7353 a person authorized in s. 617.01201(6) and such other persons
7354 that may be required in the association's articles of
7355 association or bylaws.

7356 (b) Articles of incorporation, which must comply with s.
7357 617.0202 and be executed by a person authorized in s.
7358 617.01201(6).

7359 (3) The certificate of conversion must include:

7360 (a) The date upon which the association was initially
7361 formed under ss. 604.09-604.14.

7362 (b) The name of the association immediately before filing
7363 the certificate of conversion.

7364 (c) The name of the domestic corporation as set forth in
7365 its articles of incorporation.

7366 (d) The effective date of the conversion. If the conversion

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does not take effect upon filing the certificate of conversion and articles of incorporation, the delayed effective date for the conversion, subject to the limitation in s. 617.0123(1) ~~s. 617.0123(2)~~, must be a date certain and the same as the effective date of the articles of incorporation.

(4) When the certificate of conversion and articles of incorporation are filed with the department, or upon the delayed effective date, the association is converted to the domestic corporation, and the corporation becomes subject to this chapter. However, notwithstanding s. 617.0123, the existence of the corporation is deemed to have commenced when the association was initially formed under ss. 604.09-604.14.

(5) Conversion of a limited agricultural association to a domestic corporation does not affect any obligation or liability of the association that was incurred before the conversion.

(6) When a conversion takes effect under this section, all rights, privileges, and powers of the converting association, all property, real, personal, and mixed, and all debts due to the association, as well as all other assets and causes of action belonging to the association, are vested in the domestic corporation to which the association is converted and are the property of the corporation as they were of the association. The title to any real property that is vested by deed or otherwise in the converting association does not revert and is not impaired by the operation of this chapter, but all rights of creditors and all liens upon any property of the association are preserved unimpaired, and all debts, liabilities, and duties of the association attach to the domestic corporation and are enforceable against it to the same extent as if the debts,

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liabilities, and duties had been incurred or contracted by the corporation.

(7) The limited agricultural association is not required to wind up its affairs or pay its liabilities and distribute its assets. Conversion does not constitute a dissolution of the association but is a continuation of the association's existence in the form of the domestic corporation.

(8) Before a limited agricultural association may file a certificate of conversion with the department, unless otherwise specified in the association's articles of association or bylaws, the conversion must be approved by a majority vote of the association's members, and the articles of incorporation must be approved by the same authorization required for approval of the conversion. As part of the approval, the converting association may provide a plan or other record of conversion which describes the manner and basis of converting the membership interests in the association into membership interests in the domestic corporation. The plan or other record may also contain other provisions relating to the conversion, including, but not limited to, the right of the converting association to abandon the proposed conversion or an effective date for the conversion that is consistent with paragraph (3) (d).

Section 154. Section 617.1904, Florida Statutes, is amended to read:

617.1904 Estoppel.—~~A~~ ~~No~~ body of persons acting as a corporation may not ~~shall~~ be permitted to set up the lack of legal organization as a defense to an action against them as a corporation, nor may ~~shall~~ any person sued on a contract made

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with the corporation or sued for an injury to its property or a wrong done to its interests be permitted to set up the lack of such legal organization in such person's ~~his or her~~ defense.

Section 155. Subsection (2) of section 617.1907, Florida Statutes, is amended to read:

617.1907 Effect of repeal or amendment of prior acts.—

(2) If a penalty or punishment imposed for violation of a statute repealed or amended by this chapter is reduced by this chapter act, the penalty or punishment if not already imposed shall be imposed in accordance with this chapter.

Section 156. Section 617.1908, Florida Statutes, is amended to read:

617.1908 Applicability of Florida Business Corporation Act.—Except as made applicable by specific reference in any other section of this chapter, part I of chapter 607, the Florida Business Corporation Act, does not apply to any nonprofit corporations ~~not for profit~~.

Section 157. Section 617.2001, Florida Statutes, is amended to read:

617.2001 Corporations which may be incorporated hereunder; incorporation of certain medical services corporations.—

(1) Corporations may be organized and incorporated under this chapter act for any one or more lawful purposes not for pecuniary profit. However, nonprofit corporations ~~not for profit~~ which may be incorporated under any other law of this state governing particular types of corporations may not be incorporated under this chapter act.

(2) A nonprofit corporation ~~not for profit~~ organized before ~~prior to~~ December 1, 1987, pursuant to ~~the provisions of~~ chapter

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85-56, Laws of Florida, or to ~~the provisions of~~ s. 2, chapter 87-296, Laws of Florida, may conduct the practice of medicine, conduct programs of medical education, and carry on major medical research efforts.

Section 158. Section 617.2002, Florida Statutes, is amended to read:

617.2002 Nonprofit corporation ~~not for profit~~ organized pursuant to s. 2, ch. 87-296; requirements.—A nonprofit corporation ~~not for profit~~ organized pursuant to ~~the provisions of~~ s. 2, chapter 87-296, Laws of Florida, must meet the following requirements:

(1) At least 25 percent of its physicians must have a full-time contract for the provision of medical services with the corporation, be currently certified as specialists by the appropriate American specialty boards accredited by the Council on Medical Education of the American Medical Association, and have clinical privileges at one or more hospitals in this state.

(2) A hospital owned by a corporation organized pursuant to s. 2, chapter 87-296, Laws of Florida, must provide Medicaid and charity care.

Section 159. Section 617.2003, Florida Statutes, is amended to read:

617.2003 Proceedings to revoke articles of incorporation or charter or prevent its use.—If any member or citizen complains to the Department of Legal Affairs that any corporation organized under this chapter act was organized or is being used as a cover to evade any of the laws against crime, or for purposes inconsistent with those stated in its articles of incorporation or charter, or that an officer or director of a

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corporation has participated in a sale or transaction that is affected by a conflict of interest or from which the officer or director ~~he or she~~ derived an improper personal benefit, either directly or indirectly, and submits ~~shall submit~~ prima facie evidence to sustain such charge, together with sufficient money to cover court costs and expenses, the department shall institute and in due course prosecute to final judgment such legal or equitable proceedings as may be considered advisable either to revoke the articles of incorporation or charter, to prevent its improper use, or to recover on behalf of the corporation or its unknown beneficiaries any profits improperly received by the corporation or its officers or directors.

Section 160. Section 617.2007, Florida Statutes, is amended to read:

617.2007 Sponge packing and marketing corporations.—Persons engaged in the business of buying, selling, packing, and marketing commercial sponges may incorporate under this chapter ~~aet~~ to aid in facilitating the orderly cooperative buying, selling, packing, and marketing of commercial sponges. Such association is not a combination in restraint of trade or an illegal monopoly or an attempt to lessen competition or fix prices arbitrarily, and any marketing contract or agreement by the corporation and its members, or the exercise of any power granted by this chapter ~~aet~~ is not illegal or in restraint of trade.

Section 161. Section 617.2101, Florida Statutes, is amended to read:

617.2101 Corporation authorized to act as trustee.—Any corporation, organized under this chapter ~~aet~~, may act as

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trustee of property whenever the corporation has either a beneficial, contingent, or remainder interest in such property. Any corporation may accept and hold the legal title to property, the beneficial interest of which is owned by any other ~~eleemosynary institution or~~ nonprofit corporation or fraternal, benevolent, charitable, or religious society or association.

Section 162. Subsection (1) of section 617.221, Florida Statutes, is amended to read:

617.221 Membership associations.—

(1) As used in this section, the term "membership association" means a nonprofit ~~not-for-profit~~ corporation, including a department or division of such corporation, the majority of whose board members are constitutional officers who, pursuant to s. 1001.32(2), operate, control, and supervise public entities that receive annual state appropriations through a statutorily defined formulaic allocation that is funded and prescribed annually in the General Appropriations Act or the substantive bill implementing the annual appropriations act. The term does not include a labor organization as defined in s. 447.02 or an entity funded through the Justice Administrative Commission.

Section 163. Subsection (3) of section 620.2108, Florida Statutes, is amended to read:

620.2108 Filings required for merger; effective date.—

(3) Each constituent limited partnership shall deliver the certificate of merger for filing in the Department of State unless the constituent limited partnership is named as a party or constituent organization in articles of merger or a certificate of merger filed for the same merger in accordance

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with ~~s. 605.1025~~, s. 607.1105, s. 617.1108, or s. 620.8918(1) and (2) and such articles of merger or certificate of merger substantially complies with the requirements of this section. In such a case, the other articles of merger or certificate of merger may also be used for purposes of s. 620.2109(3).

Section 164. Subsection (3) of section 620.8918, Florida Statutes, is amended to read:

620.8918 Filings required for merger; effective date.—

(3) Each domestic constituent partnership shall deliver the certificate of merger for filing with the Department of State, unless the domestic constituent partnership is named as a party or constituent organization in articles of merger or a certificate of merger filed for the same merger in accordance with s. 605.1025, s. 607.1105, ~~s. 617.1108~~, or s. 620.2108(3). The articles of merger or certificate of merger must substantially comply with the requirements of this section. In such a case, the other articles of merger or certificate of merger may also be used for purposes of s. 620.8919(3). Each domestic constituent partnership in the merger shall also file a registration statement in accordance with s. 620.8105(1) if it does not have a currently effective registration statement filed with the Department of State.

Section 165. Paragraph (b) of subsection (1) and subsections (5), (8), and (9) of section 628.910, Florida Statutes, are amended to read:

628.910 Incorporation options and requirements.—

(1) A pure captive insurance company may be:

(b) Incorporated as a public benefit, mutual benefit, or religious nonprofit corporation with members in accordance with

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the Florida Nonprofit ~~Not-For-Profit~~ Corporation Act.

(5) The articles of incorporation, the certificate issued pursuant to this section, and the organization fees required by the Florida Business Corporation Act or the Florida Nonprofit ~~Not-For-Profit~~ Corporation Act, as applicable, must be transmitted to the Secretary of State, who must record the articles of incorporation and the certificate.

(8) A captive insurance company formed as a corporation or a nonprofit corporation, pursuant to ~~the provisions of~~ this chapter, has the privileges and is subject to the ~~provisions of~~ the general corporation law, including the Florida Nonprofit ~~Not-For-Profit~~ Corporation Act for nonprofit corporations, as applicable, as well as the applicable provisions contained in this chapter. If a conflict occurs between ~~a provision of~~ the general corporation law, including the Florida Nonprofit ~~Not-For-Profit~~ Corporation Act for nonprofit corporations, as applicable, and ~~a provision of~~ this chapter, the latter controls. The provisions of this title pertaining to mergers, consolidations, conversions, mutualizations, and redomestications apply in determining the procedures to be followed by a captive insurance company in carrying out any of the transactions described in such provisions, except that the office may waive or modify the requirements for public notice and hearing in accordance with rules the office may adopt addressing categories of transactions. If a notice of public hearing is required, but no one requests a hearing, the office may cancel the hearing.

(9) The articles of incorporation or bylaws of a captive insurance company may authorize a quorum of a board of directors

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7599 to consist of no fewer than one-third of the fixed or prescribed
 7600 number of directors as provided for by the Florida Business
 7601 Corporation Act or the Florida Nonprofit ~~Not-For-Profit~~
 7602 Corporation Act.

7603 Section 166. Paragraph (a) of subsection (2) of section
 7604 768.38, Florida Statutes, is amended to read:

7605 768.38 Liability protections for COVID-19-related claims.—

7606 (2) As used in this section, the term:

7607 (a) "Business entity" has the same meaning as provided in
 7608 s. 606.03. The term also includes a charitable organization as
 7609 defined in s. 496.404 and a nonprofit corporation ~~not for profit~~
 7610 as defined in s. 617.01401.

7611 Section 167. Paragraph (f) of subsection (15) of section
 7612 893.055, Florida Statutes, is amended to read:

7613 893.055 Prescription drug monitoring program.—

7614 (15) The department may establish a direct-support
 7615 organization to provide assistance, funding, and promotional
 7616 support for the activities authorized for the prescription drug
 7617 monitoring program.

7618 (f) The direct-support organization may not exercise any
 7619 power under s. 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~.

7620 Section 168. Section 617.07401, Florida Statutes, is
 7621 repealed.

7622 Section 169. Section 617.0822, Florida Statutes, is
 7623 repealed.

7624 Section 170. Section 617.1108, Florida Statutes, is
 7625 repealed.

7626 Section 171. Section 617.1301, Florida Statutes, is
 7627 repealed.

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7628 Section 172. Section 617.1302, Florida Statutes, is
 7629 repealed.

7630 Section 173. Section 617.1531, Florida Statutes, is
 7631 repealed.

7632 Section 174. Section 617.1533, Florida Statutes, is
 7633 repealed.

7634 Section 175. Section 617.1803, Florida Statutes, is
 7635 repealed.

7636 Section 176. Section 617.1805, Florida Statutes, is
 7637 repealed.

7638 Section 177. Section 617.1806, Florida Statutes, is
 7639 repealed.

7640 Section 178. Section 617.1807, Florida Statutes, is
 7641 repealed.

7642 Section 179. Section 617.2102, Florida Statutes, is
 7643 repealed.

7644 Section 180. For the purpose of incorporating the amendment
 7645 made by this act to sections 617.01201 and 617.1006, Florida
 7646 Statutes, in references thereto, subsection (3) of section
 7647 617.1007, Florida Statutes, is reenacted to read:

7648 617.1007 Restated articles of incorporation.—

7649 (3) A corporation restating its articles of incorporation
 7650 shall deliver to the department for filing articles of
 7651 restatement, executed in accordance with s. 617.01201, setting
 7652 forth the name of the corporation and the text of the restated
 7653 articles of incorporation together with a certificate setting
 7654 forth:

7655 (a) Whether the restatement contains an amendment to the
 7656 articles of incorporation requiring member approval and, if it

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does not, that the board of directors adopted the restatement;
or

(b) If the restatement contains an amendment to the
articles of incorporation requiring member approval, the
information required by s. 617.1006.

Section 181. For the purpose of incorporating the amendment
made by this act to section 617.0302, Florida Statutes, in a
reference thereto, paragraph (a) of subsection (5) of section
295.21, Florida Statutes, is reenacted to read:

295.21 Florida Is For Veterans, Inc.—

(5) POWERS.—In addition to the powers and duties prescribed
in chapter 617 and the articles and bylaws adopted thereunder,
the board of directors may:

(a) Make and enter into contracts and other instruments
necessary or convenient for the exercise of its powers and
functions. However, notwithstanding s. 617.0302, the corporation
may not issue bonds.

The credit of the State of Florida may not be pledged on behalf
of the corporation.

Section 182. For the purpose of incorporating the amendment
made by this act to section 617.0830, Florida Statutes, in a
reference thereto, paragraph (b) of subsection (4) of section
409.987, Florida Statutes, is reenacted to read:

409.987 Lead agency procurement; boards; conflicts of
interest.—

(4) In order to serve as a lead agency, an entity must:

(b) Be governed by a board of directors or a board
committee composed of board members. Board members shall provide

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oversight and ensure accountability and transparency for the
system of care. The board of directors shall provide fiduciary
oversight to prevent conflicts of interest, promote
accountability and transparency, and protect state and federal
funding from misuse. The board of directors shall act in
accordance with s. 617.0830. The membership of the board of
directors or board committee must be described in the bylaws or
articles of incorporation of each lead agency, which must
provide that at least 75 percent of the membership of the board
of directors or board committee must be composed of persons
residing in this state, and at least 51 percent of the state
residents on the board of directors must reside within the
service area of the lead agency. The lead agency shall ensure
that board members participate in annual training related to
their responsibilities. The department shall set forth minimum
training criteria in the contracts with the lead agencies.
However, for procurements of lead agency contracts initiated on
or after July 1, 2014:

1. At least 75 percent of the membership of the board of
directors must be composed of persons residing in this state,
and at least 51 percent of the membership of the board of
directors must be composed of persons residing within the
service area of the lead agency. If a board committee governs
the lead agency, 100 percent of its membership must be composed
of persons residing within the service area of the lead agency.

2. The powers of the board of directors or board committee
include, but are not limited to, approving the lead agency's
budget and setting the lead agency's operational policy and
procedures. A board of directors must additionally have the

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power to hire the lead agency's executive director, unless a board committee governs the lead agency, in which case the board committee must have the power to confirm the selection of the lead agency's executive director.

Section 183. For the purpose of incorporating the amendment made by this act to section 617.0830, Florida Statutes, in a reference thereto, subsection (1) of section 718.1265, Florida Statutes, is reenacted to read:

718.1265 Association emergency powers.—

(1) To the extent allowed by law, unless specifically prohibited by the declaration of condominium, the articles, or the bylaws of an association, and consistent with s. 617.0830, the board of administration, in response to damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), for which a state of emergency is declared pursuant to s. 252.36 in the locale in which the condominium is located, may exercise the following powers:

(a) Conduct board meetings, committee meetings, elections, and membership meetings, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or video communication with notice given as is practicable. Such notice may be given in any practicable manner, including publication, radio, United States mail, the Internet, electronic transmission, public service announcements, and conspicuous posting on the condominium property or association property or any other means the board deems reasonable under the circumstances. Notice of decisions also may be communicated as provided in this paragraph.

(b) Cancel and reschedule any association meeting.

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(c) Name as assistant officers persons who are not directors, which assistant officers shall have the same authority as the executive officers to whom they are assistants during the state of emergency to accommodate the incapacity or unavailability of any officer of the association.

(d) Relocate the association's principal office or designate alternative principal offices.

(e) Enter into agreements with local counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster plan or an emergency plan before, during, or following the event for which a state of emergency is declared which may include, but is not limited to, shutting down or off elevators; electricity; water, sewer, or security systems; or air conditioners.

(g) Based upon advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board, determine any portion of the condominium property or association property unavailable for entry or occupancy by unit owners, family members, tenants, guests, agents, or invitees to protect the health, safety, or welfare of such persons.

(h) Require the evacuation of the condominium property in the event of an evacuation order in the locale in which the condominium is located. If a unit owner or other occupant of a condominium fails or refuses to evacuate the condominium property or association property for which the board has required evacuation, the association is immune from liability or injury to persons or property arising from such failure or

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7773 refusal.

7774 (i) Based upon advice of emergency management officials or
 7775 public health officials, or upon the advice of licensed
 7776 professionals retained by or otherwise available to the board,
 7777 determine whether the condominium property, association
 7778 property, or any portion thereof can be safely inhabited,
 7779 accessed, or occupied. However, such determination is not
 7780 conclusive as to any determination of habitability pursuant to
 7781 the declaration.

7782 (j) Mitigate further damage, injury, or contagion,
 7783 including taking action to contract for the removal of debris
 7784 and to prevent or mitigate the spread of fungus or contagion,
 7785 including, but not limited to, mold or mildew, by removing and
 7786 disposing of wet drywall, insulation, carpet, cabinetry, or
 7787 other fixtures on or within the condominium property, even if
 7788 the unit owner is obligated by the declaration or law to insure
 7789 or replace those fixtures and to remove personal property from a
 7790 unit.

7791 (k) Contract, on behalf of any unit owner or owners, for
 7792 items or services for which the owners are otherwise
 7793 individually responsible, but which are necessary to prevent
 7794 further injury, contagion, or damage to the condominium property
 7795 or association property. In such event, the unit owner or owners
 7796 on whose behalf the board has contracted are responsible for
 7797 reimbursing the association for the actual costs of the items or
 7798 services, and the association may use its lien authority
 7799 provided by s. 718.116 to enforce collection of the charges.
 7800 Without limitation, such items or services may include the
 7801 drying of units, the boarding of broken windows or doors, the

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7802 replacement of damaged air conditioners or air handlers to
 7803 provide climate control in the units or other portions of the
 7804 property, and the sanitizing of the condominium property or
 7805 association property, as applicable.

7806 (l) Regardless of any provision to the contrary and even if
 7807 such authority does not specifically appear in the declaration
 7808 of condominium, articles, or bylaws of the association, levy
 7809 special assessments without a vote of the owners.

7810 (m) Without unit owners' approval, borrow money and pledge
 7811 association assets as collateral to fund emergency repairs and
 7812 carry out the duties of the association when operating funds are
 7813 insufficient. This paragraph does not limit the general
 7814 authority of the association to borrow money, subject to such
 7815 restrictions as are contained in the declaration of condominium,
 7816 articles, or bylaws of the association.

7817 Section 184. For the purpose of incorporating the amendment
 7818 made by this act to section 617.0830, Florida Statutes, in a
 7819 reference thereto, subsection (1) of section 719.128, Florida
 7820 Statutes, is reenacted to read:

7821 719.128 Association emergency powers.—

7822 (1) To the extent allowed by law, unless specifically
 7823 prohibited by the cooperative documents, and consistent with s.
 7824 617.0830, the board of administration, in response to damage or
 7825 injury caused by or anticipated in connection with an emergency,
 7826 as defined in s. 252.34(4), for which a state of emergency is
 7827 declared pursuant to s. 252.36 in the area encompassed by the
 7828 cooperative, may exercise the following powers:

7829 (a) Conduct board meetings, committee meetings, elections,
 7830 or membership meetings, in whole or in part, by telephone, real-

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7831 time videoconferencing, or similar real-time electronic or video
 7832 communication after notice of the meetings and board decisions
 7833 is provided in as practicable a manner as possible, including
 7834 via publication, radio, United States mail, the Internet,
 7835 electronic transmission, public service announcements,
 7836 conspicuous posting on the cooperative property, or any other
 7837 means the board deems appropriate under the circumstances.
 7838 Notice of decisions may also be communicated as provided in this
 7839 paragraph.

7840 (b) Cancel and reschedule an association meeting.

7841 (c) Designate assistant officers who are not directors. If
 7842 the executive officer is incapacitated or unavailable, the
 7843 assistant officer has the same authority during the state of
 7844 emergency as the executive officer he or she assists.

7845 (d) Relocate the association's principal office or
 7846 designate an alternative principal office.

7847 (e) Enter into agreements with counties and municipalities
 7848 to assist counties and municipalities with debris removal.

7849 (f) Implement a disaster or an emergency plan before,
 7850 during, or following the event for which a state of emergency is
 7851 declared, which may include turning on or shutting off
 7852 elevators; electricity; water, sewer, or security systems; or
 7853 air conditioners for association buildings.

7854 (g) Based upon the advice of emergency management officials
 7855 or public health officials, or upon the advice of licensed
 7856 professionals retained by or otherwise available to the board of
 7857 administration, determine any portion of the cooperative
 7858 property unavailable for entry or occupancy by unit owners or
 7859 their family members, tenants, guests, agents, or invitees to

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7860 protect their health, safety, or welfare.

7861 (h) Based upon the advice of emergency management officials
 7862 or public health officials, or upon the advice of licensed
 7863 professionals retained by or otherwise available to the board of
 7864 administration, determine whether the cooperative property or
 7865 any portion thereof can be safely inhabited or occupied.
 7866 However, such determination is not conclusive as to any
 7867 determination of habitability pursuant to the cooperative
 7868 documents.

7869 (i) Require the evacuation of the cooperative property in
 7870 the event of an evacuation order in the area in which the
 7871 cooperative is located or prohibit or restrict access to the
 7872 cooperative property in the event of a public health threat. If
 7873 a unit owner or other occupant of a cooperative fails or refuses
 7874 to evacuate the cooperative property for which the board has
 7875 required evacuation, the association is immune from liability
 7876 for injury to persons or property arising from such failure or
 7877 refusal.

7878 (j) Mitigate further damage, injury, or contagion,
 7879 including taking action to contract for the removal of debris
 7880 and to prevent or mitigate the spread of fungus, including mold
 7881 or mildew, by removing and disposing of wet drywall, insulation,
 7882 carpet, cabinetry, or other fixtures on or within the
 7883 cooperative property, regardless of whether the unit owner is
 7884 obligated by the cooperative documents or law to insure or
 7885 replace those fixtures and to remove personal property from a
 7886 unit or to sanitize the cooperative property.

7887 (k) Contract, on behalf of a unit owner, for items or
 7888 services for which the owner is otherwise individually

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responsible, but which are necessary to prevent further injury, contagion, or damage to the cooperative property. In such event, the unit owner on whose behalf the board has contracted is responsible for reimbursing the association for the actual costs of the items or services, and the association may use its lien authority provided by s. 719.108 to enforce collection of the charges. Such items or services may include the drying of the unit, the boarding of broken windows or doors, the replacement of a damaged air conditioner or air handler to provide climate control in the unit or other portions of the property, and the sanitizing of the cooperative property.

(l) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the cooperative documents, levy special assessments without a vote of the owners.

(m) Without unit owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the cooperative documents.

Section 185. For the purpose of incorporating the amendment made by this act to section 617.0830, Florida Statutes, in a reference thereto, subsection (1) of section 720.316, Florida Statutes, is reenacted to read:

720.316 Association emergency powers.—

(1) To the extent allowed by law, unless specifically prohibited by the declaration or other recorded governing documents, and consistent with s. 617.0830, the board of

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directors, in response to damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), for which a state of emergency is declared pursuant to s. 252.36 in the area encompassed by the association, may exercise the following powers:

(a) Conduct board meetings, committee meetings, elections, or membership meetings, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or video communication after notice of the meetings and board decisions is provided in as practicable a manner as possible, including via publication, radio, United States mail, the Internet, electronic transmission, public service announcements, conspicuous posting on the common area, or any other means the board deems appropriate under the circumstances. Notice of decisions may also be communicated as provided in this paragraph.

(b) Cancel and reschedule an association meeting.

(c) Designate assistant officers who are not directors. If the executive officer is incapacitated or unavailable, the assistant officer has the same authority during the state of emergency as the executive officer he or she assists.

(d) Relocate the association's principal office or designate an alternative principal office.

(e) Enter into agreements with counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster or an emergency plan before, during, or following the event for which a state of emergency is declared, which may include, but is not limited to, turning on or shutting off elevators; electricity; water, sewer, or

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security systems; or air conditioners for association buildings.

(g) Based upon the advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board, determine any portion of the common areas or facilities unavailable for entry or occupancy by owners or their family members, tenants, guests, agents, or invitees to protect their health, safety, or welfare.

(h) Based upon the advice of emergency management officials or public health officials or upon the advice of licensed professionals retained by or otherwise available to the board, determine whether the common areas or facilities can be safely inhabited, accessed, or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the declaration.

(i) Mitigate further damage, injury, or contagion, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the common areas or facilities or sanitizing the common areas or facilities.

(j) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the declaration or other recorded governing documents, levy special assessments without a vote of the owners.

(k) Without owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are

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insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the declaration or other recorded governing documents.

Section 186. For the purpose of incorporating the amendment made by this act to section 617.0832, Florida Statutes, in a reference thereto, subsections (2) and (5) of section 718.3027, Florida Statutes, are reenacted to read:

718.3027 Conflicts of interest.—

(2) If a director or an officer, or a relative of a director or an officer, proposes to engage in an activity that is a conflict of interest, as described in subsection (1), the proposed activity must be listed on, and all contracts and transactional documents related to the proposed activity must be attached to, the meeting agenda. The association shall comply with the requirements of s. 617.0832, and the disclosures required by s. 617.0832 shall be entered into the written minutes of the meeting. Approval of the contract or other transaction requires an affirmative vote of two-thirds of all other directors present. At the next regular or special meeting of the members, the existence of the contract or other transaction shall be disclosed to the members. Upon motion of any member, the contract or transaction shall be brought up for a vote and may be canceled by a majority vote of the members present. If the contract is canceled, the association is only liable for the reasonable value of the goods and services provided up to the time of cancellation and is not liable for any termination fee, liquidated damages, or other form of penalty for such cancellation.

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(5) A contract entered into between a director or an officer, or a relative of a director or an officer, and the association, which is not a timeshare condominium association, that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by this section or s. 617.0832 is voidable and terminates upon the filing of a written notice terminating the contract with the board of directors which contains the consent of at least 20 percent of the voting interests of the association.

Section 187. For the purpose of incorporating the amendment made by this act to sections 617.0832 and 617.0834, Florida Statutes, in references thereto, paragraphs (a) and (b) of subsection (2) and subsection (3) of section 720.3033, Florida Statutes, are reenacted to read:

720.3033 Officers and directors.—

(2) If the association enters into a contract or other transaction with any of its directors or a corporation, firm, association that is not an affiliated homeowners' association, or other entity in which an association director is also a director or officer or is financially interested, the board must:

(a) Comply with the requirements of s. 617.0832.

(b) Enter the disclosures required by s. 617.0832 into the written minutes of the meeting.

(3) An officer, a director, or a manager may not solicit, offer to accept, or accept a kickback. As used in this subsection, the term "kickback" means any thing or service of value for which consideration has not been provided for an officer's, a director's, or a manager's benefit or for the

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benefit of a member of his or her immediate family from any person providing or proposing to provide goods or services to the association. An officer, a director, or a manager who knowingly solicits, offers to accept, or accepts a kickback commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, and is subject to monetary damages under s. 617.0834. If the board finds that an officer or a director has violated this subsection, the board must immediately remove the officer or director from office. The vacancy shall be filled according to law until the end of the officer's or director's term of office. However, an officer, a director, or a manager may accept food to be consumed at a business meeting with a value of less than \$25 per individual or a service or good received in connection with trade fairs or education programs.

Section 188. For the purpose of incorporating the amendment made by this act to section 617.0834, Florida Statutes, in a reference thereto, paragraph (a) of subsection (13) of section 721.13, Florida Statutes, is reenacted to read:

721.13 Management.—

(13) (a) Notwithstanding any provisions of chapter 607, chapter 617, or chapter 718, an officer, director, or agent of an owners' association, including a timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm, shall discharge its duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner it reasonably believes to be in the interests of the owners' association. An officer, director, or agent of an

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owners' association, including a timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm, is exempt from liability for monetary damages in the same manner as provided in s. 617.0834 unless such officer, director, agent, or firm breached or failed to perform its duties and the breach of, or failure to perform, its duties constitutes a violation of criminal law as provided in s. 617.0834; constitutes a transaction from which the officer or director derived an improper personal benefit, either directly or indirectly; or constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

Section 189. For the purpose of incorporating the amendment made by this act to sections 617.0830 and 617.0834, Florida Statutes, in references thereto, paragraph (d) of subsection (1) of section 718.111, Florida Statutes, is reenacted to read:

718.111 The association.—

(1) CORPORATE ENTITY.—

(d) As required by s. 617.0830, an officer, director, or agent shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the interests of the association. An officer, director, or agent shall be liable for monetary damages as provided in s. 617.0834 if such officer, director, or agent breached or failed to perform his or her duties and the breach of, or failure to perform, his or her duties constitutes a violation of criminal law as provided in s. 617.0834;

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constitutes a transaction from which the officer or director derived an improper personal benefit, either directly or indirectly; or constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. Forgery of a ballot envelope or voting certificate used in a condominium association election is punishable as provided in s. 831.01, the theft or embezzlement of funds of a condominium association is punishable as provided in s. 812.014, and the destruction of or the refusal to allow inspection or copying of an official record of a condominium association that is accessible to unit owners within the time periods required by general law in furtherance of any crime is punishable as tampering with physical evidence as provided in s. 918.13 or as obstruction of justice as provided in chapter 843. An officer or director charged by information or indictment with a crime referenced in this paragraph must be removed from office, and the vacancy shall be filled as provided in s. 718.112(2)(d)2. until the end of the officer's or director's period of suspension or the end of his or her term of office, whichever occurs first. If a criminal charge is pending against the officer or director, he or she may not be appointed or elected to a position as an officer or a director of any association and may not have access to the official records of any association, except pursuant to a court order. However, if the charges are resolved without a finding of guilt, the officer or director must be reinstated for the remainder of his or her term of office, if any.

Section 190. This act shall take effect July 1, 2026.

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The Florida Senate

Committee Agenda Request

To: Senator Thomas J. Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: December 10, 2025

I respectfully request that **Senate Bill #554**, relating to Nonprofit Corporations, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in blue ink that reads "Mack Bernard".

Senator Mack Bernard
Florida Senate, District 24

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

1/21/26

Meeting Date

554

Bill Number or Topic

Commerce

Committee

Amendment Barcode (if applicable)

Name

~~Stuart~~ Stuart Cohn

Phone

850 209 9000

Address

5105 NW 42nd Lane

Email

cohn@law.utfl.edu

Street

Gainesville FL

City

State

Zip

Speaking:



For



Against



Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

Business Law Section, Florida Bar

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate

APPEARANCE RECORD

1/21

Meeting Date

Commerce & Tourism

Committee

554

Bill Number or Topic

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name

Greg Black

Phone

509 8022

Address

215 S. Monroe St.

Email

Greg@BlackConsultingllc.com

Street

FL

FL

32801

City

State

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

Florida Nonprofit Alliance

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. § 11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 994

INTRODUCER: Senator Gruters

SUBJECT: Florida Kratom Consumer Protection Act

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Dike	McKay	CM	Pre-meeting
2.			AEG	
3.			FP	

I. Summary:

SB 994 amends the Florida Kratom Consumer Protection Act to create requirements for kratom products manufactured, delivered, offered for sale, distributed, or sold by processors in this state. The bill sets out requirements for processors for state and federal registration, proof of testing and analysis for kratom products, and reporting of adverse health events. The bill also creates penalties for violations of s. 500.92, F.S.

The bill takes effect July 1, 2026.

II. Present Situation:

Kratom

Kratom is a tropical tree native to Southeast Asia that contains mitragynine and 7-hydroxymitragynine in its leaves, which are two major psychoactive ingredients.¹ The leaves are crushed and then smoked, brewed with tea, or placed into gel capsules.² Consumption of kratom leaves can produce stimulant and sedative effects, and may also lead to psychotic symptoms.³

Some research finds that kratom can be used as a substitute for opiate users to combat withdrawal symptoms, as well as to treat muscle ache, fatigue, and other conditions.⁴ Low doses of kratom are said to produce a stimulant effect, while higher doses may produce an opioid-like

¹ Drug Enforcement Administration, *Kratom* (April 2020), available at https://www.dea.gov/sites/default/files/2020-06/Kratom-2020_0.pdf (last visited Jan. 20, 2026).

² *Id.*

³ *Id.*

⁴ See Dimy Fluyau and Neelambika Revedigar, *Biochemical Benefits, Diagnosis, and Clinical Risks Evaluation of Kratom*, FRONTIERS IN PSYCH. J. VOL. 8 (April 24, 2017) available at <https://www.frontiersin.org/articles/10.3389/fpsy.2017.00062/full> (last visited Jan. 20, 2025).

effect.⁵ Additionally, research points to the potential for further development of mitragynine and the use of kratom as a harm reduction agent.⁶ Even so, the toxicity of kratom remains a topic of discussion, as well as its potential to cause herb-drug interactions and even be involved in fatalities.⁷ While research on kratom is in early stages, kratom itself has the potential to be addictive and has not been shown to be safe or effective for any medical use.⁸

Currently, kratom is not listed as a controlled substance under federal law or Florida law. However, in 2014, Sarasota County banned kratom, labeling it as a designer drug.⁹ With the exception of Sarasota County, in Florida, all parts of the plant and its extracts are legal to cultivate, buy, possess, and distribute without a license or prescription. Kratom is considered a controlled substance in Alabama,¹⁰ Arkansas,¹¹ Indiana,¹² Rhode Island,¹³ Vermont,¹⁴ and Wisconsin.¹⁵ In 12 other states the possession, sale, manufacture, and distribution of kratom products is regulated.¹⁶

Moreover, in 2025, the FDA recommended scheduling certain 7-OH products as controlled substances.¹⁷ 7-OH occurs naturally in trace amounts in kratom plants.¹⁸ In the same year, the FDA seized around 73,000 units of 7-hydroxymitragynine (7-OH) products worth \$1 million in Missouri from three firms.¹⁹ As the FDA is concerned that “concentrated 7-OH is increasingly recognized as having potential for abuse because of its ability to bind to opioid receptors,” 7-OH cannot legally be added to dietary supplements.²⁰ To further protect consumers, the FDA has issued warning letters to firms marketing products containing 7-hydroxymitragynine.²¹

⁵ Fluyau and Neelambika, *supra* note 6.

⁶ See Charles Veltri and Oliver Grundmann, *Current Perspectives on the Impact of Kratom Use*, SUBSTANCE ABUSE AND REHAB. J. VOL. 10, 23-31 (July 1, 2019) available at <https://pubmed.ncbi.nlm.nih.gov/31308789/> (last visited Jan. 20, 2026).

⁷ *Id.*; see also FLORIDA DEPT. LAW ENF'T, *Drugs Identified in Deceased Persons by Florida Medical Examiners* (July 2024), available at <https://www.fdle.state.fl.us/getContentAsset/e532a8a9-dc3a-4537-a7e6-760e41b582c2/73aabf56-e6e5-4330-95a3-5f2a270a1d2b/2023-Interim-Drug-Report-FINAL.pdf?language=en> (last visited Jan. 20, 2026).

⁸ NAT'L CENTER FOR COMPLEMENTARY AND INTEGRATIVE HEALTH, *Kratom*, available at <https://www.nccih.nih.gov/health/kratom> (last visited Jan. 20, 2026).

⁹ See Carter Weinhofer, MIAMI HERALD, *A Florida area may crack down on kratom. What to know about the designer drug*, available at <https://www.miamiherald.com/news/state/florida/article312018147.html> (last visited Jan. 20, 2026).

¹⁰ ALA. CODE § 20-2-23.

¹¹ ARK. ADMIN. CODE § 007.07.2.

¹² IND. CODE § 35-48-2-4; IND. CODE § 35-31.5-22-321.

¹³ See RHODE ISLAND DEPT. OF HEALTH, *Notice of Designation of Controlled Substance* (May 31, 2017), available at https://docs.wixstatic.com/ugd/9ba5da_9836aee2b9f04a30b55fe480fe3c6ff4.pdf. (last visited Jan. 20, 2026).

¹⁴ VT. ADMIN. CODE 12-5-23:7.0.

¹⁵ Wis. Stat. § 961.14.

¹⁶ See LEGIS. ANALYSIS AND PUB. POL'Y ASS'N, *Regulation of Kratom in America: Update* (September 2022), available at <https://legislativeanalysis.org/wp-content/uploads/2022/10/Kratom-Fact-Sheet-FINAL.pdf> (last visited Jan. 20, 2026).

¹⁷ Press Release, *FDA Seizes 7-OH Opioids to Protect American Consumers*, available at <https://www.fda.gov/news-events/press-announcements/fda-seizes-7-oh-opioids-protect-american-consumers> (last visited Jan. 20, 2026).

¹⁸ U.S. FDA, *Products Containing 7-OH Can Cause Serious Harm*, available at <https://www.fda.gov/consumers/consumer-updates/products-containing-7-oh-can-cause-serious-harm> (last visited Jan. 20, 2026).

¹⁹ Press Release, *supra* note 17.

²⁰ Press Release, *supra* note 17.

²¹ Press Release, *FDA Issues Warning Letters to Firms Marketing Products Containing 7-Hydroxymitragynine*, available at <https://www.fda.gov/news-events/press-announcements/fda-issues-warning-letters-firms-marketing-products-containing-7-hydroxymitragynine> (last visited Jan. 20, 2026).

Kratom in Florida

In 2023, the Legislature enacted the Florida Kratom Consumer Protection Act,²² which made it unlawful to sell, deliver, barter, furnish, or give, directly or indirectly, any kratom product to a person under 21 years of age. The Florida Department of Agriculture and Consumer Services (FDACS) adopted rules to implement the act.²³

Continuing concern over chemical compounds found in kratom led Florida's Attorney General to implement an emergency rule in August 2025 making it illegal to sell, possess, or distribute any isolated or concentrate form of 7-OH (of more than 400 parts per million) in the state.²⁴ Following this emergency rule, FDACS has coordinated the removal over 17,000 packages containing 7-OH from retail shelves.²⁵

III. Effect of Proposed Changes:

Kratom Product Requirements

Section 1 amends s. 500.92, F.S., the "Florida Kratom Consumer Protection Act."

Under the bill, finished kratom products²⁶ sold at retail stores, including food establishments under s. 500.03, F.S.,²⁷ convenience stores, or kava or kratom²⁸ bar, must be in one of the following delivery forms: dried leaf, kratom beverage,²⁹ powder, pill, liquid dietary supplement, gummy or food, or capsule. Additionally, the finished kratom product must:

- Possess a certificate of analysis.
- Be registered with FDACS.

²² Section 500.92, F.S.

²³ Fla. Admin. Code R. 5K-4.030.

²⁴ Fla. Admin. Code R. 2ER25-2 (2025); Press Release, *Attorney General James Uthmeier Files Emergency Rule; Immediately Removing Dangerous 7-OH from Store Shelves*, available at <https://www.myfloridalegal.com/newsrelease/attorney-general-james-uthmeier-files-emergency-rule-immediately-removing-dangerous-7> (last visited Jan. 20, 2026) ("7-OH is a chemical compound found naturally in the kratom plant. While naturally occurring, levels are low in whole kratom leaves and isolated or concentrated forms of 7-OH—often found in extracts, shots, powders, or capsules—are much more potent. These products are frequently marketed as natural or wellness supplements but can lead to addiction, overdose, and other serious health effects. The Florida Department of Health and local agencies have reported a recent increase in emergency room visits and adverse health incidents linked to kratom, particularly among individuals under the age of 25. The products are often sold in gas stations, vape shops, and convenience stores, sometimes in packaging designed to appeal to teens and young adults.").

²⁵ Press Release, *Commissioner Wilton Simpson Announces Over 17,000 Dangerous 7-OH Packages Removed from Florida Stores Following Emergency Ban*, available at <https://www.fdacs.gov/News-Events/Press-Releases/2025-Press-Releases/Commissioner-Wilton-Simpson-Announces-Over-17-000-Dangerous-7-OH-Packages-Removed-from-Florida-Stores-Following-Emergency-Ban> (last visited Jan. 20, 2026).

²⁶ "Finished kratom product" means a kratom product that is ready for sale to the end user. For purposes of registration, a finished kratom product is differentiated by its ingredients, not by its weight, volume, or size.

²⁷ "Food establishment" means a factory, food outlet, or other facility manufacturing, processing, packing, holding, storing, or preparing food or selling food at wholesale or retail. The term does not include a business or activity regulated under s. 413.051, s. 500.80, chapter 509, or chapter 601. The term includes tomato packinghouses and repackers but does not include any other establishments that pack fruits and vegetables in their raw or natural states, including those fruits or vegetables that are washed, colored, or otherwise treated in their unpeeled, natural form before they are marketed.

²⁸ "Kratom" means the plant or any part of the plant *Mitragyna speciosa* in any form.

²⁹ "Kratom beverage" means a prepackaged liquid kratom product in the form of a tea, a seltzer or tonic water, or a tincture.

- Include directions for consumption on the product's label, including but not limited to specified warnings, servings per package, amount of certain substances in the product, expiration date, and the name and business of the registrant.
- Comply with the packaging and labeling requirements in ch. 500, F.S., and rules adopted pursuant to this chapter.
- Not be attractive to children.³⁰
- Be packaged in a container that is suitable for consumption, in compliance with the U.S. Poison Prevention Packaging Act, 15 U.S.C. ss. 1471, and contain a graduated measuring device if applicable.
- Not be adulterated, including metals, pesticides, or pathogens exceeding limits set under this section or FDACS rule.
- Not be served in a form that combines or mixes finished kratom products with psychoactive substances that impact the central nervous system.

Pursuant to subsection (4), the aforementioned requirements do not apply to finished kratom products processed/manufactured in Florida but subsequently transported for sale out of state.

Federal and State Registration Requirements

Subsection (4) adds requirements to s. 500.92, F.S., mandating that kratom products³¹ be manufactured or distributed only by processors³² permitted to operate as a food establishment under s. 500.03, F.S. Processors that manufacturer, process, pack, or offer for sale kratom, kratom products, or finished kratom products must be registered with the U.S. FDA. Additionally, processors must comply with 21 C.F.R. part 210³³ and maintain product liability insurance with an occurrence limit of \$3 million.

Under the bill, for each batch of a registered, finished kratom product, the processor must retain, and upon request, submit a certificate of analysis to FDACS from an accredited laboratory. Additionally, the bill requires that:

- The laboratory be accredited under the International Organization for Standardization/International Electrotechnical Commission requirements and by an accreditation body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement.
- The processor not have financial or economic interest in the laboratory or accrediting body.
- The processor maintain the certificate of analysis for at least a year after the finished kratom product's expiration date.
- The certificate of analysis demonstrate the finished kratom product is in compliance with statutory and rule concentration limits for:
 - Alkaloid and alkaloid metabolites;

³⁰ "Attractive to children" means a product manufactured: 1. In a shape that resembles a human, a cartoon character, or an animal; or 2. In a form that resembles an existing candy product that is widely distributed or branded.

³¹ "Kratom product" means a food product, food ingredient, dietary ingredient, dietary supplement, or beverage intended for human consumption which contains any part of the leaf of the plant *Mitragyna speciosa* and is manufactured as a powder, capsule, pill, beverage, or other consumable form.

³² "Processor" means an entity that: 1. Refines kratom into input ingredients for the purpose of manufacturing a finished kratom product; 2. Manufactures finished kratom products; or 3. Packages finished kratom products for resale.

³³ Part 210 sets forth federal regulations on the manufacturing of drugs and other goods.

- Residual solvents;
- Heavy metals, including cadmium, arsenic, mercury, and lead; and
- Pesticides and any other substance limited by FDACS rule.

Despite the requirements in this section, the bill provides that separate registration is not necessary for kratom beverages combined with other food or beverage by the kratom food service establishment³⁴ to be consumed on the premises.

Furthermore, finished kratom products produced in this state and transported for sale out of state:

- May not be sold or transported to a consumer or retailer in Florida.
- Must be in a package marked “not for us or retail sale in Florida” in specified font and size.
- Must be physically separated from finished kratom products that will be sold/used in Florida.

Reporting and Testing

Next, subsection (5) of the bill provides that if a processor or FDACS receives notice of any adverse health event suspected to be related to the kratom product, the processor or FDACS must submit an adverse event report to the FDA. If probable cause exists that a kratom product may be adulterated, FDACS may require third-party testing at the processor’s expense. If the processor does not pay FDACS for this testing within thirty days of receiving an invoice, FDACS must revoke the processor’s registration for that product.

Prohibitions and Violations

Subsection (6) of the bill makes it unlawful to serve kratom beverages combined with alcohol, drugs, or other kratom products.

The bill expands violations under subsection (7), outlining that processors that manufacture, deliver, offer for sale, distribute, or sell finished kratom products that are not registered and maintaining a certificate of analysis pursuant to subsection (3) are committing a second degree misdemeanor. If a kratom product is possessed, manufactured, delivered, offered for sale, distributed or sold in violation of this section, the entity at fault is subject to a stop-sale order and specified penalties. If a kratom product is considered attractive to children and subject to a stop-sale order, FDACS may not grant permission to remove or use the products until they comply with this s. 500.92, F.S.

Additionally, a processor that manufactures, delivers, offers for sale, distributes, or sells a kratom product that contains any controlled substances or adulterants is in violation of this section. Last, subsection (7) provides that a laboratory that fails to ensure the accuracy of its certificates of analysis will be subject to an administrative fine (as set out in FDACS rule).

³⁴ “Kratom food service establishment” means any public food service establishment licensed as provided in chapter 509 which sells finished kratom products.

Funding

Section 2 appropriates sums of \$1,920,141.22 in recurring funds and \$1,791,608 in nonrecurring funds to FDACS, with twenty-four full-time positions and an associated salary rate of \$1,508,152.18, to implement this act.

Effective Date

Section 3 sets out an effective date of October 1, 2026.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill appropriates funds and positions to FDACS to implement the bill's enforcement requirements.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 500.92 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Gruters

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1 A bill to be entitled
 2 An act relating to the Florida Kratom Consumer
 3 Protection Act; amending s. 500.92, F.S.; defining
 4 terms; revising the definition of the term "kratom
 5 product"; requiring that finished kratom products sold
 6 to consumers at certain establishments meet certain
 7 requirements; requiring that kratom products be
 8 manufactured only by a processor who holds a certain
 9 permit issued by the Department of Agriculture and
 10 Consumer Services; prohibiting specified operations;
 11 prohibiting exemptions from certain requirements;
 12 requiring certain processors to be properly registered
 13 with the United States Food and Drug Administration;
 14 requiring processors to comply with certain
 15 regulations; requiring processors to maintain product
 16 liability insurance with a specified occurrence limit;
 17 requiring processors of a finished kratom product to
 18 retain and submit a certificate of analysis from an
 19 accredited laboratory to the Department of Agriculture
 20 and Consumer Services for each batch of finished
 21 kratom product; specifying requirements for such
 22 laboratory; prohibiting processors from having any
 23 financial or economic interest in such laboratory or
 24 the body accrediting such laboratory; requiring
 25 processors to maintain their certificates of analysis
 26 for a specified amount of time after the finished
 27 kratom product's expiration date; requiring that the
 28 certificate of analysis demonstrate that the finished
 29 kratom product is in compliance with statutory and

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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30 rule concentration limits for specified substances;
 31 requiring that certain finished kratom products comply
 32 with product registration and testing requirements;
 33 providing an exception; providing nonapplicability;
 34 providing requirements for finished kratom products
 35 produced in this state and subsequently shipped or
 36 transported out of this state for sale outside of this
 37 state; requiring a processor or the department to
 38 submit a certain report to the United States Food and
 39 Drug Administration if a processor or the department
 40 receives a certain notice; authorizing the department
 41 to conduct an independent third-party test of a kratom
 42 product if probable cause exists that the product is
 43 adulterated; requiring the processor to pay the
 44 testing cost; authorizing the department to revoke the
 45 processor's product registration if the processor
 46 fails to pay for such test within a specified
 47 timeframe; providing prohibitions; providing criminal
 48 penalties; providing that certain kratom products are
 49 subject to a stop-sale order; authorizing the
 50 department to revoke a processor's finished kratom
 51 product registration under certain circumstances;
 52 providing that a processor whose kratom product
 53 contains a controlled substance or other prohibited
 54 substances is in violation of the act; authorizing the
 55 levying of administrative fines for laboratories that
 56 fail to comply with certain requirements; providing an
 57 appropriation; providing an effective date.
 58

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Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 500.92, Florida Statutes, is amended to read:

500.92 Florida Kratom Consumer Protection Act.—

(1) SHORT TITLE.—This section may be cited as the “Florida Kratom Consumer Protection Act.”

(2) DEFINITIONS.—As used in this section, the term:

(a) “Attractive to children” means a product manufactured:

1. In a shape that resembles a human, a cartoon character, or an animal; or

2. In a form that resembles an existing candy product that is widely distributed or branded.

(b) “Finished kratom product” means a kratom product that is ready for sale to the end user. For purposes of registration, a finished kratom product is differentiated by its ingredients, not by its weight, volume, or size.

(c) “Kratom” means the plant or any part of the plant *Mitragyna speciosa* in any form.

(d) “Kratom beverage” means a prepackaged liquid kratom product in the form of a tea, a seltzer or tonic water, or a tincture.

(e) “Kratom food service establishment” means any public food service establishment licensed as provided in chapter 509 which sells finished kratom products.

(f) “Kratom product” means a food product, food ingredient, dietary ingredient, dietary supplement, or beverage intended for human consumption which contains any part of the leaf of the plant *Mitragyna speciosa* ~~or an extract, synthetic alkaloid, or~~

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~~synthetically derived compound of such plant~~ and is manufactured as a powder, capsule, pill, beverage, or other consumable edible form.

(g) “Processor” means an entity that:

1. Refines kratom into input ingredients for the purpose of manufacturing a finished kratom product;

2. Manufactures finished kratom products; or

3. Packages finished kratom products for resale.

(3) KRATOM PRODUCT RETAIL SALE REQUIREMENTS.—Finished kratom products sold to consumers at retail establishments, including a food establishment as defined in s. 500.03(1), a convenience store, or a kava or kratom bar:

(a) Must be in one of the following delivery forms:

1. Dried leaf;

2. Kratom beverage;

3. Powder;

4. Pill;

5. Liquid dietary supplement;

6. Gummy or food; or

7. Capsule.

(b) Must possess a certificate of analysis, which must be submitted to the department pursuant to paragraph (4)(e).

(c) Must be registered with the department pursuant to this section.

(d) Must include directions for consumption of the kratom product on the product’s label, including, but not limited to:

1. Maximum dosage of 100 milligrams of kratom alkaloids per serving;

2. Number of servings per package;

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117 3. Milligrams of mitragynine and 7-hydroxymitragynine per
 118 serving;

119 4. A warning advising consumers of the number of servings
 120 that may be safely consumed in a 24-hour period;

121 5. A warning prohibiting use by individuals who are under
 122 21 years of age;

123 6. A warning advising against use by individuals who are
 124 pregnant or breastfeeding;

125 7. A warning advising the consumer to consult a health care
 126 professional before use, that the product may be habit-forming,
 127 and that it may cause adverse health effects;

128 8. A warning stating the following: "These statements have
 129 not been evaluated by the United States Food and Drug
 130 Administration. This product is not intended to diagnose, treat,
 131 cure, or prevent any disease.";

132 9. The expiration date; and

133 10. The name and place of business of the registrant.

134 (e) Must comply with the packaging and labeling
 135 requirements set forth in this chapter and with the rules
 136 adopted pursuant thereto.

137 (f) May not be attractive to children.

138 (g) Must be packaged in a container that:

139 1. Is suitable to contain products for human consumption.

140 2. Is compliant with the United States Poison Prevention
 141 Packaging Act of 1970, 15 U.S.C. ss. 1471 et seq.

142 3. Contains a graduated measuring device, if applicable.

143 (h) May not be adulterated, including containing metals,
 144 pesticides, or pathogens in excess of the limits set by this
 145 section or department rule.

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146 (i) May be sold only in establishments that restrict entry
 147 to persons who are 21 years of age or older and require age
 148 verification.

149 (j) May not be served in a form that combines or mixes
 150 finished kratom products with psychoactive substances that
 151 impact the central nervous system, including, but not limited
 152 to, alcohol, caffeine, kava, cannabinoids, and nicotine.

153 (4) PERMIT FOR PROCESSING FINISHED KRATOM PRODUCTS AND
 154 FEDERAL AND STATE REGISTRATION REQUIREMENTS FOR PROCESSORS.-

155 (a) Kratom products may be manufactured or distributed in
 156 this state only by a processor who holds a permit issued by the
 157 department to operate as a food establishment as defined in s.
 158 500.03(1). A processor may not operate as a cottage food
 159 operation pursuant to s. 500.80 and is not exempt from food
 160 permit requirements pursuant to s. 500.12(1)(a)1.

161 (b) A processor that manufactures, processes, packs, or
 162 offers for sale kratom, kratom products, or finished kratom
 163 products must be properly registered with the United States Food
 164 and Drug Administration.

165 (c) A processor shall comply with 21 C.F.R. part 210.

166 (d) A processor shall maintain product liability insurance
 167 with an occurrence limit of \$3 million.

168 (e) For each batch of a registered, finished kratom
 169 product, the processor shall retain and, upon request, submit a
 170 certificate of analysis to the department from an accredited
 171 laboratory. The laboratory must be accredited under the
 172 International Organization for Standardization
 173 (ISO)/International Electrotechnical Commission (IEC) 17025:2017
 174 general requirements for competence of testing and calibration

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laboratories standard by an accreditation body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement or a subsequent arrangement. The processor may not have any direct or indirect financial or economic interest in the laboratory or accrediting body. The processor shall maintain the certificates of analysis for a minimum of 1 year after the finished kratom product's expiration date. The certificate of analysis must demonstrate that the finished kratom product is in compliance with the statutory and rule concentration limits for:

1. Alkaloid and alkaloid metabolites;
2. Residual solvents;
3. Heavy metals, including cadmium, arsenic, mercury, and lead; and
4. Pesticides and any substance limited by department rule.

(f) A finished kratom product served by a kratom food service establishment must comply with the requirements of this section; however, a separate registration under this subsection is not required when a kratom beverage is combined with another food or beverage by the kratom food service establishment for consumption on premises.

(g) Subsection (3) does not apply to finished kratom products processed or manufactured in this state and subsequently shipped or transported out of this state for sale or use outside of this state.

(h) Finished kratom products produced in this state and subsequently shipped or transported out of this state for sale outside of this state:

1. May not be sold, shipped, or transported to a consumer

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in this state, a retail establishment in this state, or to a person who intends to sell such products to a consumer in this state;

2. Must be in a package marked "NOT FOR USE OR RETAIL SALE IN FLORIDA" in a bold font size of at least 36 points; and
3. Must be physically separated from finished kratom products that are, or are intended to be, sold or used in this state.

(5) REPORTING AND TESTING.—

(a) If a processor or the department receives notice of any adverse health event suspected to be related to the processor's kratom product, the processor or the department must submit an adverse event report as set out in chapter 9 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. s. 379aa-1(b) (1) to the United States Food and Drug Administration.

(b) If probable cause exists that a kratom product may be adulterated, the department may require an independent third-party test of the kratom product by a laboratory of the department's choice, and the processor must pay the cost of the test. If the processor does not make such payment to the department within 30 days after receiving the invoice for the testing fee, the department must revoke the registration for that product.

(6) PROHIBITIONS.—

(a) It is unlawful to serve kratom beverages combined with alcohol, drugs, or other kratom products.

(b) It is unlawful to sell, deliver, barter, furnish, or give, directly or indirectly, any kratom product to a person who is under 21 years of age.

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(7)(4) VIOLATIONS.—

(a) A violation of subsection (4) (3) is a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(b) A processor that manufactures, delivers, offers for sale, distributes, or sells a finished kratom product that violates paragraph (3)(b) or paragraph (3)(c) commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(c) Kratom products possessed, manufactured, delivered, offered for sale, distributed, or sold in violation of this section by an entity regulated under this chapter are subject to s. 500.172 and an immediate stop-sale order, and the entity is subject to penalties as provided in s. 500.121. The department may not grant permission to remove or use, except for disposal, finished kratom products subject to a stop-sale order which are attractive to children until the finished kratom products comply with this section.

(d) If a processor fails to provide the department with a certificate of analysis within 7 days after receiving a request from the department or fails to immediately report an adverse health event to the department as required by this section, the department may revoke the processor's finished kratom product registration.

(e) A processor that manufactures, delivers, offers for sale, distributes, or sells a kratom product that contains any controlled substance or adulterants is in violation of this section.

(f) A laboratory that fails to ensure the accuracy of its

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certificates of analysis issued pursuant to this section is subject to an administrative fine as provided by department rule.

(8)(5) RULES.—The department shall adopt rules to administer this section.

Section 2. For the 2026-2027 fiscal year, the sums of \$1,920,141.22 in recurring funds and \$1,791,608 in nonrecurring funds from the General Inspection Trust Fund are appropriated to the Department of Agriculture and Consumer Services, and 24 full-time equivalent positions with associated salary rate of \$1,508,152.18 are authorized, for the purpose of implementing this act.

Section 3. This act shall take effect October 1, 2026.

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 998

INTRODUCER: Senator Yarborough

SUBJECT: Department of Commerce

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	Favorable
2.			ATD	
3.			RC	

I. Summary:

SB 998 makes several changes relating to the Department of Commerce (FloridaCommerce), including:

- Providing an exemption from land being reverted to the Board of Trustees of the Internal Improvement Trust Fund if land conveyances are at less than the appraised value for federal government agencies, including the Department of Defense, the Army, the Navy, the Air Force, and the U.S. Coast Guard, if the primary purpose of remaining as a military installation buffer continues, even though the specific military purpose, mission, and function on the conveyed land is modified or changes from that which was present or proposed at the time of the conveyance.
- Revising the definition of “rural community” to specify that an unincorporated area with a population of 25,000 or fewer may be designated as a rural community under the Rural Economic Development Initiative.
- Repealing a series of statutory provisions that establish and govern the Florida Small Cities Community Development Block Grant Program (program); designating FloridaCommerce as the state agency to receive and administer federal funding from the U.S. Department of Housing and Urban Development (HUD) to administer the program; authorizing FloridaCommerce to award grants and disburse funds under the program; authorizing FloridaCommerce to administer funds in any year in which supplemental federal funding is received for eligible expenses associated with disaster recovery, long-term recovery, or infrastructure restoration in areas impacted by a federally declared disaster; authorizing FloridaCommerce to administer future funding for purposes not expressly listed in the bill, so long as the administration complies with applicable federal authorizing law, regulations, or guidance from HUD.
- Requiring employers using the E-Verify system to maintain E-Verify verification results showing each employee is authorized to work; requiring FloridaCommerce to issue an initial notice of noncompliance and give the employer 30 days to cure the issue, and imposing a \$1,000 per employee per day fine if an employer fails to cure a violation three times within

24 months; placing employers on probation and requiring quarterly affidavits confirming compliance for violations; authorizing FloridaCommerce to recover costs of investigations and prosecutions.

The bill takes effect July 1, 2026.

II. Present Situation:

The present situation for each issue is described below in Section III, Effect of Proposed Changes.

III. Effect of Proposed Changes:

Present Situation:

Military Base Protection

The Board of Trustees of the Internal Improvement Trust Fund (Board of Trustees) holds state lands in trust for the use and benefit of the people of Florida.¹ The Board of Trustees consists of the Governor, Attorney General, Chief Financial Officer, and Commissioner of Agriculture. This body may acquire, sell, transfer, and administer state lands in the manner consistent with chs. 253 and 259, F.S.² The Department of Environmental Protection (DEP), through its Division of State Lands (DSL), performs all staff duties and functions related to the acquisition, administration, and disposition of state lands.³

“Conservation lands” are lands managed for conservation, outdoor resource-based recreation, or archaeological or historic preservation, except those lands acquired solely to facilitate the acquisition of other conservation lands.⁴

The Board of Trustees may acquire nonconservation lands from FloridaCommerce’s annual list through the Military Base Protection Program to buffer a military installation against encroachment.⁵ A conveyance at less than appraised value must state that the land will revert to the Board of Trustees if it is not used for its intended purpose as a military installation buffer, or if the military installation closes.⁶

Effect of Proposed Changes

Section 10 amends s. 253.025, F.S., providing an exemption from land being reverted to the Board of Trustees if land conveyances are at less than the appraised value. The exemption applies to federal government agencies, including, but not limited to, the Department of Defense and its subordinate Departments of the Army, the Navy, the Air Force, and the Department of Homeland Security’s U.S. Coast Guard, so long as the primary purpose of remaining as a

¹ Section 253.001, F.S.

² Section 253.02(1), F.S.

³ Section 253.002(1), F.S.

⁴ Section 253.034(2)(c), F.S.

⁵ Section 253.025(21)(a), F.S.

⁶ Section 253.025(21)(d), F.S.

military installation buffer continues, even though the specific military purpose, mission, and function on the conveyed land is modified or changes from that which was present or proposed at the time of the conveyance.

Present Situation

Rural Economic Development Initiative (REDI)

The Rural Economic Development Initiative (REDI) was established by the Legislature to encourage and facilitate the location and expansion of major economic development projects of significant scale in rural communities.⁷ Today, the REDI operates as a statewide initiative led by FloridaCommerce to better serve Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies to improve the fiscal, economic, and community viability of these areas.⁸

Specified agencies and organizations⁹ are required to designate a high-level staff person to serve as their REDI representative. Each REDI representative is responsible for ensuring that their agency or organization is informed about REDI and helps to identify opportunities to accommodate or include rural local governments in their agency programs.

REDI is required to review and evaluate the impact of statutes and rules on rural communities and work to minimize any adverse impacts, and undertake outreach and capacity-building efforts.¹⁰ Under the REDI statute, a rural community is defined as:

- A county with a population of 75,000 or fewer;
- A county with a population of 125,000 or fewer, if the county is contiguous to a county with a population of 75,000 or fewer;
- Any municipality in a county that meets the above criteria; or
- An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer, with an employment base focused on traditional agriculture or resource-based industries, located in a county not defined as rural, and which has at least three or more economic distress factors.¹¹

Each REDI member agency is required to review financial match requirements for projects in rural areas and develop a proposal to waive or reduce match requirements, and such proposals must be submitted to REDI.¹² REDI must call a meeting within 30 days of receipt of such proposals for comment and recommendation.¹³ Waivers and reductions must be requested by the county or community, and, to the fullest extent possible, member organizations must expedite the

⁷ Section 288.0656(1)(a), F.S.

⁸ Section 288.0656(3), F.S.

⁹ The Department of Transportation, Department of Environmental Protection, Department of Agriculture and Consumer Services, Department of State, Department of Health, Department of Children and Families, Department of Corrections, Department of Education, Department of Juvenile Justice, Fish and Wildlife Conservation Commission, each water management district, CareerSource Florida, Inc., VISIT Florida, the Florida Regional Planning Council Association, Agency for Health Care Administration, the Institute of Food and Agricultural Sciences (IFAS). See s. 288.0656(6)(a), F.S.

¹⁰ Section 288.0656(4), F.S.

¹¹ Section 288.0656(2)(e), F.S.

¹² Section 288.06561, F.S.

¹³ Section 288.06561(3), F.S.

adoption of rules and amendments to incorporate the reduction in match for rural areas in financial distress.¹⁴ REDI must prepare an annual report as a supplement to FloridaCommerce's annual report, which includes an evaluation of the status of changes to rules, the number of awards made with waivers, and recommendations for future changes.¹⁵

Based on recommendations of the REDI, the Governor may designate up to three rural areas of opportunity (RAOs) by executive order,¹⁶ which establishes certain local governments as a priority for the department. The orders also permit all state agencies and departments to use all available tools and resources, to the extent permitted by law, to promote the creation and development of projects designated by the RAO that have been recommended by the department.¹⁷

Rural Area of Opportunity

A RAO is a rural community,¹⁸ or region comprised of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster.¹⁹ An area may also be designated as an RAO if it presents a unique economic development opportunity of regional impact.²⁰ The designation of an RAO must be agreed upon by FloridaCommerce, as well as the county and municipal governments, to be included in the RAO.²¹

This designation establishes these areas as priority assignments for REDI and allows the Governor, acting through REDI, to waive criteria, requirements, or similar provisions of any economic development initiative. Such incentives include, but are not limited to, the Quick Response Training Program²², the Quick Response Training Program for participants in the welfare transition program²³, transportation projects,²⁴ the brownfield redevelopment bonus refund²⁵, and the rural job tax credit program.²⁶

Currently, there are three designated RAO areas:²⁷

- **Northwest RAO:** Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Wakulla, and Washington counties, and portions of Bay, Okaloosa, and Walton Counties.

¹⁴ Section 288.06561(4) and (7), F.S.

¹⁵ Section 288.06561(8), F.S.

¹⁶ Section 288.0656(7)(a), F.S.

¹⁷ Executive Orders 20-170, 21-149, and 23-132 and 25-141 available at https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_20-170.pdf, https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_21-149.pdf, and <https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO-23-132.pdf> and <https://www.flgov.com/eog/sites/default/files/executive-orders/2025/EO%2025-141.pdf> (last visited Jan. 20, 2026)

¹⁸ Section 288.0656(2)(e), F.S.

¹⁹ Section 288.0656(2)(d), F.S.

²⁰ *Id.*

²¹ Section 288.0656(7)(b), F.S.

²² Section 288.047, F.S.

²³ Section 288.047(8), F.S.

²⁴ Section 339.2821, F.S.

²⁵ Section 288.107, F.S.

²⁶ Sections 212.098 and 220.1895, F.S.

²⁷ Florida Department of Commerce, Office of Rural Initiatives, available at <https://www.floridajobs.org/community-planning-and-development/office-of-rural-initiatives> (last visited Jan. 20, 2026).

- **South Central RAO:** DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee counties, and the communities of Pahokee, Belle Glade, and South Bay in Palm Beach County and Immokalee in Collier County.²⁸
- **North Central RAO:** Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Putnam, Suwannee, Taylor, and Union counties.²⁹

Effect of Proposed Changes

Section 11 amends s. 288.0656, F.S., revising the definition of “rural community” to specify that an unincorporated area with a population of 25,000 or fewer may be designated as a rural community under REDI.

Present Situation

Small City Community Development Block Grant Program Act

The Community Development Block Grant Program (CDBG) was established under Title I of the federal Housing and Community Development Act of 1974 (the Act). The CDBG program works to provide decent housing and a suitable living environment by expanding economic opportunities to the most vulnerable in Florida communities. A need is considered urgent if it poses a serious and immediate threat to the health or welfare of the community and has arisen in the past 18 months.³⁰

FloridaCommerce manages four CDBG programs:³¹

- Florida Small Cities Community Development Block Grant Program
- CDBG – Coronavirus Relief Funding
- Office of Disaster Recovery
- Neighborhood Stabilization Program

Small Cities Community Development Block Grant Program

FloridaCommerce administers the Small Cities CDBG Program Act (program) and distributes funds to eligible non-entitlement communities. To be eligible, a city must have a population under 50,000 or a county must have a population under 200,000.³² The program awards subgrants to communities in four funding categories: economic development, neighborhood revitalization, housing rehabilitation, commercial revitalization, and any other activity by federal law.³³

²⁸ The economic development organization for this RAO is Florida’s Heartland Regional Economic Development Initiative, Inc. See <https://flaheartland.com/> (last visited Jan. 20, 2026).

²⁹ The economic development organization for this RAO is the North Florida Economic Development Partnership. See <https://nflp.org/> (last visited Jan. 20, 2026).

³⁰ Florida Department of Commerce, Community Development Block Grant Program, available at <https://floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/community-development-block-grant-program> (last visited Jan. 20, 2026).

³¹ *Id.*

³² *Id.*

³³ Section 290.044(3), F.S.

FloridaCommerce may annually set aside up to 15 percent of CDBG funds for use in local government jurisdictions that have been declared an emergency or natural disaster by executive order.³⁴

FloridaCommerce is prohibited from awarding a grant until it has conducted a site visit to verify the information contained in the local government's application.³⁵ FloridaCommerce must rank each grant application and may prohibit an applicant from receiving the grant or penalize an applicant in the rating of an application if the department determines that any applicant has failed to substantially accomplish the results it proposed in previously funded applications.³⁶ Additionally, applicants must hold at least two public hearings in the local jurisdiction where the project is to be completed: one for public input and community needs, and one for comments on the proposed application, including a published summary.³⁷

Effect of Proposed Changes

The bill repeals the following statutes under the Florida Small Cities Community Development Block Grant Program Act:

Section 1 repeals s. 290.0401, F.S., relating to the title of the program.

Section 2 repeals s. 290.0411, F.S., relating to the program's legislative intent.

Section 3 repeals s. 290.042, F.S., relating to definitions under the program.

Section 4 repeals s. 290.043, F.S., relating to FloridaCommerce's administration of the program.

Section 5 repeals s. 290.0455, F.S., relating to the Act's Loan Guarantee Program.

Section 6 repeals s. 290.046, F.S., relating to the application procedures for grants under the program.

Section 7 repeals s. 290.047, F.S., relating to grant ceilings, maximum administrative costs, and provisions for loans in default.

Section 8 repeals s. 290.0475, F.S., relating to the process of rejecting grant applications and penalties for failing to meet application conditions.

Section 9 repeals s. 290.048, F.S., relating to FloridaCommerce's general powers to carry out provisions of the Act.

³⁴ Section 290.044(5), F.S.

³⁵ Section 290.046(2)(d), F.S.

³⁶ Section 290.046(2)(c), F.S.

³⁷ Section 290.046(4), F.S.

Section 12 amends s. 290.044, F.S., designating FloridaCommerce as the state agency to receive and administer federal funding from the United States Department of Housing and Urban Development (HUD) to administer the program.

FloridaCommerce is authorized to award grants and disburse funds under the program in any manner and in any amount, consistent with the purposes and requirements of the Act.

In any year in which FloridaCommerce receives supplemental federal funding from HUD for eligible expenses associated with disaster recovery, long-term recovery, or infrastructure restoration in impacted or distressed areas arising from a federally declared disaster, FloridaCommerce must administer the funds consistent with the specific federal laws and HUD guidance authorizing those allocations.

If FloridaCommerce receives future funding from HUD for purposes not expressly listed in this section, FloridaCommerce must administer that funding in accordance with the specific federal laws authorizing such funding, including any implementing guidance or regulations adopted by HUD.

FloridaCommerce is authorized to adopt rules to administer this provision.

Present Situation

Employment Verification

It is unlawful for any person to knowingly employ, hire, recruit, or refer, either for herself or himself or on behalf of another, for private or public employment, an alien who is not duly authorized to work by the immigration laws of the United States, the Attorney General of the United States, or the United States Secretary of the Department of Homeland Security.³⁸ If FloridaCommerce finds or is notified by a specified entity that an employer has knowingly employed an unauthorized alien without verifying the employment eligibility, FloridaCommerce must enter an order making such determination and require repayment of any economic development incentive.³⁹

FloridaCommerce must place the employer on probation for a 1-year period and require the employer to report quarterly to FloridaCommerce to demonstrate compliance if a violation occurred. Any violation occurring within 24 months after a prior violation constitutes grounds for the suspension or revocation of all licenses issued by a licensing agency, subject to ch. 120, F.S. FloridaCommerce is required to take the following actions for a violation involving:

- One to 10 unauthorized aliens, suspension of all applicable licenses held by a private employer for up to 30 days by the respective agencies that issued them.

³⁸ Section 448.09(1), F.S.

³⁹ Section 448.09(2); Section 288.061(6), F.S., prohibits the Secretary of Commerce from approving an economic development incentive application unless the application includes proof to the department that the applicant business is registered with and uses the E-Verify system. Upon a final determination of noncompliance, the awardee must repay all moneys received as an economic development incentive to the department within 30 days after the final determination. Section 288.061, F.S.

- Eleven to 50 unauthorized aliens, suspension of all applicable licenses held by a private employer for up to 60 days by the respective agencies that issued them.
- More than 50 unauthorized aliens, revocation of all applicable licenses held by a private employer by the respective agencies that issued them.⁴⁰

Section 448.095, F.S., requires an employer to verify each new employee's employment eligibility within 3 business days after the first day that the employee begins working for pay. A public agency, or a private agency with 25 or more employees, must use the E-Verify system to verify employment eligibility. Each employer required to use the E-Verify system must certify compliance with the E-Verify system each year to the Department of Revenue when making contributions to or reimbursing the state's unemployment compensation or reemployment assistance system.⁴¹

If the E-Verify system is unavailable for 3 business days after a new employee begins working for pay and the employer cannot access the system to verify eligibility, the employer must use the Employment Eligibility Verification form (Form I-9) to verify that the new hire is authorized to work in the United States. The employer must retain a copy of the documentation provided and any official verification generated for at least three years.⁴²

An employer may not continue to employ an unauthorized alien after obtaining knowledge that a person is or has become an unauthorized alien.⁴³

An employer must provide copies of any documentation relied upon by the employer for the verification of employment eligibility when requested by the following:⁴⁴

- The Department of Law Enforcement;
- The Attorney General;
- The state attorney in the circuit in which the new employee works;
- The statewide prosecutor; or
- FloridaCommerce.

A person or entity that makes a request must rely on the Federal Government to verify an employee's employment eligibility and may not independently make a final determination as to whether an employee is an unauthorized alien.⁴⁵

An employer that uses the E-Verify system or, if that system is unavailable, Form I-9 has established a rebuttable presumption that the employer did not knowingly employ an unauthorized alien. An employer that uses the same documentation required by the United States

⁴⁰ Section 448.09(4), F.S.

⁴¹ Section 448.095(2), F.S., An employer that voluntarily uses the E-Verify system may also make such a certification on its first return each calendar year in order to document such use.

⁴² Section 448.095(2), F.S.

⁴³ *Id.*

⁴⁴ Section 448.095(3), F.S.

⁴⁵ *Id.*

Citizenship and Immigration Services on its Form I-9 has established an affirmative defense⁴⁶ that the employer did not knowingly employ an unauthorized alien.⁴⁷

A public agency⁴⁸ must require in any contract that the contractor,⁴⁹ and any subcontractor⁵⁰ thereof, register with and use the E-Verify system to verify the work authorization of all new employees.⁵¹

If FloridaCommerce determines an employer failed to use the E-Verify system, the department must notify the employer of noncompliance and provide the employer with 30 days to rectify the noncompliance. If an employer fails to use the E-Verify system three times within a 24-month period, FloridaCommerce must impose a fine of \$1,000 per day until the employer provides sufficient proof to FloridaCommerce that the noncompliance has been cured. FloridaCommerce must use any fines collected for employer outreach and public notice of the state's employment verification laws. Noncompliance constitutes grounds for the suspension of all licenses until the noncompliance has been cured.⁵²

Effect of Proposed Changes

Section 13 amends s. 448.095, F.S., requiring employers using the E-Verify system to maintain an E-Verify case result for each employee, confirming that they are authorized to work. The E-Verify case result must clearly display the employee's work authorization status.

The bill defines an "employer" as any person, firm, company, corporation, association, joint-stock company, partnership, organization, or other legal entity that hires at least one person to perform work in Florida and pays them (by salary, hourly wages, or any other form of value). The definition does not include homeowners hiring casual laborers or independent contractors.

Each failure by an employer to provide requested documentation verifying an employee's eligibility to an enforcing government agency within 30 days constitutes noncompliance.

The employer's failure to provide the requested documentation constitutes a reasonable basis that the employer failed to use the E-Verify system. In such instances, FloridaCommerce must issue an initial notification of noncompliance before imposing a fine or suspending an employer's license. The employer will have 30 days after FloridaCommerce's initial notification to cure the

⁴⁶ An affirmative defense is a defense in which the defendant introduces evidence, which, if found to be credible, will negate criminal liability or civil liability, even if it is proven that the defendant committed the alleged acts.

⁴⁷ Section 448.095(4), F.S.

⁴⁸ "Public agency" means any office, department, agency, division, subdivision, political subdivision, board, bureau, commission, authority, district, public body, body politic, state, county, city, town, village, municipality, or any other separate unit of government created or established pursuant to law, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency. Section 448.095(1)(d), F.S.

⁴⁹ "Contractor" means a person or an entity that has entered or is attempting to enter into a contract with a public agency to provide labor, supplies, or services to such agency in exchange for salary, wages, or other remuneration. Section 448.095(1)(a), F.S.

⁵⁰ "Subcontractor" means a person or an entity that provides labor, supplies, or services to or for a contractor or another subcontractor in exchange for salary, wages, or other remuneration." Section 448.095(1)(e), F.S.

⁵¹ Guidance for entering into such contracts is provided in s. 448.095(5), F.S.

⁵² Section 448.095(6), F.S.

noncompliance, and an extension of no more than 30 days will be granted only if the employer demonstrates good cause.

FloridaCommerce must issue a final determination of noncompliance if the employer fails to timely cure the noncompliance. An employer may challenge the noncompliance through an administrative hearing and, if unsuccessful, in court. The bill clarifies that the \$ 1,000-per-day fine for noncompliance applies to each employee whose employment eligibility was not verified. Any subsequent noncompliance by the employer after the final determination of noncompliance constitutes grounds for suspending all licenses until the noncompliance is cured.

The bill also authorizes FloridaCommerce to recover the reasonable costs of investigation and prosecution, including salaries and benefits of personnel, costs related to the time spent by attorneys and other personnel on the investigation and prosecution, and any other expenses incurred by FloridaCommerce. If the assessed costs are not paid within 60 days after the assessment, FloridaCommerce may contract for the collection of the costs, in which case the fees charged by the collection agent will be added to the amount recovered from the employer, or bring civil action to recover the costs. In such cases, FloridaCommerce has the right to reclaim reasonable attorney fees and costs involved in the collection effort if FloridaCommerce is the prevailing party.

To cure noncompliance, the employer must do all of the following:

- Register with the E-Verify system, if not already enrolled.
- Properly verify employment eligibility by using the E-Verify system or Form I-9.
- Provide an E-Verify case result and closure description for each employee showing that the employee is authorized to work.
- Provide an affidavit to FloridaCommerce, under penalty of perjury, that all instances of noncompliance have been corrected and that the employer is in full compliance.

The bill clarifies that FloridaCommerce is prohibited from investigating complaints based solely on race, color, or national origin.

The bill authorizes FloridaCommerce to adopt rules to implement this provision.

Section 14 amends s. 448.09, F.S., relating to prohibited employment by unauthorized aliens, to specify that “knowingly employs” means that an employer is aware of an unauthorized individual alien’s unauthorized status or fails to take reasonable steps to verify their employment eligibility after being made aware of potential violations.

The bill requires FloridaCommerce to issue a written determination to any employer that is aware it is hiring an unauthorized alien, pursuant to the Administrative Procedure Act under ch. 120, F.S. If an administrative law judge rules in favor of FloridaCommerce, or the employer loses its appeal, the employer must repay any economic development incentive.

The bill requires employers placed on probation to submit an affidavit to FloridaCommerce, affirming that they are not employing any unauthorized aliens, on or before the last day of each quarter. The first quarter is the quarter in which the final order is issued, and each subsequent order begins 90 days after the previous quarter. FloridaCommerce is authorized to enforce

compliance with the affidavit by filing a petition with the circuit court in Leon County, which is the venue for actions for such enforcement.

FloridaCommerce must provide a hearing to employers whose licenses have been suspended or revoked pursuant to ch. 120, F.S.

FloridaCommerce may adopt rules to implement this provision.

Miscellaneous Provisions

Sections 15 – 19 reenact ss. 215.971, 288.062, 288.0655, 332.007, and 627.6699, F.S., for the purpose of incorporating the amendments made under this bill.

Section 20 provides that the bill takes effect on July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Private sector entities may benefit indirectly from increased and expedited CDBG grants. Improved clarity and consistency in E-Verify enforcement may reduce uncertainty and compliance risk for employers.

C. Government Sector Impact:

The bill may have an indeterminate positive fiscal impact on local governments by relieving them from certain administrative procedures and requirements needed to qualify for CDBG grants.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends sections 253.025, 288.0656, 290.044, 448.095, and 448.09 of the Florida Statutes.

This bill repeals sections 290.0401, 290.0411, 290.042, 290.043, 290.0455, 290.046, 290.047, 290.0475, and 290.048 of the Florida Statutes.

This bill reenacts sections 215.971, 288.062, 288.0655, 332.007, and 627.6699 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Yarborough

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1 A bill to be entitled
 2 An act relating to the Department of Commerce;
 3 repealing ss. 290.0401, 290.0411, 290.042, 290.043,
 4 290.0455, 290.046, 290.047, 290.0475, and 290.048,
 5 F.S., relating to the Florida Small Cities Community
 6 Development Block Grant Program Act; amending s.
 7 253.025, F.S.; providing an exemption for certain
 8 conveyances of state lands to certain federal agencies
 9 which revert to the Board of Trustees of the Internal
 10 Improvement Trust Fund if such land is not used for
 11 its intended purposes as a military installation
 12 buffer or if the military installation closes;
 13 amending s. 288.0656, F.S.; revising the definition of
 14 the term "rural community"; amending s. 290.044, F.S.;
 15 defining terms; designating the department as the
 16 state agency to receive and administer federal funding
 17 from the United States Department of Housing and Urban
 18 Development (HUD) to administer the Florida Small
 19 Cities Community Development Block Grant Program;
 20 authorizing the department to award grants and
 21 disburse funds received from HUD; requiring the
 22 department to administer additional federal funding
 23 through HUD for certain expenses in accordance with
 24 the law authorizing such funding; authorizing the
 25 department to adopt rules; amending s. 448.095, F.S.;
 26 defining the terms "employer" and "noncompliance";
 27 requiring employers who are required to use the E-
 28 Verify system to verify a new employee's employment
 29 eligibility to maintain an E-Verify case result for

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30 each employee which shows that the employee is
 31 authorized to work; requiring that the E-Verify case
 32 result visibly show the employee's work authorization
 33 status; providing that each failure of an employer to
 34 provide documentation within a specified timeframe
 35 constitutes noncompliance; requiring the department to
 36 issue a notification of noncompliance to an employer
 37 before issuing fines or suspending licenses; providing
 38 that an employer's failure to provide copies of any
 39 documentation relied upon by the employer constitutes
 40 a reasonable basis that the employer failed to use the
 41 E-Verify system; requiring the department to notify
 42 the employer to comply within a specified timeframe;
 43 authorizing the department to grant extensions up to a
 44 specified timeframe upon a showing of good cause;
 45 requiring the department to issue a final
 46 determination of noncompliance if the employer does
 47 not timely cure its noncompliance; authorizing an
 48 employer found to be noncompliant to request a
 49 hearing; providing requirements for such hearings;
 50 requiring an employer to repay any economic
 51 development incentive if the administrative law judge
 52 rules in favor of the department or if the employer
 53 loses its appeal; defining the terms "employer" and
 54 "unauthorized alien"; revising the fines and penalties
 55 that may be imposed on an employer found to be in
 56 noncompliance; providing how an employer may cure
 57 noncompliance; authorizing the department to adopt
 58 rules and procedures; authorizing the department to

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59 recover reasonable costs of investigation and
 60 prosecution; requiring the department to determine
 61 such costs; authorizing the department to contract
 62 with a collections agent if such costs are not paid
 63 within a specified timeframe; requiring that any
 64 amounts recovered be deposited into the State Economic
 65 Enhancement and Development Trust Fund; prohibiting
 66 the department from investigating complaints based
 67 solely on race, color, or national origin; revising an
 68 expiration; amending s. 448.09, F.S.; defining the
 69 term "knowingly employs"; requiring the department to
 70 provide an employer knowingly employing an
 71 unauthorized alien with a written determination;
 72 providing requirements for hearings; requiring
 73 employers placed on probation to submit on a specified
 74 date an affidavit to the department; requiring that an
 75 affidavit be submitted to the department every
 76 quarter; providing when the first and subsequent
 77 quarters commence; authorizing the department to
 78 enforce compliance by filing a petition with the
 79 circuit court of Leon County; providing that venue for
 80 actions for such enforcement is in Leon County;
 81 requiring the department to provide a hearing for
 82 employers who have had their licenses suspended or
 83 revoked; providing requirements for such hearings;
 84 authorizing the department to adopt rules; reenacting
 85 ss. 215.971(1)(h), 288.062(2)(j), 288.0655(2)(b),
 86 332.007(10), and 627.6699(14)(d), F.S., relating to
 87 agreements funded with federal or state assistance,

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88 the Rural Community Investment Program, the Rural
 89 Infrastructure Fund, administration and financing of
 90 aviation and airport programs and projects, and the
 91 Employee Health Care Access Act, respectively, to
 92 incorporate the amendment made to s. 288.0656, F.S.,
 93 in references thereto; providing an effective date.
 94

95 Be It Enacted by the Legislature of the State of Florida:

96
 97 Section 1. Section 290.0401, Florida Statutes, is repealed.
 98 Section 2. Section 290.0411, Florida Statutes, is repealed.
 99 Section 3. Section 290.042, Florida Statutes, is repealed.
 100 Section 4. Section 290.043, Florida Statutes, is repealed.
 101 Section 5. Section 290.0455, Florida Statutes, is repealed.
 102 Section 6. Section 290.046, Florida Statutes, is repealed.
 103 Section 7. Section 290.047, Florida Statutes, is repealed.
 104 Section 8. Section 290.0475, Florida Statutes, is repealed.
 105 Section 9. Section 290.048, Florida Statutes, is repealed.
 106 Section 10. Paragraph (d) of subsection (21) of section
 107 253.025, Florida Statutes, is amended to read:
 108 253.025 Acquisition of state lands.—
 109 (21)
 110 (d) 1. A conveyance at less than appraised value must state
 111 that the land will revert to the board of trustees if the land
 112 is not used for its intended purposes as a military installation
 113 buffer or if the military installation closes.
 114 2. Agencies of the Federal Government, including, but not
 115 limited to, the United States Department of Defense and its
 116 subordinate Departments of the Army, Navy, and Air Force, and

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the Department of Homeland Security's United States Coast Guard, are exempt from this paragraph, so long as the general and overarching purpose of remaining as a military installation buffer is still in place even though the specific military purpose, mission, or function of the conveyed land is modified or changes from that present or proposed purpose at the time of the conveyance.

Section 11. Paragraph (e) of subsection (2) of section 288.0656, Florida Statutes, is amended to read:

288.0656 Rural Economic Development Initiative.—

(2) As used in this section, the term:

(e) "Rural community" means:

1. A county with a population of 75,000 or fewer.

2. A county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.

3. A municipality within a county described in subparagraph 1. or subparagraph 2.

4. An unincorporated area recommended by the department and designated by the Governor which has a population of 25,000 or fewer and which meets ~~federal enterprise community or an incorporated rural city with a population of 25,000 or fewer and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has~~ at least three or more of the economic distress factors identified in paragraph (c) and verified by the department.

For purposes of this paragraph, population shall be determined in accordance with the most recent official estimate pursuant to

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s. 186.901.

Section 12. Section 290.044, Florida Statutes, is amended to read:

(Substantial rewording of section. See s. 290.044, F.S., for present text.)

290.044 Florida Small Cities Community Development Block Grant Program Fund; administration; distribution.—

(1) As used in this section, the term:

(a) "Act" means the Housing and Community Development Act of 1974, as amended, and includes the implementing regulations set forth at 24 C.F.R. part 570, as amended.

(b) "Department" means the Department of Commerce.

(c) "HUD" means the United States Department of Housing and Urban Development.

(d) "Program" means the Florida Small Cities Community Development Block Grant Program.

(2) The department is designated as the state agency to receive federal funding from HUD and to administer the program as set forth in the act. The department may award grants under the program in any manner and in any amount, consistent with the purposes and requirements of the act. The department may disburse funds received from HUD consistent with the act.

(3) If, in any year, the department receives additional federal funding through HUD for necessary expenses related to disaster recovery, long-term recovery, or restoration of infrastructure in impacted and distressed areas arising from the consequences of a federally declared disaster, the department must administer that funding in accordance with the law authorizing such funding, including any implementing guidance or

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regulations adopted by HUD.

(4) If, in any year, the department receives additional federal funding through HUD for any other purpose not specifically stated in this section, then the department must administer that funding in accordance with the law authorizing such funding, including any implementing guidance or regulations adopted by HUD.

(5) The department may adopt rules to administer this section.

Section 13. Present paragraphs (c), (d), (e), and (f) of subsection (1) of section 448.095, Florida Statutes, are redesignated as paragraphs (d), (f), (g), and (h), respectively, new paragraphs (c) and (e) are added to that subsection, and paragraph (b) of subsection (2), subsection (6), paragraphs (a) and (c) of subsection (7) of that section are amended, and a new paragraph (c) is added to subsection (3) of that section, and subsection (4) of that section is reenacted, to read:

448.095 Employment eligibility.—

(1) DEFINITIONS.—As used in this section, the term:

(c) “Employer” means any person, firm, company, corporation, association, joint stock company, partnership, organization, or other legal entity, or any agent thereof, that engages one or more individuals to perform labor or services in this state in exchange for salary, wages, or other remuneration. The term does not include an occupant or owner of a private residence with respect to an individual hired for casual labor as defined in s. 443.036, which is performed entirely within that private residence. The term does not include a person or entity solely with respect to its engagement of an independent

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contractor as defined in federal laws or regulations.

(e) “Noncompliance” means the failure of an employer to verify a new employee’s employment eligibility through the E-Verify system, or an employer’s failure to timely provide copies of any documentation requested by an entity or a person listed in paragraph (3)(a).

(2) EMPLOYMENT VERIFICATION.—

(b)1. A public agency shall use the E-Verify system to verify a new employee’s employment eligibility as required under paragraph (a).

2. ~~An Beginning on July 1, 2023, A private~~ employer with 25 or more employees shall use the E-Verify system to verify a new employee’s employment eligibility as required under paragraph (a). Each employer shall maintain an E-Verify case result for each employee which shows that the employee is authorized to work. The E-Verify case result must visibly show the employee’s work authorization status.

3. Each employer required to use the E-Verify system under this paragraph must certify on its first return each calendar year to the tax service provider that it is in compliance with this section when making contributions to or reimbursing the state’s unemployment compensation or reemployment assistance system. An employer that voluntarily uses the E-Verify system may also make such a certification on its first return each calendar year in order to document such use.

(3) ENFORCEMENT.—

(c) Failure by an employer to provide the requested documentation within 30 days after a written request made under paragraph (a) constitutes noncompliance. Each failure to timely

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provide the documentation will count as a noncompliance event for the application of fines under paragraph (6)(b).

(4) DEFENSES.—

(a) An employer that uses the E-Verify system or, if that system is unavailable, the Employment Eligibility Verification form (Form I-9) as provided in paragraph (2)(c), with respect to the employment of an unauthorized alien has established a rebuttable presumption that the employer has not violated s. 448.09 with respect to such employment.

(b) An employer that uses the same documentation that is required by the United States Citizenship and Immigration Services on its Employment Eligibility Verification form (Form I-9) with respect to the employment of an unauthorized alien, has established an affirmative defense that the employer has not violated s. 448.09 with respect to such employment.

(6) COMPLIANCE.—

(a) In addition to the requirements under s. 288.061(6), beginning on July 1, 2024, if the Department of Commerce has a reasonable basis to believe ~~determines~~ that an employer failed to use the E-Verify system to verify the employment eligibility of employees as required under this section, the department must, before the imposition of a fine or suspension of licenses, issue an initial notification of noncompliance to the employer. An employer's failure to provide copies of any documentation relied upon by the employer for the verification of a new employee's employment eligibility to a person or entity listed in paragraph (3)(a) constitutes a reasonable basis that the employer failed to use the E-Verify system. The Department of Commerce shall notify the employer that it has 30 days after the

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date of the department's initial notification to cure the noncompliance. Extensions to the 30-day timeframe may be granted by the department only upon a showing of good cause by the employer for a period not to exceed 30 days. If the employer does not timely cure its noncompliance, the department must issue a final determination of noncompliance to the employer pursuant to chapter 120. If the employer requests a hearing, the hearing must be held pursuant to ss. 120.569 and 120.57(1), except that the order of the administrative law judge is a final order and is appealable pursuant to s. 120.68 ~~notify the employer of the department's determination of noncompliance and provide the employer with 30 days to cure the noncompliance.~~

(b) If the Department of Commerce determines that an employer failed to use the E-Verify system as required under this section and the employer failed to cure the noncompliance according to paragraph (a) three times in any 24-month period, the department must impose a fine of \$1,000 for each employee not verified pursuant to this section ~~per day until the employer provides sufficient proof to the department that the noncompliance is cured. Any subsequent noncompliance by the employer after the final determination of noncompliance~~ constitutes grounds for the suspension of all licenses issued by a licensing agency subject to chapter 120 until the noncompliance is cured.

(c) To cure noncompliance, the employer must do all of the following:

1. Register with the E-Verify system, if not already enrolled.
2. Properly verify the employment eligibility of employees

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by using the E-Verify system or Form I-9, as applicable under this section.

3. Provide an E-Verify case result and closure description for each employee which shows that the employee is authorized to work.

4. Provide an affidavit to the department, under penalty of perjury, that all instances of noncompliance have been corrected and that the employer is in full compliance with this section.

(d) Fines collected under this subsection must be deposited into the State Economic Enhancement and Development Trust Fund for use by the department for employer outreach and public notice of the state's employment verification laws.

(e) The Department of Commerce may adopt rules necessary to implement this section. The department may establish procedures for reporting, enforcement, compliance, noncompliance, license suspension, and the application of fines, as well as any other administrative rules required for effective enforcement and administration.

(f) In addition to any penalties imposed under this section, the Department of Commerce may recover the reasonable costs of investigation and prosecution if an employer is found to have violated this section. Such costs include, but are not limited to, salaries and benefits of personnel, costs related to the time spent by attorneys and other personnel on the investigation and prosecution, and any other expenses incurred by the department for such investigation and prosecution. The department shall determine the amount of costs to be assessed after its consideration of an affidavit of itemized costs and any written objections thereto. If the assessed costs are not

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paid within 60 days after the assessment, the department may contract for the collection of such costs, in which case any fees charged by the collection agent may be added to the amount recovered from the employer, or may bring a civil action to recover such costs, in which case the department is, if it is the prevailing party, also entitled to recover its reasonable attorney fees and costs incurred in such collection action. All recovered costs, including additional amounts recovered for collection efforts, must be deposited into the State Economic Enhancement and Development Trust Fund.

(7) CONSTRUCTION.—

(a) This section must be enforced without regard to race, color, or national origin and must be construed in a manner so as to be fully consistent with any applicable federal laws or regulations. The Department of Commerce may not investigate complaints that are based solely on race, color, or national origin.

(c) This section ~~expires~~ shall expire 60 days after the E-Verify system is no longer provided or maintained by the Federal Government, or when ~~a pilot program~~, and the Federal Government requires the use of the E-Verify system by all employers in the United States.

Section 14. Section 448.09, Florida Statutes, is amended to read:

448.09 Unauthorized aliens; employment prohibited.—

(1) It is unlawful for any person to knowingly employ, hire, recruit, or refer, either for herself or himself or on behalf of another, for private or public employment within this state, an alien who is not duly authorized to work by the

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immigration laws of the United States, the Attorney General of the United States, or the United States Secretary of the Department of Homeland Security. For purposes of this section, the term "knowingly employs" means an employer is aware of an unauthorized individual alien's unauthorized status or fails to take reasonable steps to verify their employment eligibility after being made aware of potential violations.

(2) If the Department of Commerce finds or is notified by an entity specified in s. 448.095(3)(a) that an employer has knowingly employed an unauthorized alien, the department must provide the employer with a written determination subject to chapter 120. If the employer requests a hearing, the hearing must be held pursuant to ss. 120.569 and 120.57(1), except that the order of the administrative law judge is a final order and is appealable pursuant to s. 120.68. If the administrative law judge rules in favor of the department, or the employer loses its appeal, the employer must repay ~~without verifying the employment eligibility of such person, the department must enter an order pursuant to chapter 120 making such determination and require repayment of~~ any economic development incentive pursuant to s. 288.061(6). For purposes of this section, the terms "employer" and "unauthorized alien" have the same meanings as in s. 448.095(1).

(3) For a violation of this section, the department shall place the employer on probation for a 1-year period and require that the employer report quarterly to the department to demonstrate compliance with the requirements of subsection (1) and s. 448.095. On or before the last day of each quarter, the employer shall submit an affidavit to the department that

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affirms that the employer is not employing any unauthorized aliens and is in compliance with s. 448.095. The first quarter will commence from the issuance date of the final order. Each subsequent quarter will commence 90 days after the previous quarter. The Department of Commerce may enforce compliance with this subsection by filing a petition for enforcement with the circuit court in and for Leon County. Venue for all actions pursuant to this subsection is in Leon County.

(4) Any violation of this section which takes place within 24 months after a previous violation constitutes grounds for the suspension or revocation of all licenses issued by a licensing agency subject to chapter 120. The Department of Commerce must provide the employer with a written determination subject to chapter 120. The hearing must be held pursuant to ss. 120.569 and 120.57(1), except that the order of the administrative law judge is a final order and is appealable pursuant to s. 120.68. The department shall take the following actions for a violation involving:

(a) One to ten unauthorized aliens, suspension of all applicable licenses held by a private employer for up to 30 days by the respective agencies that issued them.

(b) Eleven to fifty unauthorized aliens, suspension of all applicable licenses held by a private employer for up to 60 days by the respective agencies that issued them.

(c) More than fifty unauthorized aliens, revocation of all applicable licenses held by a private employer by the respective agencies that issued them.

(5) An alien who is not duly authorized to work by the immigration laws of the United States, the Attorney General of

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the United States, or the United States Secretary of the Department of Homeland Security and who knowingly uses a false identification document or who fraudulently uses an identification document of another person for the purpose of obtaining employment commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(6) The Department of Commerce may adopt rules to implement this section.

Section 15. For the purpose of incorporating the amendment made by this act to section 288.0656, Florida Statutes, in a reference thereto, paragraph (h) of subsection (1) of section 215.971, Florida Statutes, is reenacted to read:

215.971 Agreements funded with federal or state assistance.—

(1) An agency agreement that provides state financial assistance to a recipient or subrecipient, as those terms are defined in s. 215.97, or that provides federal financial assistance to a subrecipient, as defined by applicable United States Office of Management and Budget circulars, must include all of the following:

(h) If the agency agreement provides federal or state financial assistance to a county or municipality that is a rural community or rural area of opportunity as those terms are defined in s. 288.0656(2), a provision allowing the agency to provide for the payment of invoices to the county, municipality, or rural area of opportunity as that term is defined in s. 288.0656(2), for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in the agreement. This provision is included to alleviate the

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financial hardships that certain rural counties and municipalities encounter when administering agreements, and must be exercised by the agency when a county or municipality demonstrates financial hardship, to the extent that federal or state law, rule, or other regulation allows such payments. This paragraph may not be construed to alter or limit any other provisions of federal or state law, rule, or other regulation.

Section 16. For the purpose of incorporating the amendment made by this act to section 288.0656, Florida Statutes, in a reference thereto, paragraph (j) of subsection (2) of section 288.062, Florida Statutes, is reenacted to read:

288.062 Rural Community Investment Program.—

(2) As used in this section, the term:

(j) "Rural community" means a rural community as defined in s. 288.0656 or a designated rural area of opportunity as defined in s. 288.0656(2).

Section 17. For the purpose of incorporating the amendment made by this act to section 288.0656, Florida Statutes, in a reference thereto, paragraph (b) of subsection (2) of section 288.0655, Florida Statutes, is reenacted to read:

288.0655 Rural Infrastructure Fund.—

(2)

(b) To facilitate access of rural communities and rural areas of opportunity as defined by the Rural Economic Development Initiative to infrastructure funding programs of the Federal Government, such as those offered by the United States Department of Agriculture and the United States Department of Commerce, and state programs, including those offered by Rural Economic Development Initiative agencies, and to facilitate

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465 local government or private infrastructure funding efforts, the
 466 department may award grants for up to 75 percent of the total
 467 infrastructure project cost, or up to 100 percent of the total
 468 infrastructure project cost for a project located in a rural
 469 community as defined in s. 288.0656(2) which is also located in
 470 a fiscally constrained county as defined in s. 218.67(1) or a
 471 rural area of opportunity as defined in s. 288.0656(2). Eligible
 472 uses of funds may include improving any inadequate
 473 infrastructure that has resulted in regulatory action that
 474 prohibits economic or community growth and reducing the costs to
 475 community users of proposed infrastructure improvements that
 476 exceed such costs in comparable communities. Eligible uses of
 477 funds include improvements to public infrastructure for
 478 industrial or commercial sites and upgrades to or development of
 479 public tourism infrastructure. Authorized infrastructure may
 480 include the following public or public-private partnership
 481 facilities: storm water systems; telecommunications facilities;
 482 roads or other remedies to transportation impediments; nature-
 483 based tourism facilities; or other physical requirements
 484 necessary to facilitate tourism, trade, and economic development
 485 activities in the community. Authorized infrastructure may also
 486 include publicly or privately owned self-powered nature-based
 487 tourism facilities, publicly owned telecommunications
 488 facilities, and additions to the distribution facilities of the
 489 existing natural gas utility as defined in s. 366.04(3)(c), the
 490 existing electric utility as defined in s. 366.02, or the
 491 existing water or wastewater utility as defined in s.
 492 367.021(12), or any other existing water or wastewater facility,
 493 which owns a gas or electric distribution system or a water or

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494 wastewater system in this state when:

495 1. A contribution-in-aid of construction is required to
 496 serve public or public-private partnership facilities under the
 497 tariffs of any natural gas, electric, water, or wastewater
 498 utility as defined herein; and

499 2. Such utilities as defined herein are willing and able to
 500 provide such service.

501 Section 18. For the purpose of incorporating the amendment
 502 made by this act to section 288.0656, Florida Statutes, in a
 503 reference thereto, subsection (10) of section 332.007, Florida
 504 Statutes, is reenacted to read:

505 332.007 Administration and financing of aviation and
 506 airport programs and projects; state plan.—

507 (10) Subject to the availability of appropriated funds, and
 508 unless otherwise provided in the General Appropriations Act or
 509 the substantive bill implementing the General Appropriations
 510 Act, the department may fund up to 100 percent of eligible
 511 project costs of all of the following at a public-use airport
 512 located in a rural community as defined in s. 288.0656 which
 513 does not have any scheduled commercial service:

514 (a) The capital cost of runway and taxiway projects that
 515 add capacity. Such projects must be prioritized based on the
 516 amount of available nonstate matching funds.

517 (b) Economic development transportation projects pursuant
 518 to s. 339.2821.

519

520 Any remaining funds must be allocated for projects specified in
 521 subsection (6).

522 Section 19. For the purpose of incorporating the amendment

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made by this act to section 288.0656, Florida Statutes, in a reference thereto, paragraph (d) of subsection (14) of section 627.6699, Florida Statutes, is reenacted to read:

627.6699 Employee Health Care Access Act.—

(14) SMALL EMPLOYERS ACCESS PROGRAM.—

(d) *Eligibility.*—

1. Any small employer that is actively engaged in business, has its principal place of business in this state, employs up to 25 eligible employees on business days during the preceding calendar year, employs at least 2 employees on the first day of the plan year, and has had no prior coverage for the last 6 months may participate.

2. Any municipality, county, school district, or hospital employer located in a rural community as defined in s. 288.0656(2) may participate.

3. Nursing home employers may participate.

4. Each dependent of a person eligible for coverage is also eligible to participate.

Any employer participating in the program must do so until the end of the term for which the carrier providing the coverage is obligated to provide such coverage to the program. Coverage for a small employer group that ceases to meet the eligibility requirements of this section may be terminated at the end of the policy period for which the necessary premiums have been paid.

Section 20. This act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

To: Senator Thomas Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: January 12, 2026

I respectfully request that **Senate Bill #998**, relating to Department of Commerce, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in blue ink that reads "Clay Yarborough".

Senator Clay Yarborough
Florida Senate, District 4

The Florida Senate

APPEARANCE RECORD

SB 998

1/21/26

Meeting Date

Bill Number or Topic

Commerce + Tourism

Committee

Deliver both copies of this form to
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Alex Kelly

Phone (850) 245-7710

Address 107 E Madison St.

Email

Tallahassee FL

City

State

Zip

Speaking: ☐ For ☐ Against ☐ Information

OR

Waive Speaking: ☒ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without compensation or sponsorship.

☒ I am a registered lobbyist, representing:

☐ I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

Florida Department of Commerce

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 1004

INTRODUCER: Senator Gaetz

SUBJECT: Sale of Dogs and Cats

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Dike	McKay	CM	Favorable
2.			JU	
3.			RC	

I. Summary:

SB 1004 alters provisions regarding the sale of cats and dogs in the state by:

- Mandating pet dealers ensure pet financing arrangements are terminated without penalty to the consumer when the animal is found to be unfit for purchase due to illness or disease.
- Requiring all financing terms to be disclosed to a consumer and implementing a three-day waiting period between the agreement and the possession of the pet.
- Directing pet dealers to provide copies of medical records to consumers purchasing pets.
- Requiring a specific written notice about consumer rights under s. 828.29, F.S., to be provided to and signed by the consumer upon the sale of a pet.
- Instructing pet dealers to maintain records provided to consumers for seven years.
- Providing that a violation of s. 828.29, F.S., is a violation of the Florida Deceptive and Unfair Trade Practices Act.
- Allowing consumers to bring civil action to remedy violations of this law.

This bill takes effect on July 1, 2026.

II. Present Situation:

Florida Pet Sale Law

Section 828.29, F.S., governs the sale of pets in Florida by mandating health requirements, providing sale regulations, and outlining remedies for violations of this section. Specifically, dogs transported into the state for sale must receive vaccines and anthelmintics against the following diseases/parasites: canine distemper, leptospirosis, bordatella, parainfluenza, hepatitis, canine parvo, rabies, roundworms, and hookworms, with exceptions concerning the age of the dog. Cats transported into this state must receive vaccines and anthelmintics against the following diseases/parasites: panleukopenia, feline viral rhinocheitis, calici virus, rabies, hookworms, and roundworms, with exceptions for the age of the cat. Each pet subject to these

requirements must have a certificate of veterinary inspection while being offered for sale, and such examination of the pet must take place within a specified time.

If a licensed veterinarian verifies that the animal was unfit for purchase due to contagious or infectious disease, the pet dealer¹ must allow the consumer to either (1) return the animal and receive a refund of the purchase price, (2) return the animal and exchange it for another of equivalent value, or (3) retain the animal and receive reimbursement for reasonable veterinary costs. The statute provides exceptions to this requirement and the option for a pet dealer to contest a refund, exchange, or veterinary expenses. Additionally, pet dealers must include a written notice to the consumer at the time of sale of their rights pursuant to this section.

III. Effect of Proposed Changes:

Consumer Financing

Section 1 amends s. 828.29, F.S., mandating that pet dealers ensure pet financing arrangements are terminated without penalty to the consumer when the animal is found to be unfit for purchase due to illness or disease. Subsection (6) in the bill requires that pet dealers disclose all financing terms to the consumer before the final sale. The bill also mandates a three-day waiting period between the consumer agreeing to finance the pet and the consumer taking possession of the animal. Such financing agreement may not be signed until the three-day waiting period has passed. The bill also removes the option for consumers to sign waivers relinquishing their rights to return a pet for congenital or hereditary disorders.

Pet Medical Records

Under the bill, subsection (7) requires pet dealers to provide copies of medical records to the consumer regarding all medication examinations, tests, and medications given.

Written Notice

Additionally, the bill updates the notice provision in subsection (12), which pet dealers are required to provide to the consumer at the time of sale. The notice must be separate from the contract with specific wording which includes the following information: “You have the right to return or exchange the animal and receive reimbursement for certain veterinary expenses. A copy of this law is attached to this notice.”

Record Retention

Subsection (18) requires that pet dealers maintain any records provided to a consumer for the sale of an animal regulated under s. 828.29, F.S. The pet dealer must maintain these records for at least seven years after the sale.

¹ “For the purposes of subsections (5)-(12) and (16), the term “pet dealer” means any person, firm, partnership, corporation, or other association which, in the ordinary course of business, engages in the sale of more than two litters, or 20 dogs or cats, per year, whichever is greater, to the public. This definition includes breeders of animals who sell such animals directly to a consumer.” Section 828.29(13), F.S.

Remedies

Under subsection (19) of the bill, pet dealers who violate s. 828.29, F.S., are committing an unfair method of competition or an unfair or deceptive act under the Florida Deceptive and Unfair Trade Practices Act (FDUTPA), ss. 501.201-501.213, F.S. It is unlawful under the FDUTPA for a party to take part in “unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts of practices in the conduct of any trade or commerce.”² Such practices include fraudulent billing,³ misleading a consumer or misrepresenting a product’s characteristics,⁴ or other behavior determined to be unfair by a court.⁵ Under the FDUTPA, the office of the state attorney or Department of Legal Affairs, either by their own inquiry or through complaints, may investigate violations of the FDUTPA.⁶ In addition to other remedies under state and federal law, the enforcing authority may bring actions for declaratory judgment, injunctive relief, actual damages on behalf of consumers and businesses, cease and desist orders, and civil penalties up to \$10,000 per violation.⁷ Moreover, consumers may bring private actions against parties for violating the FDUTPA, resulting in either:

- Declaratory judgment and injunctive relief when the consumer is aggrieved by a FDUTPA violation; or
- Actual damages, attorney fees, and court costs, when the consumer has suffered a loss due to the FDUTPA violation.⁸

In addition to the remedies available, subsection (20) of the bill specifies that consumers may cure violations under s. 828.29, F.S., via civil action for damages, costs, and attorney fees. This does not limit consumers’ other rights and remedies under law.

Effective Date

Section 2 sets out an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

² Section 501.204, F.S.

³ *State Farm Mut. Auto. Ins. Co. v. Medical Service Center of Florida, Inc.*, 103 F. Supp. 3d 1343 (S.D. Fla. 2015).

⁴ *Lewis v. Mercedes-Benz USA, LLC*, 530 F. Supp. 3d 1183 (S.D. Fla. 2021); *Marty v. Anheuser-Busch Companies, LLC*, 43 F. Supp. 3d 1333 (S.D. Fla. 2014).

⁵ See *Siever v. BWGaskets, Inc.*, 669 F. Supp. 2d 1286, 1292-93 (M.D. Fla. 2009).

⁶ The enforcing authority under the FDUTPA may “administer oaths and affirmations, subpoena witnesses or matter, and collect evidence.” Section 501.206, F.S.

⁷ Sections 501.207, 501.2077, 501.2075, 501.208, F.S.

⁸ Sections 501.2105, 501.211, F.S.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 828.29 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Gaetz

1-01124-26

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A bill to be entitled

An act relating to the sale of dogs and cats; amending s. 828.29, F.S.; requiring that if a pet sale is terminated for certain reasons, the financing agreement must be terminated without certain costs; deleting a limit on veterinary costs under certain provisions; requiring that all financial terms be disclosed to the consumer before the sale of the animal; requiring a specified mandatory waiting period between the purchase and receipt of an animal if the transaction is financed by the consumer; deleting certain provisions relating to a consumer's waiver relinquishing his or her rights to return an animal; requiring a pet dealer to provide copies of specified medical records to a consumer; revising requirements for a required notice to a consumer; revising the text of the required notice; requiring a pet dealer to retain a copy of a specified notice for a specified period; providing that violations constitute an unfair method of competition or an unfair or deceptive act or practice in violation of specified provisions and subject to penalties; providing construction; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsections (5) through (8), (10), (12), and (17) of section 828.29, Florida Statutes, are amended, and subsections (18), (19), and (20) are added to that section, to

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read:

828.29 Dogs and cats transported or offered for sale; health requirements; consumer guarantee; ~~disclosures.~~

(5) If, within 14 days ~~after following~~ the sale by a pet dealer of an animal subject to this section, a licensed veterinarian of the consumer's choosing certifies that, at the time of the sale, the animal was unfit for purchase due to illness or disease, the presence of symptoms of a contagious or infectious disease, or the presence of internal or external parasites, excluding fleas and ticks; or if, within 1 year following the sale of an animal subject to this section, a licensed veterinarian of the consumer's choosing certifies such animal to be unfit for purchase due to a congenital or hereditary disorder which adversely affects the health of the animal; or if, within 1 year following the sale of an animal subject to this section, the breed, sex, or health of such animal is found to have been misrepresented to the consumer, the pet dealer shall afford the consumer the right to choose one of the following options:

(a) The right to return the animal and receive a refund of the purchase price, including the sales tax, and reimbursement for reasonable veterinary costs directly related to the veterinarian's examination and certification that the dog or cat is unfit for purchase pursuant to this section and directly related to necessary emergency services and treatment undertaken to relieve suffering. If the consumer financed the animal, the pet dealer must ensure that the financing arrangement is terminated without penalty to the consumer;

(b) The right to return the animal and receive an exchange

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dog or cat of the consumer's choice of equivalent value, and reimbursement for reasonable veterinary costs directly related to the veterinarian's examination and certification that the dog or cat is unfit for purchase pursuant to this section and directly related to necessary emergency services and treatment undertaken to relieve suffering; or

(c) The right to retain the animal and receive reimbursement for reasonable veterinary costs for necessary services and treatment related to the attempt to cure or curing of the dog or cat.

~~Reimbursement for veterinary costs may not exceed the purchase price of the animal.~~ The cost of veterinary services is reasonable if comparable to the cost of similar services rendered by other licensed veterinarians in proximity to the treating veterinarian and the services rendered are appropriate for the certification by the veterinarian.

(6) All financing terms must be disclosed to the consumer before the sale of the animal. A mandatory waiting period of at least 3 calendar days must be imposed between the date of an agreement to purchase an animal and the date on which the consumer takes possession of the animal, if the consumer is financing the animal. A financing agreement may not be signed by the consumer until the conclusion of the 3-day waiting period. A consumer may sign a waiver relinquishing his or her right to return the dog or cat for congenital or hereditary disorders. In the case of such waiver, the consumer has 48 normal business hours, excluding weekends and holidays, in which to have the animal examined by a licensed veterinarian of the consumer's

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~~choosing. If the veterinarian certifies that, at the time of sale, the dog or cat was unfit for purchase due to a congenital or hereditary disorder, the pet dealer must afford the consumer the right to choose one of the following options:~~

~~(a) The right to return the animal and receive a refund of the purchase price, including sales tax, but excluding the veterinary costs related to the certification that the dog or cat is unfit; or~~

~~(b) The right to return the animal and receive an exchange dog or cat of the consumer's choice of equivalent value, but not a refund of the veterinary costs related to the certification that the dog or cat is unfit.~~

(7) Before the sale of an animal, a pet dealer must provide to the consumer copies of records of all medical examinations or tests that were conducted on the animal or any medication given before the purchase of the animal. A pet dealer may specifically state at the time of sale, in writing to the consumer, the presence of specific congenital or hereditary disorders, in which case the consumer has no right to any refund or exchange for those disorders.

(8) The refund or exchange required by subsection (5) ~~must or subsection (6) shall~~ be made by the pet dealer not later than 10 business days after following receipt of a signed veterinary certification as required in subsection (5) ~~or subsection (6).~~ The consumer must notify the pet dealer within 2 business days after the veterinarian's determination that the animal is unfit. The written certification of unfitness must be presented to the pet dealer not later than 3 business days after following receipt thereof by the consumer.

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(10) If a pet dealer wishes to contest a demand for veterinary expenses, refund, or exchange made by a consumer under this section, the dealer may require the consumer to produce the animal for examination by a licensed veterinarian designated by the dealer. Upon such examination, if the consumer and the dealer are unable to reach an agreement that constitutes one of the options set forth in subsection (5) ~~or subsection (6)~~ within 10 business days after following receipt of the animal for such examination, the consumer may initiate an action in a court of competent jurisdiction to recover or obtain reimbursement of veterinary expenses, refund, or exchange.

(12) Every pet dealer who sells an animal to a consumer shall must provide the consumer at the time of sale with a printed, written notice to be signed by the consumer, printed or typed, which is separate from the contract and reads as follows:

RIGHT TO CANCEL

Florida consumers have certain rights under s. 828.29, Florida Statutes. You have the right to return or exchange the animal and receive reimbursement for certain veterinary expenses. A copy of this law is attached to this notice.

...(Signature of Owner or Lessee, or Owner's or Lessee's Authorized Officer/Director/Partner/Manager)...

...(Signatory's Title/Office)...

Sworn to (or affirmed) and subscribed before me this day of,, by ...(name of person making statement)....

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...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known OR Produced Identification

The pet dealer shall retain a copy of the signed notice, and the consumer must be given a copy of the signed notice.

~~It is the consumer's right, pursuant to section 828.29, Florida Statutes, to receive a certificate of veterinary inspection with each dog or cat purchased from a pet dealer. Such certificate shall list all vaccines and deworming medications administered to the animal and shall state that the animal has been examined by a Florida-licensed veterinarian who certifies that, to the best of the veterinarian's knowledge, the animal was found to have been healthy at the time of the veterinary examination. In the event that the consumer purchases the animal and finds it to have been unfit for purchase as provided in section 828.29(5), Florida Statutes, the consumer must notify the pet dealer within 2 business days of the veterinarian's determination that the animal was unfit. The consumer has the right to retain, return, or exchange the animal and receive reimbursement for certain related veterinary services rendered to the animal, subject to the right of the dealer to have the animal examined by another veterinarian.~~

(17) Except as otherwise provided in this chapter, a person

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who violates ~~any provision of~~ this section commits a misdemeanor
of the first degree, punishable as provided in s. 775.082 or s.
775.083.

(18) Any record provided to a consumer pursuant to the sale
of an animal under this section must be maintained by the pet
dealer for a period of at least 7 years after the sale.

(19) A pet dealer who violates this section commits an
unfair method of competition or an unfair or deceptive act or
practice in violation of part II of chapter 501 and is subject
to the penalties and remedies provided for such violations.

(20) In addition to any other penalties or remedies
provided by law, a consumer injured by a violation of this
section may bring a civil action to recover damages or punitive
damages, including costs, court costs, and attorney fees. This
section does not limit any right or remedy provided under law.

Section 2. This act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

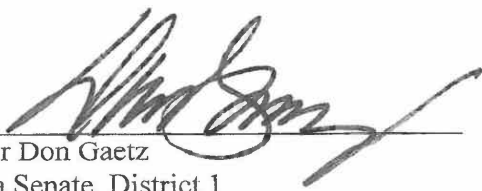
To: Senator Thomas Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: January 12, 2026

I respectfully request that **Senate Bill #1004**, relating to Sale of Dogs and Cats, be placed on the:

- ☒ committee agenda at your earliest possible convenience.
- ☐ next committee agenda.



Senator Don Gaetz
Florida Senate, District 1

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

Bill Number or Topic

Amendment Barcode (if applicable)

Meeting Date

Committee

Name

Phone

Address

Email

Street

City

State

Zip

Speaking:



For



Against



Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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The Florida Senate

APPEARANCE RECORD

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SB 1004

Bill Number or Topic

Amendment Barcode (if applicable)

1/21/26

Meeting Date

Commerce

Committee

Name

Kate Macfall

Phone

850 508-1001

Address

1206 Walton Dr.

Street

Email

Kmacfall@hsus.org

Tallahassee

City

FL.

State

32312

Zip

Speaking:



For



Against



Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

Humane World for Animals

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S-001 (08/10/2021)

11/21/26

Meeting Date

The Florida Senate
APPEARANCE RECORD

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SB1004

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Diana Ferguson

Phone

850-681-6788

Address

119 S Monroest St 202

Email

dferguson2@outlook-
teenis.com

Street

Tallah

FL

32301

City

State

Zip

Speaking:



For



Against



Information

OR

Waive Speaking:



In Support



Against

PLEASE CHECK ONE OF THE FOLLOWING:



I am appearing without
compensation or sponsorship.



I am a registered lobbyist,
representing:

FL Animal Control Assoc.



I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

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S-001 (08/10/2021)

The Florida Senate
APPEARANCE RECORD

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Senate professional staff conducting the meeting

Meeting Date

Bill Number or Topic

Committee

Amendment Barcode (if applicable)

Name

Phone

Address

Street

Email

City

State

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☒

I am appearing without
compensation or sponsorship.

☐

I am a registered lobbyist,
representing:

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 1074

INTRODUCER: Senator Gaetz

SUBJECT: One-cent Piece

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McMillan	McKay	CM	Favorable
2.			FT	
3.			AP	

I. Summary:

SB 1074 provides rounding guidelines for dealers making change for the one-cent piece.

If the one-cent piece is no longer in production, and as a result a dealer is unable to round an in-person cash transaction to the whole cent, such transaction is required to be rounded to the nearest nickel. Cash transactions ending in zero or 5 cents are not rounded. Rounding to the nearest nickel does not apply to transactions conducted electronically, and for mixed-tender transactions, rounding to the nearest nickel applies only to the portion of the transaction paid in cash. The bill further clarifies that such rounding does not increase or decrease the amount of tax due for in-person cash transactions, and the tax due must be calculated pursuant to s. 212.12(a), F.S., before rounding to the nearest nickel.

The Florida Deceptive and Unfair Trade Practices Act does not apply to rounding a consumer sale to the nearest nickel if the one-cent piece is no longer in production.

The Revenue Estimating Conference has not yet estimated the revenue impact of this bill.

The bill takes effect upon becoming a law.

II. Present Situation:

Penny Production

The federal government has stopped manufacturing new pennies, however, the Federal Reserve will continue to recirculate the pennies still in existence, which are roughly 114 billion pennies.¹ The Treasury Department aims to help keep the existing supply of pennies in circulation by

¹ U.S. Department of the Treasury, *Penny Production Cessation FAQs* (December 23, 2025), available at <https://home.treasury.gov/news/featured-stories/penny-production-cessation-faqs> (last visited Jan. 20, 2026).

encouraging the public to spend their on-hand pennies, which will provide a smooth transition and allow retailers and point-of-sale system providers time to adapt to the change.²

Merchants will need to round transactions either up or down to the nearest five cents as pennies fall out of circulation.³ However many states require sales tax to be calculated on the final sale price rounded to the nearest penny, so states and localities may need to amend their sales tax laws.⁴

Florida Sales and Use Tax

Unless a transaction is exempt, each sale, storage, or rental in Florida is taxable.⁵ Sales tax is added to the price of taxable goods or services and collected from the purchaser at the time of sale.⁶ Florida levies a 6 percent sales and use tax with the exception of retail sales of new mobile homes (3%), amusement machine receipts (4%), and electricity (6.95%).⁷

When sales tax was not paid at the time of purchase, a use tax is due.⁸ The Department of Revenue (DOR) provides the following examples:

- If you buy a taxable item in Florida and did not pay sales tax, you owe use tax.
- If you buy an item tax exempt intending to resell it and then use the item in your business or for personal use, you owe use tax.
- If you buy a taxable item outside Florida and bring it into (or have it delivered into) Florida, and you did not pay sales tax on the item, you owe use tax.⁹

In addition to the state tax, s. 212.055, F.S., authorizes counties to impose discretionary sales surtaxes. A surtax applies to “all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202.”¹⁰ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold, or are delivered. Discretionary sales surtax rates vary by county in a range from 0.5 to 3.5 percent.¹¹

Dealers

Section 212.06(2)(a), F.S., defines “dealer” as including every person, as used in ch. 212, F.S., who manufactures or produces tangible personal property for sale at retail; for use, consumption,

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ The Florida Department of Revenue, *Florida Sales and Use Tax*, available at https://floridarevenue.com/taxes/taxesfees/Pages/sales_tax.aspx (last visited Jan. 20, 2026).

⁶ *Id.*

⁷ *Id.* See also s. 212.05, F.S.

⁸ *Id.*

⁹ *Id.*

¹⁰ Section 212.054, F.S.

¹¹ Office of Economic and Demographic Research, The Florida Legislature, *2025 Local Discretionary Sales Surtax Rates in Florida’s Counties*, (2025), available at <http://edr.state.fl.us/content/revenues/reports/tax-handbook/taxhandbook2020.pdf> (last visited Jan. 20, 2026).

or distribution; or for storage to be used or consumed in Florida. The term is further defined to mean and include the following:

- Every person, as used in ch. 212, F.S., who imports, or causes to be imported, tangible personal property from any state or foreign country for sale at retail; for use, consumption, or distribution; or for storage to be used or consumed in Florida.
- Every person, as used in ch. 212, F.S., who sells at retail or who offers for sale at retail, or who has in his or her possession for sale at retail; or for use, consumption, or distribution; or for storage to be used or consumed in Florida, tangible personal property, including a retailer who transacts a substantial number of remote sales or a marketplace provider that has a physical presence in Florida or that makes or facilitates through its marketplace a substantial number of remote sales.
- Any person who has sold at retail; or used, or consumed, or distributed; or stored for use or consumption in Florida, tangible personal property and who cannot prove that the tax levied by ch. 212, F.S., has been paid on the sale at retail, the use, the consumption, the distribution, or the storage of such tangible personal property. However, the term “dealer” does not mean a person who is not a “dealer” under the definition of any other paragraph of s. 212.06(2), F.S., and whose only owned or leased property (including property owned or leased by an affiliate) in Florida is located at the premises of a printer with which it has contracted for printing, if such property consists of the final printed product, property which becomes a part of the final printed product, or property from which the printed product is produced.
- Any person, as used in ch. 212, F.S., who leases or rents tangible personal property, for a consideration, permitting the use or possession of such property without transferring title thereto, except as expressly provided for to the contrary.
- Any person, as used in ch. 212, F.S., who maintains or has within this state, directly or by a subsidiary, an office, distributing house, salesroom, or house, warehouse, or other place of business.
- Every person who solicits business either by direct representatives, indirect representatives, or manufacturers’ agents; by distribution of catalogs or other advertising matter; or by any other means whatsoever, and by reason thereof receives orders for tangible personal property from consumers for use, consumption, distribution, and storage for use or consumption in Florida; such dealer must collect the tax imposed by ch. 212, F.S., from the purchaser, and no action, either in law or in equity, on a sale or transaction as provided by the terms of ch. 212, F.S., may be had in Florida by any such dealer unless it is affirmatively shown that the provisions of this chapter have been fully complied with.
- Every person who, as a representative, agent, or solicitor of an out-of-state principal or principals, solicits, receives, and accepts orders from consumers in Florida for future delivery and whose principal refuses to register as a dealer.
- The state, county, municipality, any political subdivision, agency, bureau or department, or other state or local governmental instrumentality.
- Any person who leases, or grants a license to use, occupy, or enter upon, living quarters, sleeping or housekeeping accommodations in hotels, apartment houses, roominghouses, tourist or trailer camps, real property, space or spaces in parking lots or garages for motor vehicles, docking or storage space or spaces for boats in boat docks or marinas, or tie-down or storage space or spaces for aircraft at airports. The term “dealer” also means any person who has leased, occupied, or used or was entitled to use any living quarters, sleeping or housekeeping accommodations in hotels, apartment houses, roominghouses, tourist or trailer

camp, real property, space or spaces in parking lots or garages for motor vehicles or docking or storage space or spaces for boats in boat docks or marinas, or who has purchased communication services or electric power or energy, and who cannot prove that the tax levied by ch. 212, F.S., has been paid to the vendor or lessor on any such transactions. The term “dealer” does not include any person who leases, lets, rents, or grants a license to use, occupy, or enter upon any living quarters, sleeping quarters, or housekeeping accommodations in apartment houses, roominghouses, tourist camps, or trailer camps, and who exclusively enters into a bona fide written agreement for continuous residence for longer than 6 months in duration with any person who leases, lets, rents, or is granted a license to use such property.

- Any person who sells, provides, or performs a service taxable under ch. 212, F.S. “Dealer” also means any person who purchases, uses, or consumes a service taxable under ch. 212, F.S., who cannot prove that the tax levied by ch. 212, F.S., has been paid to the seller of the taxable service.
- Any person who solicits, offers, provides, enters into, issues, or delivers any service warranty taxable under ch. 212, F.S., or who receives, on behalf of such a person, any consideration from a service warranty holder.
- A forwarding agent, who has applied for and received a Florida Certificate of Forwarding Agent Address from the DOR.

Rounding in Calculation of Sales Taxes

In 2021, Florida transitioned from the bracket system for calculating sales tax and discretionary sales surtax to a rounding algorithm.¹² Dealers are required to use a rounding algorithm that carries the tax computation to the third decimal place and always rounds up to the nearest whole cent when the third decimal place is greater than 4.¹³ The DOR provides the following examples:

- \$5.045 rounds up to \$5.05; and
- \$3.213 rounds to \$3.21.

Dealers may compute the tax by applying the rounding algorithm to the combined taxable amount on an invoice or to the individual taxable items on an invoice.¹⁴

III. Effect of Proposed Changes:

The bill amends s. 212.12, F.S., to provide rounding guidelines for if the one-cent piece is no longer in production.

If the one-cent piece is no longer in production, and as a result a dealer is unable to round an in-person cash transaction to the whole cent as required in s. 212.12, F.S., such transaction is required to be rounded to the nearest nickel.

Rounding to the nearest nickel is as follows:

- If the final digit of a cash transaction ends in 1 or 2 cents, it must be rounded down to zero.

¹² See ch. 2021-2, Laws of Fla. See also the Florida Department of Revenue, Tax Information Publication (April 28, 2021), available at https://floridarevenue.com/taxes/tips/Documents/TIP_21A01-02.pdf (last visited Jan. 20, 2026).

¹³ *Id.*

¹⁴ *Id.* See also s. 212.12(10)(b), F.S.

- If the final digit of a cash transaction ends in 3 or 4 cents, it must be rounded up to 5 cents.
- If the final digit of a cash transaction ends in 6 or 7 cents, it must be rounded down to 5 cents.
- If the final digit of a cash transaction ends in 8 or 9 cents, it must be rounded up to 10 cents.

Cash transactions ending in zero or 5 cents are not rounded.

Rounding to the nearest nickel does not apply to transactions conducted electronically, and for mixed-tender transactions, rounding to the nearest nickel applies only to the portion of the transaction paid in cash. The bill further clarifies that rounding under s. 212.12(b), F.S., does not increase or decrease the amount of tax due for in-person cash transactions, and the tax due must be calculated pursuant to s. 212.12(a), F.S., before rounding to the nearest nickel. Further, rounding will not alter or affect the exact amounts authorized, cleared, or settled through any noncash payment system.

The bill amends s. 501.212, F.S., to provide that the Florida Deceptive and Unfair Trade Practices Act does not apply to rounding a consumer sale to the nearest nickel if the one-cent piece is no longer in production.

The bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not require counties and municipalities to spend funds, limit their ability to raise revenue, or reduce the percentage of a state tax shared with them. Therefore, the mandates provision does not apply.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None Identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

The Revenue Estimating Conference has not yet estimated the fiscal impact of the bill.

B. Private Sector Impact:

Dealers will be required to round transactions in accordance with the provisions in the bill.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The timetable by which individual dealers round up or down may be different depending on their ability to access pennies.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 212.12, 501.212.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Gaetz

1-00864A-26

20261074__

1 A bill to be entitled
 2 An act relating to the one-cent piece; amending s.
 3 212.12, F.S.; requiring dealers to round to the
 4 nearest nickel in certain circumstances; providing
 5 procedures for such rounding; providing applicability;
 6 requiring that the tax due on rounded transactions be
 7 calculated on the price before rounding; amending s.
 8 501.212, F.S.; providing that rounding to the nearest
 9 nickel is not a deceptive and unfair trade practice in
 10 certain circumstances; providing an effective date.
 11
 12 Be It Enacted by the Legislature of the State of Florida:
 13
 14 Section 1. Paragraphs (c) and (d) are added to subsection
 15 (10) of section 212.12, Florida Statutes, to read:
 16 212.12 Dealer's credit for collecting tax; penalties for
 17 noncompliance; powers of Department of Revenue in dealing with
 18 delinquents; rounding; records required.—
 19 (10)
 20 (c) If the one-cent piece is no longer in production, and
 21 as a result the dealer is unable to round an in-person cash
 22 transaction to the whole cent as required in this subsection,
 23 such transaction must be rounded to the nearest nickel:
 24 1. If the final digit of such cash transaction ends in 1 or
 25 2 cents, it must be rounded down to zero.
 26 2. If the final digit of such cash transaction ends in 3 or
 27 4 cents, it must be rounded up to 5 cents.
 28 3. If the final digit of such cash transaction ends in 6 or
 29 7 cents, it must be rounded down to 5 cents.

Page 1 of 2

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1-00864A-26

20261074__

30 4. If the final digit of such cash transaction ends in 8 or
 31 9 cents, it must be rounded up to 10 cents.
 32 5. Cash transactions ending in zero or 5 cents are not
 33 rounded.
 34
 35 Rounding to the nearest nickel does not apply to transactions
 36 conducted electronically. For mixed-tender transactions,
 37 rounding to the nearest nickel applies only to the portion of
 38 the transaction paid in cash. Rounding under this paragraph will
 39 not alter or affect the exact amounts authorized, cleared, or
 40 settled through any noncash payment system.
 41 (d) The amount of tax due for an in-person cash transaction
 42 does not increase or decrease as a result of rounding under
 43 paragraph (b). The tax due must be calculated pursuant to
 44 paragraph (a) before rounding to the nearest nickel.
 45 Section 2. Subsection (8) is added to section 501.212,
 46 Florida Statutes, to read:
 47 501.212 Application.—This part does not apply to:
 48 (8) Rounding a consumer sale to the nearest nickel if the
 49 one-cent piece is no longer in production.
 50 Section 3. This act shall take effect upon becoming a law.

Page 2 of 2

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The Florida Senate

Committee Agenda Request

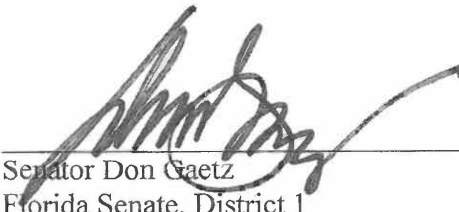
To: Senator Thomas Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: January 12, 2026

I respectfully request that **Senate Bill #1074**, relating to One-cent Piece, be placed on the:

- ☒ committee agenda at your earliest possible convenience.
- ☐ next committee agenda.



Senator Don Gaetz
Florida Senate, District 1

January 21, 2026

Meeting Date

Commerce and Tourism

Committee

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
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SB 1074

Bill Number or Topic

Amendment Barcode (if applicable)

Name **French Brown**

Phone **850-459-0992**

Address **106 E. College Ave, Suite 1200**

Email **fbrown@joneswalker.com**

Street

Tallahassee

FL

32301

City

State

Zip

Speaking: ☒ For ☐ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

Florida Retail Federation

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

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S-001 (08/10/2021)

JAN 21, 2026

Meeting Date

The Florida Senate
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SB 1074

Bill Number or Topic

COMMERCE & TOURISM

Committee

Amendment Barcode (if applicable)

Name ALLI LIBY-SCHOONOVER

Phone 850-205-9000

Address 119 S MONROE ST SUITE 200

Email ALSC@MHD FIRM.COM

Street

PLAT

City

FL

State

32309

Zip

Speaking: ☒ For ☐ Against ☐ Information **OR** Waive Speaking: ☐ In Support ☐ Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐ I am appearing without
compensation or sponsorship.

☒ I am a registered lobbyist,
representing:

FLORIDA RESTAURANT &
LODGING ASSOCIATION

☐ I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SB 1076

INTRODUCER: Senator Calatayud

SUBJECT: Research and Development Tax Credit

DATE: January 20, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	Favorable
2.			FT	
3.			AP	

I. Summary:

SB 1076 increases the combined amount of tax credits which may be awarded to qualified businesses for research and development under s. 220.196, F.S., from \$9 million to \$50 million in any calendar year and provides that the increase first applies to the 2027 allocation of tax credits for expenses incurred in the 2026 calendar year.

The Revenue Estimating Conference (REC) has not reviewed the bill; however, a similar bill was reviewed in 2025, and it was determined that the bill would reduce General Revenue receipts by \$41 million in Fiscal Year 2025-2026, and by \$41 million in future years.

The bill takes effect July 1, 2026.

II. Present Situation:

Federal Tax Credit

The U.S. Research and Experimentation Tax Credit (R&D)¹ was created in 1981 as part of the Economic Recovery Tax Act, a comprehensive package of initiatives designed to boost U.S. business competitiveness and encourage American taxpayers' investment and savings during an economic recession.² In 2015, the Protecting Americans from Tax Hikes (PATH) Act permanently extended the R&D after 16 temporary extensions.³

¹ The U.S. Research and Experimentation Tax Credit is also known as the Research and Development Tax Credit, 26 U.S.C. § 41, Credit for increasing research activities.

² Francisco Moris, National Science Foundation Report, *The U.S. Research and Experimentation Tax Credit in the 1990s* (July 2005), available at <https://wayback.archive-it.org/5902/20150627200929/http://www.nsf.gov/statistics/infbrief/nsf05316/> (last visited Jan. 20, 2026).

³ U.S. Department of Treasury, Office of Tax Analysis, *Research and Experimentation (R&E) Credit*, Oct. 12, 2016, available at <https://home.treasury.gov/system/files/131/RE-Credit.pdf> (last visited Jan. 20, 2026).

In September 2021, the Internal Revenue Service (IRS) issued a *Memorandum* containing new guidance for taxpayers applying for a research credit refund. The memorandum described new requirements for increased documentation and more detailed information, including a declaration under the penalty of perjury verifying that the information and facts provided by the taxpayer are accurate.⁴ To qualify as a valid research credit claim request, the taxpayer, at a minimum, must:

- Identify all the business components to which the I.R.C. § 41 research credit claim relates for that year.
- For each business component,
 - Identify all research activities performed;
 - Identify all individuals who performed each research activity; and
 - Identify all the information each individual sought to discover.
- Provide the total qualified employee wage expenses, total qualified supply expenses, and total qualified contract research expenses for the claim year.⁵

These changes remained in a grace period until January 10, 2022. Then, they transitioned to a one-year transition period, which was subsequently extended twice for an additional four years through January 10, 2027. During this period, the IRS provided taxpayers 45 days to perfect research credit claims for refund prior to a final determination by the IRS.⁶

Florida Tax Credit

Florida law authorizes an R&D tax credit against state corporate income taxes for certain businesses with qualified research expenses.⁷ Under the federal definition, a qualified research expense includes in-house research expenses, including any wages paid or incurred to employees, supplies used in the conduct of qualified research, and any amounts paid or incurred to another person for the right to use computers in the conduct of qualified research.⁸

A business is eligible for the tax credit if it:

- Has qualified research expenses in Florida in the taxable year exceeding the base amount;⁹
- Claims, and is allowed, a research credit for such qualified expenses under federal law for the same taxable year; and

⁴ Internal Revenue Service, Office of the Chief Counsel, *Memorandum Relating to I.R.C. § 41 Research Credit Refund Claims* (September 17, 2021), available at <https://www.irs.gov/pub/irs-lafa/20214101f.pdf> (last visited Jan. 20, 2026).

⁵ *Id.*

⁶ Internal Revenue Service, *Research Credit Claims (Section 41) on Amended Returns Frequently Asked Questions*, available at <https://www.irs.gov/businesses/corporations/research-credit-claims-section-41-on-amended-returns-frequently-asked-questions#:~:text=The%20IRS%20provided%20a%20grace,Research%20Credit%20claims%20for%20refund.> (last visited Jan. 20, 2026).

⁷ Section 220.196(1)(c), F.S. “Qualified research expenses” is defined as research expenses qualifying for the credit under federal law for in-house research expenses incurred in Florida or contract research expenses incurred in Florida.

⁸ See 26 U.S.C. § 41(b). Credit for increasing qualified research; qualified research expenses.

⁹ “Base amount” means the average of the business’ qualified research expenses in Florida allowed under 26 U.S.C. s. 41 for the preceding 4 taxable years. Section 220.196(1)(a), F.S.

- Is a qualified target industry as defined in former s. 288.106(2)(n) (2022), F.S.,¹⁰ specifically manufacturing, life sciences, information technology, aviation and aerospace, homeland security and defense, cloud information technology, marine sciences, materials sciences, or nanotechnology.¹¹

The tax credit is 10 percent of the difference between the current tax year's R&D expenditures in Florida and the average of R&D expenditures over the previous four tax years. However, if the business has existed for fewer than four years, the credit amount is reduced by 25 percent for each year the business or its predecessor corporation did not exist.¹² The state tax credit taken in any taxable year may not exceed 50 percent of the company's remaining net corporate income tax liability under ch. 220, F.S., after all other credits to which the business is entitled have been applied.¹³ Any unused credits may be carried forward by the business for up to five years following the year in which the qualified research expenses were incurred.¹⁴

Currently, the maximum amount of R&D credits that may be approved by the Department of Revenue (DOR) during any calendar year is \$9 million. Applications for the credit may be filed with the DOR on or after March 20 and before March 27 for qualified research expenses incurred within the preceding calendar year. If the total amount of credits applied for exceeds the annual cap, credits are allocated on a prorated basis.¹⁵ Eligible taxpayers are notified of the amount of credit allocated to them and the year for which the credit may be claimed.

According to the DOR's 2025 R&D Allocation Report (the latest report available), for calendar year 2024, the DOR received 180 applications requesting a total of \$108,834,662 in credit. Of the 180 applications, 158 were approved, with the applicants receiving an allocation of the available \$9 million in credit. Each applicant received approximately 8.6 percent of the amount of credit determined in their applications. The 158 approved applications requested \$104,156,328 in credit.¹⁶

III. Effect of Proposed Changes:

SB 1076 amends s. 220.196, F.S., to increase the total amount of annual R&D credits available each calendar year from \$9 million to \$50 million in any calendar year, and provides that the increase first applies to the 2027 allocation of tax credits for expenses incurred in the 2026 calendar year.

The bill removes obsolete language relating to the 2018 calendar year.

The bill takes effect July 1, 2026.

¹⁰ A target industry business is defined as a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to criteria developed by the Department of Commerce. Former s. 288.106(2)(n), F.S. The Qualified Target Industry Tax Refund Program was repealed in 2023 by ch. 2023-173, Laws of Fla.

¹¹ See s. 220.196(2)(a)3., F.S.

¹² Section 220.196(2)(b), F.S.

¹³ Section 220.196(2)(c), F.S.

¹⁴ Section 220.196(2)(d), F.S.

¹⁵ Section 220.196(2)(e), F.S.

¹⁶ Department of Revenue, *Research and Development Tax Credit for Florida Corporate Income Tax, 2025 Allocation Report*, available at <https://floridarevenue.com/taxes/Documents/flCitRDCredit.pdf> (last visited Jan. 20, 2026).

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

The bill does not create or raise a state tax or fee. Therefore, the requirements of Art. VII, s. 19 of the Florida Constitution does not apply.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

The REC has not reviewed the bill; however, it reviewed a similar bill in 2025 and determined that it would reduce General Revenue receipts by \$41 million in Fiscal Year 2025-2026 and by \$41 million in future years.

B. Private Sector Impact:

Businesses with qualified research expenses that are eligible to receive an R&D tax credit may see a reduction in state corporate income taxes.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 220.196 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Calatayud

38-01235-26

20261076__

A bill to be entitled

An act relating to the research and development tax credit; amending s. 220.196, F.S.; increasing the combined total amount of tax credits which may be granted to business enterprises under the research and development tax credit; deleting an obsolete provision; providing applicability; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (e) of subsection (2) of section 220.196, Florida Statutes, is amended to read:

220.196 Research and development tax credit.—

(2) TAX CREDIT.—

(e) The combined total amount of tax credits which may be granted to all business enterprises under this section during any calendar year is \$50 \$9 million, ~~except that the total amount that may be awarded in the 2018 calendar year is \$16.5 million~~. Applications may be filed with the department on or after March 20 and before March 27 for qualified research expenses incurred within the preceding calendar year. If the total credits for all applicants exceed the maximum amount allowed under this paragraph, the credits must ~~shall~~ be allocated on a prorated basis.

Section 2. The amendment made by this act to s. 220.196, Florida Statutes, first applies to the 2027 allocation of tax credits for expenses incurred in calendar year 2026.

Section 3. This act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

To: Senator Thomas Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: January 13, 2026

I respectfully request that **Senate Bill #1076**, relating to Research and Development Tax Credit, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in cursive script that reads "Alexis Calatayud".

Senator Alexis Calatayud
Florida Senate, District 38

The Florida Senate

APPEARANCE RECORD

Deliver both copies of this form to
Senate professional staff conducting the meeting

1/21/2026

Meeting Date

1076

Bill Number or Topic

Commerce & Tourism

Committee

Amendment Barcode (if applicable)

Name

Colton Madill

Phone

850-766-7983

Address

136 S. Bronough St.

Street

Email

cmadilla@flcchamber.com

Tallahassee

City

FL

State

32301

Zip

Speaking:

☐

For

☐

Against

☐

Information

OR

Waive Speaking:

☒

In Support

☐

Against

PLEASE CHECK ONE OF THE FOLLOWING:

☐

I am appearing without
compensation or sponsorship.

☒

I am a registered lobbyist,
representing:

Florida Chamber of Commerce

☐

I am not a lobbyist, but received
something of value for my appearance
(travel, meals, lodging, etc.),
sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. [2020-2022 Joint Rules.pdf \(flsenate.gov\)](#)

This form is part of the public record for this meeting.

S-001 (08/10/2021)

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: CS/SB 1266

INTRODUCER: Commerce and Tourism Committee and Senator Calatayud

SUBJECT: Cybersecurity Internships

DATE: January 21, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Dike	McKay	CM	Fav/CS
2.			ATD	
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1266 creates the Cybersecurity Experiential Internship and Clearance Readiness Program within the Department of Commerce (department). Under the bill, the department must partner with the University of South Florida (USF) to expand its Florida Center for Cybersecurity program (Cyber Florida) to other universities and institutions in the state to increase the state's cybersecurity workforce. The bill outlines annual reporting requirements and appropriates funds for the department.

The bill takes effect July 1, 2026.

II. Present Situation:

NCAE-C Programs

The National Security Agency (NSA) launched the National Centers of Academic Excellence in 1999 to promote education and research in cybersecurity, produce professionals with cyber expertise[to] expand the cybersecurity workforce, and reduce vulnerabilities in national infrastructure.¹ The National Centers of Academic Excellence in Cybersecurity (NCAE-C) program is managed by the NSA's National Cryptologic School, alongside other federal

¹ Nat'l Ctr. of Acad. Excellence in Cybersecurity, *Program Book*, available at https://www.caecommunity.org/_files/ugd/fd9f4b_4248a3dadef84805adcc9d1a3bf78fd4.pdf (last visited Jan. 21, 2026).

partners.² To receive a designation under this program, institutions must complete validation of their programs of study.³

Academic institutions may choose from three designations under the NCAE:

- The cyber defense (CAE-CD) designation is awarded to regionally accredited schools offering cybersecurity degrees and certificates.
- The cyber research (CAE-R) designation is awarded to DoD schools, military academies with PhD programs, and other institutions with specific doctoral programs.
- The cyber operations (CAE-CO) designation applies to technical higher education programs focused on computer science, computer engineering, and/or electrical engineering.⁴

As of February 2024, NCAE had over “480 designated institutions across 48 states, the District of Columbia, and Puerto Rico. There are 153 associate programs and degrees, 243 Cyber Defense bachelors and graduate programs, 20 Cyber Operations bachelors and graduate programs, and 80 institutions hold the Research designation.”⁵

The following Florida institutions hold one of the three designations:

- Florida Agricultural and Mechanical University;
- Florida Atlantic University;
- Florida Memorial University;
- Florida State University;
- Eastern Florida State College;
- University of Central Florida;
- University of Florida;
- University of North Florida;
- University of South Florida;
- University of West Florida (UWF);
- Florida Institute of Technology;
- Florida International University;
- Jacksonville University;
- Miami Dade College;
- Nova Southeastern University;
- Pensacola State College; and
- St. Petersburg College.⁶

² Nat’l Sec. Agency, *National Centers of Academic Excellence in Cybersecurity*, available at <https://www.nsa.gov/Academics/Centers-of-Academic-Excellence/> (last visited Jan. 21, 2026).

³ *Id.*

⁴ *Id.*

⁵ Nat’l Ctr. of Acad. Excellence in Cybersecurity, *supra* note 1.

⁶ *Id.*

CompTIA Security+ Certification

The Computing Technology Industry Association (CompTIA) is one of the biggest providers of IT certifications worldwide.⁷ A CompTIA Security+ certification is “a global certification exam that validates the baseline skills you need to perform core security functions and pursue an IT career.”⁸ The program focuses on preventing cyber-attacks, understanding organizational security, using cryptographic standards and products, configuring security technologies, understanding wireless and remote access security, identifying coding vulnerabilities, and more.⁹

Cyber Florida Pilot Program

In 2014, the Legislature created Cyber Florida in s. 1004.444, F.S., within USF to make Florida a national leader in cybersecurity and expand the state cybersecurity workforce. The goals of Cyber Florida include creating jobs in the state’s cybersecurity industry, facilitating research and development initiatives with, forming partnerships with major military installations, attracting cybersecurity companies to Florida, and sharing cybersecurity knowledge, resources, and training.¹⁰

In 2024, the Legislature updated s. 1004.444, F.S., allowing Cyber Florida to assist any state-funded initiatives that relate to: (1) cybersecurity training, professional development, and education for state and local government employees, and (2) increasing the cybersecurity effectiveness of the state and local government technology platforms and infrastructure.

As part of this pilot at USF, Cyber Florida hosts:

- The Aligned Realistic Cyberattack Simulation (ARCS) Range, which provides cyber and IT training for Florida public sector employees.¹¹
- Firstline, which provides public sector training in cybersecurity.¹²
- The Critical Infrastructure Program, which provides free access to cybersecurity risk assessments and resources for specific organizations.¹³
- Operation K12, to include cybersecurity education in K-12 classrooms across the state with lesson plans, labs, and more.¹⁴
- CyberWorks, to provide cybersecurity training with a focus on transitioning veterans, military spouses, first responders, and career-changers.¹⁵
- CyberHub, an online platform with free tools and education resources, including a protected online laboratory for students and researchers to investigate software without compromising the security of other devices.¹⁶

⁷ CompTIA, *What Is CompTIA Security+ Certification?*, available at <https://www.comptia.org/en-us/blog/what-is-comptia-security-certification/> (last visited Jan. 21, 2026).

⁸ *Id.*

⁹ *Id.*

¹⁰ Cyber Florida, *Our Mission*, available at <https://cyberflorida.org/about/> (last visited Jan. 21, 2026).

¹¹ Cyber Florida, *The ARCS Range*, available at <https://cyberflorida.org/arcs-range/> (last visited Jan. 21, 2026).

¹² Cyber Florida, *Firstline*, available at <https://cyberflorida.org/firstline/> (last visited Jan. 21, 2026).

¹³ Cyber Florida, *Critical Infrastructure Program*, available at <https://cyberflorida.org/cip/> (last visited Jan. 21, 2026).

¹⁴ Cyber Florida, *Operation K12*, available at <https://cyberflorida.org/opk12/> (last visited Jan. 21, 2026).

¹⁵ Cyber Florida, *CyberWorks*, available at <https://cyberflorida.org/cyberworks/> (last visited Jan. 21, 2026).

¹⁶ Cyber Florida, *CyberHub*, available at <https://cyberflorida.org/florida-cyberhub/> (last visited Jan. 21, 2026).

- The Security Operations Center Apprentice Program (SOCAP), which is a paid internship program for USF students studying cybersecurity.¹⁷
- PhaseZero, which fills critical gaps in funding for cybersecurity entrepreneurs and fosters research partnerships.¹⁸
- The Cybersecurity and Information Technology Pathways Program, partnered with the Florida Department of Education, to fund projects which prepared students for cybersecurity and IT jobs.¹⁹
- The NIST Ramps Program, which partners with organizations and laboratories to provide students with hands-on training.²⁰

At UWF, the pilot program hosts workforce development and community outreach programs, including:

- The National Cybersecurity Workforce Development Program, CyberSkills2Work, which provides free education and career development for eligible transitioning military, first responders, veterans, military spouses, and government personnel.²¹
- The UWF Florida Cybersecurity Training Program, which provides free training for eligible university, college, K-12, state, county, and city employees.²²
- The UWF Cyber Skills Exercise, an intensive cybersecurity one-day training program eligible transitioning military members, first responders, veterans, military spouses, and State, Local, Tribal, and Territorial (SLTT) government personnel.²³
- The Cybersecurity Education in Critical Infrastructure Protection (CECIP) Project, which develops training courses with hands-on, laboratory experiences to offer workforce development certificates.²⁴
- GenCyber Experience Camps, which provide K-12 students and teachers with introductory cybersecurity education.²⁵
- Cybersecurity Ambassadors, which sends UWF students to K-12 schools in Northwest Florida to teach cybersecurity expertise and awareness.²⁶
- CyberPatriot, which is a cybersecurity competition for middle and high school students.²⁷
- The 502 Project, partnered with other Florida higher education institutions, which connects high school students with professional mentors and teaches them new cybersecurity skills.²⁸

¹⁷ Cyber Florida, *SOCAP*, available at <https://cyberflorida.org/socap/> (last visited Jan. 21, 2026).

¹⁸ Cyber Florida, *phaseZero*, available at <https://cyberflorida.org/phasezero/> (last visited Jan. 21, 2026).

¹⁹ Cyber Florida, *Cyber/IT Pathways*, available at <https://cyberflorida.org/pathways/> (last visited Jan. 21, 2026).

²⁰ Cyber Florida, *NIST Ramps Program*, available at <https://cyberflorida.org/nist-ramps-program/> (last visited Jan. 21, 2026).

²¹ UWF, *Center for Cybersecurity*, available at <https://uwf.edu/centers/center-for-cybersecurity/> (last visited Jan. 21, 2026) (“The University of West Florida Center for Cybersecurity has been awarded a \$9.6 million grant from the U.S. Department of War CIO Cyber Academic Engagement Office to expand the National Cybersecurity Workforce Development Program. The program will prepare over 4,688 professionals over the next two years for 24 industry certifications and 41 emerging cybersecurity and AI work roles through 62 new educational pathways.”).

²² *Id.*

²³ *Id.* (“These exercises are part of the National Cybersecurity Workforce Development Program, CyberSkills2Work®, and funded by the Cybersecurity and Infrastructure Security Agency (CISA)”).

²⁴ *Id.*

²⁵ UWF Center for Cybersecurity, *Community Outreach*, available at <https://uwf.edu/centers/center-for-cybersecurity/community-outreach/> (last visited Jan. 21, 2026).

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

- ITEN Wired, which is a cybersecurity and IT conference for industry leaders, educators, entrepreneurs.²⁹
- Women in CyberSecurity, which is a Florida affiliate group supporting the recruitment, retention, and advancement of women in cybersecurity.³⁰

III. Effect of Proposed Changes:

Findings

Section 1 creates s. 1004.0983, F.S., explaining that two successful pilot programs at USF and the University of West Florida demonstrated the feasibility and effectiveness of combining cybersecurity internships, federal security clearance readiness, and CompTIA Security+ certification as critical elements of workforce development for students.

Cybersecurity Program

In subsection (3), the bill creates the Cybersecurity Experiential Internship and Clearance Readiness Program (program) within the department. The department must enter into an agreement with Cyber Florida to implement the program with all NCAE-C-designated state universities and Florida College system institutions.

Under subsection (4) of the bill, the program must:

- Increase the number of experiential cyber risk analyst internships statewide;
- Provide intern-supporting organizations with prioritized analytics, reporting, and risk mitigation action plans to enhance cyber resilience;
- Implement a federal security clearance readiness curriculum;
- Provide CompTIA Security+ certification training and examination;
- Coordinate with government and private sector partners to place graduates in high-demand cybersecurity roles; and
- Provide access to datasets for statewide cyber assessments, research, and development.

Beginning in 2026-2027, the bill mandates the program must be available at all current NCAE-C-designated state universities and institutions. The bill states that its provisions expire on October 1, 2031.

Reporting

Beginning January 1, 2027, and each subsequent year through 2032, the department must submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must include:

- The number of students participating at each institution;
- The number of students who earned CompTIA Security+ certification;
- The number of students who have completed internship and clearance readiness milestones;

²⁹ *Id.*

³⁰ *Id.*

- The number of students who subsequently entered federal, state, or private sector cybersecurity jobs requiring federal public trust or national security clearance;
- Available data on the aforementioned jobs; and
- Recommendations for program improvements, including potential integration with other state workforce initiatives.

Effective Date

The bill sets forth an effective date of July 1, 2026.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Indeterminate. There may be increased costs for institutions of higher education to implement this bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 1004.0983 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Commerce and Tourism Committee on January 21, 2026:

The amendment removes the section appropriating \$11.9 million to the Department of Commerce to implement the bill.

B. Amendments:

None.



633256

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/21/2026	.	
	.	
	.	
	.	

The Committee on Commerce and Tourism (Calatayud) recommended the following:

Senate Amendment (with title amendment)

Delete lines 120 - 124.

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete line 19

and insert:

expiration of the program;

By Senator Calatayud

38-01408A-26

20261266

A bill to be entitled

An act relating to cybersecurity internships; creating s. 1004.0983, F.S.; providing legislative findings; providing legislative intent; creating the Cybersecurity Experiential Internship and Clearance Readiness Program within the Department of Commerce; requiring the department to enter into an agreement with the Florida Center for Cybersecurity (Cyber Florida) to implement the program in collaboration with specified universities and institutions; requiring that the program include specified components; requiring that the program be available at specified universities and institutions beginning in a specified academic year; requiring the department, using data and analyses provided by Cyber Florida, to submit a report by a specified date and annually thereafter to the Governor and the Legislature; providing requirements for the report; providing for expiration of the program; providing an appropriation; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 1004.0983, Florida Statutes, is created to read:

1004.0983 Cybersecurity Experiential Internship and Clearance Readiness Program.—

(1) (a) The Legislature finds that this state's cybersecurity workforce is essential to state and national

Page 1 of 5

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

38-01408A-26

20261266

security, multi-sector state economic resilience, and the protection of critical infrastructure. The Legislature also finds that this state has a persistent shortfall in its supply of qualified cybersecurity professionals relative to the workforce demand and that the growing integration of digital technologies in all economic sectors will exacerbate this workforce gap in the future.

(b) The Legislature further finds that the elements of the program described in this section were successfully tested and refined in two pilot programs: an experiential cyber internship program with the University of South Florida and a combined security clearance readiness and cyber certification program with the University of West Florida. Both schools are designated as National Security Agency National Centers of Academic Excellence in Cybersecurity (NCAE-C). The successful pilot programs demonstrated the feasibility and effectiveness of combining cybersecurity experiential internships, federal security clearance readiness preparation, and CompTIA Security+ certification for students as critical elements of workforce development.

(c) The Legislature further finds that expansion of this program statewide to all NCAE-C-designated state universities and Florida College System institutions will accelerate the development of a highly qualified, clearance-ready cybersecurity workforce. This expanded capacity to develop a more qualified cybersecurity workforce is necessary to both close existing gaps and keep pace with the growth in demand for cybersecurity talent within this state.

(2) (a) The Legislature intends to establish the

Page 2 of 5

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38-01408A-26 20261266

Cybersecurity Experiential Internship and Clearance Readiness Program across all NCAE-C-designated state universities and Florida College System institutions, beginning with the 2026-2027 academic year.

(b) The Legislature further intends to sustain the program through the 2030-2031 academic year and establish clear metrics and reporting requirements to measure the impact on this state's workforce and national security posture.

(3) The Cybersecurity Experiential Internship and Clearance Readiness Program is created within the Department of Commerce. The department shall enter into an agreement with the Florida Center for Cybersecurity (Cyber Florida) at the University of South Florida, to implement the program in collaboration with all NCAE-C-designated state universities and Florida College System institutions.

(4) The program shall include all of the following components:

(a) Increasing the number of experiential cyber risk analyst internships statewide by using an instrumented platform of automated assessments with employers based in this state in the defense, finance, health care, transportation, utility, and critical infrastructure sectors.

(b) Providing intern-supporting organizations with actionable, prioritized analytics, reporting, and risk mitigation action plans to enhance cyber resilience across this state.

(c) Delivering a federal security clearance readiness curriculum, including comprehensive background checks preparation, national security information and protection

38-01408A-26 20261266

training, clearance application preparation and vetting, and mentoring for selected participants.

(d) Providing CompTIA Security+ certification training and examination for selected participants.

(e) Coordinating with state, federal, and private sector partners to facilitate placement of graduates in high-demand cybersecurity roles.

(f) Providing access to datasets for statewide cyber assessments, research, and development.

(5) Beginning in the 2026-2027 academic year, the program must be available at all currently NCAE-C-designated state universities and Florida College System institutions.

(6) (a) Beginning January 1, 2027, and annually thereafter through January 1, 2032, the department, using data and analyses provided by Cyber Florida as required by the agreement under subsection (3), shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

(b) The report must include all of the following:

1. The number of students participating in internships, clearance readiness preparation, and CompTIA Security+ certification programs at each institution.

2. The number of students who have earned CompTIA Security+ certification and the number of students who have completed internship and clearance readiness milestones.

3. The number of students who subsequently reported entering federal, state, or private sector cybersecurity positions requiring a federal public trust or national security clearance, and any available data on those positions.

38-01408A-26

20261266

117 4. Recommendations for program improvements, including
118 potential integration with other state workforce initiatives.
119 (7) This section expires October 1, 2031.
120 Section 2. Beginning in the 2026-2027 fiscal year, the sum
121 of \$11.9 million in recurring funds is appropriated from the
122 General Revenue Fund to the Department of Commerce to establish
123 the Cybersecurity Experiential Internship and Clearance
124 Readiness Program.
125 Section 3. This act shall take effect July 1, 2026.



The Florida Senate

Committee Agenda Request

To: Senator Thomas Leek, Chair
Committee on Commerce and Tourism

Subject: Committee Agenda Request

Date: January 13, 2026

I respectfully request that **Senate Bill #1266**, relating to Cybersecurity Internships, be placed on the:

- ☐ committee agenda at your earliest possible convenience.
- ☒ next committee agenda.

A handwritten signature in black ink that reads "Alexis Calatayud".

Senator Alexis Calatayud
Florida Senate, District 38