

<b>Tab 1</b>	<b>SB 198</b> by <b>Rouson</b> ; Similar to CS/H 00505 Virtual Currency Kiosks					
695850	D	S	RS	BI, Rouson	Delete everything after	01/29 01:17 PM
959472	SD	S	RCS	BI, Rouson	Delete everything after	01/29 01:17 PM
<b>Tab 2</b>	<b>SB 570</b> by <b>Polsky</b> ; Similar to H 00195 Task Force on Payment Scams					
286164	A	S	RCS	BI, Polsky	Delete L.63 - 67:	01/29 01:17 PM
<b>Tab 3</b>	<b>SB 772</b> by <b>Burgess</b> ; Similar to CS/H 00645 Limited Licenses for Portable Electronics and Eyewear Insurance					
668782	D	S	RCS	BI, Burgess	Delete everything after	01/29 01:17 PM
<b>Tab 4</b>	<b>SB 808</b> by <b>Simon</b> ; Identical to H 00815 Roofing Requirements for Property Insurance					
152950	A	S	RCS	BI, Gruters	Delete L.44 - 188:	01/29 01:17 PM
<b>Tab 6</b>	<b>SB 1040</b> by <b>Gruters</b> ; Compare to H 01039 Trust Funds/Florida Cryptocurrency Reserve					
422262	A	S	RCS	BI, Gruters	Delete L.12 - 36:	01/29 01:17 PM
<b>Tab 7</b>	<b>SB 1286</b> by <b>Wright</b> ; Similar to H 01129 First Responders					
<b>Tab 8</b>	<b>SB 1440</b> by <b>Martin</b> ; Identical to H 00777 Public Records/Office of Financial Regulation/Cybersecurity Event					
960882	A	S	RCS	BI, Martin	Delete L.252 - 332:	01/29 01:17 PM
<b>Tab 9</b>	<b>SB 1504</b> by <b>Calatayud</b> ; Similar to H 01343 Insurance Customer Representative Licensing Qualifications					
183588	A	S	RCS	BI, Calatayud	Delete L.40 - 49:	01/29 01:17 PM
<b>Tab 10</b>	<b>SB 1668</b> by <b>Burton</b> ; Similar to H 01291 Florida Birth-Related Neurological Injury Compensation Association					

**The Florida Senate**  
**COMMITTEE MEETING EXPANDED AGENDA**

**BANKING AND INSURANCE**  
**Senator Gruters, Chair**  
**Senator Sharief, Vice Chair**

**MEETING DATE:** Wednesday, January 28, 2026

**TIME:** 10:30 a.m.—12:30 p.m.

**PLACE:** *Pat Thomas Committee Room, 412 Knott Building*

**MEMBERS:** Senator Gruters, Chair; Senator Sharief, Vice Chair; Senators Boyd, Burton, Hooper, Martin, Osgood, Passidomo, Pizzo, and Truenow

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	<b>SB 198</b> Rouson (Identical H 505)	<p>Virtual Currency Kiosks; Requiring an owner or operator of a virtual currency kiosk to ensure that a specified disclosure is displayed before a customer initiates a virtual currency kiosk transaction; prohibiting an owner or operator of a virtual currency kiosk from permitting new and existing customers from transacting more than a specified amount per calendar day; requiring an owner or operator of a virtual currency kiosk to provide a customer with a specified electronic receipt upon completion of a virtual currency transaction, etc.</p> <p>BI      01/28/2026 Fav/CS CM RC</p>	Fav/CS Yea 10 Nays 0
2	<b>SB 570</b> Polsky (Similar H 195)	<p>Task Force on Payment Scams; Creating the Task Force on Payment Scams adjunct to the Department of Financial Services; defining the terms "payment" and "task force"; requiring the Chief Financial Officer to establish the task force by a specified date; providing for future repeal and legislative review of the task force, etc.</p> <p>BI      01/28/2026 Fav/CS AEG FP</p>	Fav/CS Yea 10 Nays 0
3	<b>SB 772</b> Burgess (Identical H 645)	<p>Limited Licenses for Portable Electronics and Eyewear Insurance; Renaming "portable electronics insurance" as "portable electronics and eyewear insurance" to include eyewear for purposes of insurance coverage and licenses; defining the term "eyewear", etc.</p> <p>BI      01/28/2026 Fav/CS AEG RC</p>	Fav/CS Yea 10 Nays 0

**COMMITTEE MEETING EXPANDED AGENDA**

Banking and Insurance

Wednesday, January 28, 2026, 10:30 a.m.—12:30 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
4	<b>SB 808</b>	Roofing Requirements for Property Insurance; Revising the definition of the term "authorized inspector" to include certain roof consultants and roof observers; prohibiting an insurer from refusing to issue or renew a property insurance policy, rather than a homeowner's policy, insuring a residential structure that has a roof less than a specified age solely because of the roof's age; prohibiting an insurer from refusing to issue or renew a property insurance policy under certain circumstances, etc.	Temporarily Postponed
	Simon (Identical H 815)	BI 01/28/2026 Temporarily Postponed RI RC	
5	<b>SB 1038</b>	Florida Strategic Cryptocurrency Reserve; Authorizing the Chief Financial Officer to take certain actions in administering and managing the Florida Strategic Cryptocurrency Reserve; authorizing payment of the reasonable cost of administering and managing the reserve from a specified source; authorizing the Chief Financial Officer to purchase cryptocurrency for the reserve only if a specified condition is met; creating the Florida Strategic Cryptocurrency Reserve Advisory Committee for a specified purpose, etc.	Fav/CS Yea 10 Nays 0
	Gruters (Similar H 1039, Linked S 1040)	BI 01/28/2026 Fav/CS AEG AP	
6	<b>SB 1040</b>	Trust Funds/Florida Cryptocurrency Reserve; Creating the Florida Cryptocurrency Reserve, a trust fund, within the office of the Chief Financial Officer; providing for the source of funds and the purpose of the reserve; providing for future review and termination or re-creation of the reserve, etc.	Fav/CS Yea 10 Nays 0
	Gruters (Compare H 1039, Linked S 1038)	BI 01/28/2026 Fav/CS AEG AP	
7	<b>SB 1286</b>	First Responders; Renaming the Florida Law Enforcement Recruitment Bonus Payment Program as the Florida Law Enforcement Officer and Firefighter Recruitment Bonus Payment Program; authorizing the Chief Financial Officer to appoint review panels to assist in reviewing grants; creating, subject to appropriation, the Institute for Posttraumatic Stress Disorder within the Department of Financial Services for a specified purpose, etc.	Favorable Yea 10 Nays 0
	Wright (Similar H 1129)	BI 01/28/2026 Favorable AEG FP	

**COMMITTEE MEETING EXPANDED AGENDA**

Banking and Insurance

Wednesday, January 28, 2026, 10:30 a.m.—12:30 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
8	<b>SB 1440</b> Martin (Identical H 777, Compare CS/H 381, Linked CS/S 540)	Public Records/Office of Financial Regulation/Cybersecurity Event; Providing an exemption from public records requirements for information received by the Office of Financial Regulation pursuant to certain cybersecurity event provisions relating to information systems and customer information of loan originators, mortgage brokers, and mortgage lenders and for information received by the office as a result of investigations and examinations of such cybersecurity events; providing an exemption from public records requirements for information received by the office pursuant to certain cybersecurity event provisions relating to information systems and customer information of money services businesses and for information received by the office as a result of investigations and examinations of such cybersecurity events; providing for future legislative review and repeal of the exemption; providing a statement of public necessity, etc.	Fav/CS Yea 10 Nays 0
		BI 01/28/2026 Fav/CS AEG RC	
9	<b>SB 1504</b> Calatayud (Similar H 1343)	Insurance Customer Representative Licensing Qualifications; Revising the qualifications for applicants for a license as an insurance customer representative, etc.	Fav/CS Yea 10 Nays 0
		BI 01/28/2026 Fav/CS AEG RC	
10	<b>SB 1668</b> Burton (Similar H 1291)	Florida Birth-Related Neurological Injury Compensation Association; Requiring the agency to recover the full amount of medical assistance from the neurological injury compensation association; revising the exclusiveness of remedy under the Florida Birth-Related Neurological Injury Compensation Plan; requiring compensation for the costs of major medical health coverage; exempting expenses for professional custodial care in certain circumstances; requiring the association to submit quarterly estimates, etc.	Favorable Yea 9 Nays 1
		BI 01/28/2026 Favorable AEG RC	

Other Related Meeting Documents

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 Banking and Insurance

BILL: CS/SB 198

INTRODUCER: Banking and Insurance Committee and Senator Rouson

SUBJECT: Virtual Currency Kiosks

DATE: January 29, 2026      REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Moody	Knudson	BI	<u>Fav/CS</u>
2.		CM	
3.		RC	

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

**I. Summary:**

CS/SB 198 establishes a regulatory framework for virtual currency kiosks and protects users of kiosks by:

- Requiring a virtual currency kiosk business (except licensed money transmitters) to comply with registration requirements.
- Requiring that virtual currency kiosks must:
  - Ask each customer the amount of any of the customer's other virtual currency transactions conducted the same calendar day; and
  - Provide a notice to customers that fraud that begins with contact from strangers lying about their identity.
- Restricting the total dollar amount of all transactions per customer each calendar day to \$2,000 for new customers and \$10,000 for existing customers.
- Requiring a customer to be provided with an electronic receipt.
- Requiring a full refund in specified circumstances.

The bill has an indeterminate fiscal impact on state government expenditures. *See Section V. Fiscal Impact Statement.*

The bill is effective January 1, 2027.

## II. Present Situation:

A virtual currency kiosk, also known as a cryptocurrency kiosk or a Bitcoin automatic teller machine (ATM), is a physical machine that enables customers to exchange virtual currencies for fiat currency or other virtual currencies.<sup>1</sup> As of January 2026, there are over 30,000 virtual currency kiosks in the United States.<sup>2</sup> Consumers are typically charged fees between 9 percent and 12 percent of the value of the transaction but such fees may range from four percent to greater than 20 percent of the value of a transaction.<sup>3</sup>

A virtual currency kiosk may be unidirectional, only allowing the sale of virtual currency, or bidirectional, allowing for both the sale and purchase of virtual currency.<sup>4</sup> To purchase virtual currency from a kiosk, a consumer may store the purchased virtual currency in their own wallet or send the currency to a third party's wallet if the purchaser has a quick response (QR) code to that person's wallet.<sup>5</sup> To sell virtual currency from a kiosk, a user deposits virtual currency into the machine's wallet, which is usually done by use of a QR code displayed on the kiosk's screen, and the kiosk dispenses cash when the transaction is completed.<sup>6</sup>

## Federal Regulation

The Financial Crimes Enforcement Network (“FinCEN”), a bureau of the United States Department of Treasury,<sup>7</sup> is responsible for safeguarding the financial system from illegal use, combatting money laundering and related crimes, and promoting national security.<sup>8</sup> Unless an exception applies, a money services business<sup>9</sup> (MSB) must register with FinCEN.<sup>10</sup> A MSB registration period is a two-calendar-year period.<sup>11</sup> Any person who fails to comply with the registration requirements is liable for a civil penalty of \$5,000 for each violation.<sup>12</sup> A MSB must develop, implement, and maintain an anti-money laundering program, which includes, amongst other things, verifying customer identification.<sup>13</sup> A MSB must also comply with anti-money laundering reporting requirements, such as reporting certain payment transactions by, through, or to the MSB which involves a transaction more than \$10,000.<sup>14</sup>

<sup>1</sup> National Association of Attorneys General, *Your Bitcoin on Every Block: An Introduction to Cryptocurrency Kiosks*, May 4, 2022, available at [Your Bitcoin on Every Block: An Introduction to Cryptocurrency Kiosks \(naag.org\)](https://www.naag.org/your-bitcoin-on-every-block-an-introduction-to-cryptocurrency-kiosks) (last visited Jan. 14, 2026) (hereinafter cited as “Attorneys General Article on Cryptocurrency Kiosks”).

<sup>2</sup> Coin ATM Radar, *Bitcoin ATM Installations Growth (United States)*, available at [Bitcoin ATM Installation Growth in United States](https://www.coinatmradar.com/bitcoin-atm-installations-growth-united-states) (last visited Jan. 14, 2026).

<sup>3</sup> Attorneys General Article on Cryptocurrency Kiosks

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> 31 C.F.R. s. 1010.100(s).

<sup>8</sup> The U.S. Treasury Financial Crimes Enforcement Network, *Financial Crimes Enforcement Network: Mission*, available at [Mission | FinCEN.gov](https://www.fincen.gov/mission) (last visited Jan. 14, 2026).

<sup>9</sup> “Money services business” is defined as a person wherever located doing business, whether or not on a regular basis or as an organized or licensed business concern, wholly or in substantial part within the United States, in one or more of the capacities specified under federal law. 31 C.F.R. s. 1010.100(ff).

<sup>10</sup> 31 C.F.R. s. 1022.380(a).

<sup>11</sup> 31 C.F.R. s. 1022.380(b).

<sup>12</sup> 31 C.F.R. s. 1022.380(e) (providing that each day a violation continues constitutes a separate violation).

<sup>13</sup> 31 C.F.R. s. 1022.210.

<sup>14</sup> 31 C.F.R. s. 1010.311.

FinCEN has issued guidance that, unless an exception applies, an administrator<sup>15</sup> or exchanger<sup>16</sup> that: (a) accepts or transmits, or (b) buys or sells, virtual currency<sup>17</sup> is a money transmitter that are subject to money services business registration, reporting, and recordkeeping requirements.<sup>18</sup> Therefore, FinCEN treats virtual currency kiosk operators as MSBs, subject to registration regulations.<sup>19</sup> Notwithstanding this requirement, the United States Government Accountability Office (“GAO”) reports that only 164 of the estimated 297 kiosk operators in the United States were registered in 2020, which has contributed to federal agencies, such as FinCEN, facing challenges in identifying virtual currency kiosk locations.<sup>20</sup>

## Florida Regulation of Money Services Businesses

The Florida Office of Financial Regulation (OFR) is responsible for all activities of the Financial Services Commission (Commission) relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry.<sup>21</sup>

### Money Services Businesses

As part the OFR’s responsibilities, the OFR oversees MSBs. As of January 2025, there were a total of 663 MSBs licensed by the OFR with an additional 42,846 authorized locations and branches.<sup>22</sup> A MSB includes any person located or doing business in Florida who acts as,

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<sup>15</sup> “Administrator” is defined as “a person engaged as a business in issuing (putting into circulation) a virtual currency, and who has the authority to redeem (to withdraw from circulation) such virtual currency.” The U. S. Treasury FinCEN, *Application of FinCEN’s Regulations to Persons Administering, Exchanging, or Using Virtual Currencies*, Mar. 18, 2013, available at [Application of FinCEN’s Regulations to Persons Administering, Exchanging, or Using Virtual Currencies | FinCEN.gov](https://www.fincen.gov) (last visited Jan. 14, 2026) (hereinafter cited as “FinCEN Guidance on Persons Administering, Exchanging, or Using Virtual Currency”).

<sup>16</sup> “Exchanger” is defined as “a person engaged as a business in the exchange of virtual currency for real currency, funds, or other virtual currency.” *Id.*

<sup>17</sup> “Virtual Currency” is defined “as a medium of exchange that operates like a currency in some environments, but does not have all of attributes of real currency.” “Convertible” virtual currency has an equivalent value in real currency, or acts as a substitute for real currency. *Id.*

<sup>18</sup> FinCEN Guidance on Persons Administering, Exchanging, or Using Virtual Currency. “Money transmitter” is defined as “a person who provides money transmitter services, which means the acceptance of currency, funds, or other value that substitutes for currency from one person and the transmission of currency, funds, or other value that substitutes for currency to another location or person by any means.” “Any means” includes, but is not limited to, “a financial agency or institution, a Federal Reserve Bank, an electronic funds transfer network, or an informal value transfer system.”

31 C.F.R. s. 1010.100(ff)(5)(A).

<sup>19</sup> *Id.*; See also Article on US GAO Urges New Virtual Currency Regulations.

<sup>20</sup> The GAO, *Virtual Currencies Additional Information Could Improve Federal Agency Efforts to Counter Human and Drug Trafficking [Reissued with Revisions Feb. 7, 2022]*, GAO-22-105462, Published: Dec. 8, 2021, Publicly Released: Jan. 10, 2022, available at <https://www.gao.gov/products/gao-22-105462> (last visited Jan. 14, 2026).

<sup>21</sup> Section 20.121(3)(a)2., F.S.

<sup>22</sup> Email from Jason Holloway, Director of Fintech Policy, OFR to Jacqueline Moody, Florida Senate Committee on Banking and Insurance, Senior Attorney, *Re: SB 292 – Virtual Currency Kiosk*, (Mar. 18, 2025) (on file with the Senate Committee on Banking and Insurance).

amongst other things, a money transmitter.<sup>23,24</sup> Money transmitters reported \$591,129,248,691 in transmissions during the Fiscal Year 2024-2025.<sup>25</sup>

Licenses issued to MSBs are valid until April 30 of the second year following the date of issuance and are valid for two years.<sup>26</sup> A MSB that does not renew its license by April 30 of their expiration year are deemed inactive and, if the license is not reactivated within 60 days, the license will permanently expire.<sup>27</sup> An MSB must submit any application required by rule and pay the renewal or reactivation fee online via the Regulatory Enforcement and Licensing (REAL) System to renew or reactivate a license.<sup>28</sup>

Once licensed, an MSB is required to report any change in control persons.<sup>29,30</sup> If any person, directly or indirectly or acting by or through one or more persons, proposes to purchase or acquire a controlling interest in an MSB, such person or group must submit a new application for licensure at least 30 days before such purchase or acquisition.<sup>31</sup> Such a change of control application is not required where the person or group of persons has previously complied with applicable licensing provisions, provided that they are currently affiliated with the MSB, or where the person or group of persons is currently licensed with the OFR as an MSB.<sup>32</sup> A change

<sup>23</sup> Section 560.103(24), F.S. defines “money transmitter” as corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in Florida which receives currency, monetary value, a payment instrument, or virtual currency<sup>23</sup> for the purpose of acting as an intermediary to transmit currency, monetary value, a payment instrument, or virtual currency from one person to another location or person by means, including transmission by wire, facsimile, electronic transfer, courier, the Internet, or through bill payment services or other businesses that facilitate such transfer within this country, or to or from this country. The term includes only an intermediary that can unilaterally execute or indefinitely prevent a transaction.

<sup>24</sup> Section 560.103(23), F.S.

<sup>25</sup> Email from Jason Holloway, Director of Fintech Policy, OFR to Jacqueline Moody, Florida Senate Committee on Banking and Insurance, Senior Attorney, *Re: SB 198 – Virtual Currency*, (Jan. 15, 2026) (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as “OFR Email Re: SB 198”).

<sup>26</sup> Section 560.141(2), F.S.

<sup>27</sup> Section 560.142(4), F.S.

<sup>28</sup> Section 560.142(1), F.S.

<sup>29</sup> Section 560.103(10), F.S., defines “Control person,” with respect to a money services business, as any of the following: (a) A person who holds the title of president, treasurer, chief executive officer, chief financial officer, chief operations officer, chief legal officer, or compliance officer for a money services business; (b) A person who holds any of the officer, general partner, manager, or managing member positions named in the money services business’s governing documents. As used in this paragraph, the term “governing documents” includes bylaws, articles of incorporation or organization, partnership agreements, shareholder agreements, and management or operating agreements; (c) A director of the money services business’s board of directors; (d) A shareholder in whose name shares are registered in the records of a corporation for profit, whether incorporated under the laws of this state or organized under the laws of any other jurisdiction and existing in that legal form, who owns 25 percent or more of a class of the company’s equity securities; (e) A general partner or a limited partner, as those terms are defined in s. 620.1102, F.S., who has a 25 percent or more transferable interest, as defined in s. 620.1102, F.S., of a limited partnership, limited liability limited partnership, foreign limited partnership, or foreign limited liability limited partnership, as those terms are defined in s. 620.1102, F.S. (f) A member, who is a person that owns a membership interest in a limited liability company or a foreign limited liability company, as those terms are defined in s. 605.0102(36) and (26), F.S., respectively, that holds a 25 percent or more membership interest in such company. As used in this subsection, the term “membership interest” means a member’s right to receive distributions or other rights, such as voting rights or management rights, under the articles of organization; (g) A natural person who indirectly owns 25 percent or more of the shares or stock interest, transferable interest as defined in s. 620.1102, F.S., or membership interest as defined in paragraph (f), of any legal entities referred to in paragraphs (d)-(f).

<sup>30</sup> Section 560.126(3), F.S.

<sup>31</sup> Section 560.126(3)(a), F.S.; r. 69v-560.201(4), F.A.C.

<sup>32</sup> Section 560.126(3)(c), F.S.; r. 69v-560.201(6), F.A.C.

of control application must be accompanied by the payment of an initial licensing fee<sup>33</sup> and a fee per branch or authorized vendor,<sup>34</sup> up to a maximum of \$20,000.<sup>35</sup>

The OFR has enforcement authority against MSBs for violating any state law relating to the detection and prevention of money laundering.<sup>36</sup>

### ***Virtual Currency Kiosk Businesses***

The OFR reports that there are currently 39 known operators and a total of 3178 known kiosks in Florida.<sup>37</sup> Under current Florida law, an operator of a virtual currency kiosk that falls within the definition of a money transmitter is required to be licensed as a MSB. Florida does not have a separate regulatory regime for virtual currency businesses or virtual currency kiosk businesses.

The OFR reports that the Federal Bureau of Investigation (FBI) and the Federal Trade Commission (FTC) have received complaints from Florida of alleged victim losses related to virtual currency kiosks totaling about \$33 million<sup>38</sup> to approximately 1,739 Florida victims from January 2020 to March 2025.<sup>39</sup> Since January 2024, the OFR has opened approximately 75 investigations regarding approximately \$1.8 million relating to virtual currency kiosk losses.<sup>40</sup>

### **Other States' Laws**

Over ten states have passed laws regulating virtual currency kiosks.<sup>41</sup> All of the states that regulate kiosks have requirements for operators of the kiosks to be licensed or registered,<sup>42</sup> except Colorado and Iowa.<sup>43</sup> All of them have consist of all or some<sup>44</sup> of the following provisions that require:

<sup>33</sup> Fees are determined by whether the MSB is licensed under Part II or Part III of Chapter 560. Initial licensing fees under Part II licenses require a \$375 license application fee per s. 560.143(1)(a), F.S. Part III licenses require a \$188 license application fee per s. 560.143(b), F.S.

<sup>34</sup> Section 560.143(1)(c) and (d), F.S., provides that both the per branch fee and the authorized vendor fee are \$38.

<sup>35</sup> Section 560.143(1)(g), F.S.

<sup>36</sup> Section 560.123, F.S.

<sup>37</sup> OFR Email Re: SB 198 (citing Coin ATM Radar, *Bitcoin ATMs in Florida*, available at: [Bitcoin ATM Florida, FL United States](#) (last visited Jan. 15, 2026)).

<sup>38</sup> OFR Email Re: SB 198.

<sup>39</sup> Email from Jason Holloway, Director of Fintech Policy, OFR, to Jacqueline Moody, Florida Senate Committee on Banking and Insurance, Senior Attorney, *Virtual Currency Kiosk Businesses*, (Mar. 18, 2025) (on file with Senate Committee on Banking and Insurance) (forwarding email from Alex B Toledo, Chief, Bureau of Financial Investigations, OFR to Jason Holloway, Director of Fintech Policy, OFR, *Re: [EXT] HB 319 Virtual Currency Kiosk Businesses*, (Mar. 10, 2025) (on file with the Senate Committee on Banking and Insurance)).

<sup>40</sup> *Id.*

<sup>41</sup> Arizona (A.R.S. s. 6-1236), Arkansas (A.C.A. s. 23-55-1008), California (CA Fin. Code ss. 3901 – 3907), Colorado (SB 25-079), Connecticut (Conn. Gen. Stat. 36a-595 to 36a-612), Illinois (30 ILCS 105/5.1030), Iowa (Iowa Code s. 533C.1004), Louisiana (La. Act No. 369 (HB 483) (2025)), Maryland (Md. Code, Financial Institutions, s. 12-1201 et seq.), Missouri (RSMo s. 361.1100), Nebraska (Neb. Rev. Stat. ss. 8-3032 – 8-3042), North Dakota (HB 1447 (2025)), Oklahoma (Okla. Stat. tit. 6, s. 1520), Rhode Island (R.I. Gen. Law ss. 19-14.3-3.9 to 3.13), Vermont (8 V.S.A. s. 2577), Maine (32 M.R.S. s. 6169).

<sup>42</sup> California does not require a license for operators of kiosks unless, on or after July 1, 2026, the operator engages in digital financial asset business activity via kiosks. Cal. Fin. Code s. 3907.

<sup>43</sup> Colorado SB 25-079 (2025); Iowa Code s. 533C.1004.

<sup>44</sup> California law does not require a refund in specified circumstances. *See* Cal. Fin. Code s. 3901-3907. Louisiana law does not provide for receipt requirements. *See* La. Act No. 369 (HB 483) (2025)). Missouri law does not provide daily transaction

- Specified disclosures before a customer can initiate a transaction;
- An electronic receipt to be provided to the customer upon completion of a transaction;
- A refund to be issued to certain customers in specified circumstances; and
- An owner or operator to limit the daily transaction amount per customer.

Some state laws contain additional protections, for instance several states provide for anti-fraud regulation<sup>45</sup> and fee caps.<sup>46</sup>

### III. Effect of Proposed Changes:

CS/SB 198 establishes the regulatory framework for virtual currency kiosks, including registration and disclosure requirements, daily transaction limits, and requirements to provide an electronic receipt for each transaction and refunds if certain conditions are met.

**Section 1** amends the definition of “money services businesses” to include virtual currency kiosk businesses as a type of money service business, and s. 560.103, F.S., in part I of ch. 560, F.S., defines the following terms:

- Virtual currency kiosk means an electronic terminal that acts as a mechanical agent of the kiosk business, enabling the kiosk business to facilitate the exchange of virtual currency for fiat currency or other virtual currency for a customer.
- Virtual currency kiosk business or kiosk business means a corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in this state which offers virtual currency kiosk services to a customer in this state.
- Virtual currency kiosk transaction means the process in which a customer uses a virtual currency kiosk to exchange virtual currency for fiat currency or other virtual currency. A transaction begins at the point at which the customer is able to initiate a transaction after the customer is given the option to select the type of transaction or account and does not include any of the screens that display the required terms and conditions, disclaimers, or attestations.

**Section 2** of the bill authorizes the Financial Services Commission to adopt rules to regulate virtual currency kiosk businesses.

**Section 3** creates part V of ch. 560, F.S., entitled “Virtual Currency Kiosk Businesses” in which the provisions regulating virtual currency kiosk businesses are contained.

**Section 4** defines the following terms:

- “Blockchain” means a mathematically secured, chronological, decentralized, distributed, and digital ledger or database that consists of records of transactions that cannot be altered retroactively.
- Blockchain analytics means the process of examining, monitoring, and gathering insights from the data and transaction patterns on a blockchain network. The primary aims of blockchain analytics are to understand and monitor the network’s health, track transaction

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limits. See Mo. Rev. Stat. s. 361.1100. Vermont law does not provide for specific disclosure requirements or receipt requirements. See 8 V.S.A. s. 2577.

<sup>45</sup> Examples include Louisiana, Nebraska, North Dakota, and Vermont.

<sup>46</sup> Examples include California, Illinois, Iowa, Maryland, Oklahoma, Rhode Island, and Maine have fee caps. Connecticut authorizes the Banking Commissioner to establish a schedule of maximum fees for specific kiosk services.

flows, and identify potential security threats, including illicit activity, in order to extract actionable insights.

- “Daily transaction limit” means a new customer transaction of no more than \$2,000 per calendar day, or an existing customer transaction of no more than \$10,000 per calendar day, whether through a single transaction or multiple transactions or whether through one or more virtual currency kiosks.
- “Existing customer” means a customer who has transacted with the owner or operator of a virtual currency kiosk for 7 or more days.
- “New customer” means a customer who has transacted with the owner or operator of a virtual currency kiosk for fewer than 7 days.
- “Registrant” means a corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in this state which offers virtual currency kiosk services and receives notice from the OFR that the agency has granted an application for registration.
- “Transaction hash” means a unique identifier consisting of a string of characters which provides a verifiable record that a transaction has been confirmed and added to the blockchain.
- “Wallet” means hardware or software that enables a customer to store, use, send, receive, and spend virtual currency or store virtual currency private keys or passcodes enabling the same.

Section 5 prohibits a virtual currency kiosk business from operating in the state without first registering, or renewing its registration. The OFR must give written notice to each applicant that the OFR has granted or denied the application for registration. A money transmitter that is licensed as a money services business is exempt from registration as a virtual currency kiosk business but is subject to ss. 560.504 through 560.507, F.S. An entity may not operate as an intermediary with the ability to unilaterally execute or indefinitely prevent a virtual currency kiosk transaction, or otherwise act as a money transmitter, without being licensed as a money services business. A virtual currency kiosk business registration is not transferable or assignable.

Section 6 provides the information an applicant must submit to apply to register as a virtual currency kiosk business, including:

- A completed registration application on form with the following information:
- The legal name and the physical and mailing addresses of the applicant.
- The date of the applicant’s formation and any state in which the applicant was formed.
- The name, social security number, alien identification or taxpayer identification number, business and residence addresses, and employment history for the past 5 years for each control person.
- A description of the organizational structure of the applicant and the disclosure of whether any parent or subsidiary is publicly traded.
- The name and mailing address of the registered agent.
- The physical address of each virtual currency kiosk through which the applicant proposes to conduct or is conducting business in this state.
- An attestation that the applicant has developed clearly documented policies, processes, and procedures regarding the use of blockchain analytics to prevent transfers to wallet addresses linked to known criminal activity including specified information.
- Any other information required ch. 560, F.S., or commission rule.

- Any information needed to resolve any deficiencies found in the application within a time period prescribed by rule.

A virtual currency kiosk business operating in this state on or before January 1, 2027, must submit a registration application to the OFR within 30 days after that date. A registrant must report, on a form prescribed by rule of the commission, any change in the information contained in an application form within 30 days after the change is effective.

A registrant must renew its registration annually on or before December 31 of the year preceding the expiration date of the registration. To renew such registration, the registrant must submit a renewal application that provides:

- Any changes in the required information contained in an initial registration application, or an affidavit signed by the registrant that the information remains the same as the prior year's information.
- Upon request by the OFR, evidence that the registrant has been operating in compliance with ss. 560.504 through 560.507, F.S., which may be prescribed by rule and may include:
  - Current disclosures presented to customers during the transaction process.
  - Current use of blockchain analytics to prevent transfers to wallet addresses linked to known criminal activity.

A registration that is not renewed by December 31 of the year preceding expiration will be made inactive for 60 days. A registrant is not allowed to conduct business while its registration is inactive. To renew an inactive registration, a registrant must submit, within 60 days after the registration becomes inactive, all of the following:

- Any changes in the required information contained in an initial registration application, or an affidavit signed by the registrant that the information remains the same as the prior year's information.
- Evidence that the registrant has been operating in compliance with ss. 560.504 through 560.507, F.S., as prescribed by commission rule may include:
  - Current disclosures presented to customers during the transaction process.
  - Reports that confirm compliance with daily transaction limits.
  - Copies of receipts provided to customers.
  - Records showing refunds provided to customers in required circumstances.
  - Current use of blockchain analytics to prevent transfers to wallet addresses linked to known criminal activity.

Any renewal registration made pursuant to this subsection becomes effective upon the date the OFR approves the application for registration. The OFR must approve the application for renewal registration within a timeframe prescribed by rule. Unless an exception applies for a licensed money transmitter, a registration will expire if a virtual currency kiosk fails to submit an application to renew a registration within 60 days after the registration becomes inactive. If the registration becomes expired, a new application to register the virtual currency kiosk business must be submitted to the OFR and a certification of registration must be issued by the OFR before the virtual currency kiosk business may conduct business.

The OFR may deny a prospective registrant's initial registration application or the registrant's renewal application if a control person of a registrant or prospective registrant has engaged in

any unlawful business practice, or been convicted or found guilty of, or pled guilty or nolo contendere to, regardless of adjudication, a crime involving dishonest dealing, fraud, acts of moral turpitude, or other acts that reflect an inability to engage lawfully in the business of a registered virtual currency kiosk business. The OFR must deny an application to renew a virtual currency kiosk business registration that fails to provide any requested or required evidence of compliance. Any false statement made by a virtual currency kiosk business in an application for registration renders the registration void. A void registration may not be construed as creating a defense to any prosecution for violation of this chapter

**Section 7** provides a kiosk business must ensure that before a customer can initiate a virtual currency kiosk transaction the kiosk must

- Require a customer to confirm whether the customer has conducted any transactions at another kiosk on the same calendar day and any amount of such transaction to determine how much a customer may transact at the kiosk before reaching the daily transaction limit.
- Clearly and consciously display to the customer the following disclosure:

WARNING: FRAUD OFTEN STARTS WITH CONTACT FROM A STRANGER. IF YOU HAVE BEEN DIRECTED TO THIS MACHINE BY SOMEONE CLAIMING TO BE A GOVERNMENT AGENT, BILL COLLECTOR, LAW ENFORCEMENT OFFICER, OR ANYONE YOU DO NOT KNOW PERSONALLY, STOP THIS TRANSACTION IMMEDIATELY AND CONTACT YOUR FINANCIAL ADVISOR OR LOCAL LAW ENFORCEMENT.

**Section 8** of the bill prohibits a kiosk business from allowing a new customer or an existing customer to transact more than \$2,000 or \$10,000 per calendar day, respectively, in a single or multiple transactions. **Section 9** of the bill provides once the transaction is completed, the kiosk business must provide the customer with an electronic receipt that includes the following information:

- The name and contact information of the kiosk business, including an email address and a toll-free telephone number for such business.
- The date, time, amount of the transaction in United States dollars, and type of transaction.
- The transaction hash and each wallet used.
- The total fee charged for the transaction.
- The exchange rate, if applicable.
- A statement of the kiosk business's liability, if any, for nondelivery or delayed delivery of the currency.
- The refund policy of the kiosk business.

**Section 10** of the bill requires a kiosk business to issue a full refund within 72 hours to a new customer if the customer's initial transaction if:

- The customer transferred virtual currency to a wallet or exchange located outside the United States.
- Within 60 days, the customer notifies both the kiosk business and a law enforcement or governmental agency regarding the fraudulent nature of the transaction.

- The customer provides proof of the alleged fraud to the kiosk business, such as a police report or a notarized affidavit.

**Section 11** provides, except as otherwise expressly provided in this act, the bill is effective January 1, 2027.

#### **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.

#### **V. Fiscal Impact Statement:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

None.

##### **C. Government Sector Impact:**

The OFR reports the bill has an indeterminate fiscal impact on state government expenditures because “[i]t is unknown whether this bill will apply to licensed money transmitters.”<sup>47</sup>

#### **VI. Technical Deficiencies:**

None.

<sup>47</sup> The OFR, *2026 Agency Legislative Bill Analysis, Florida Office of Financial Regulation for SB 198*, p. 3, Dec. 30, 2025 (on file with the Senate Committee on Banking and Insurance).

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

The bill substantially amends the following sections of the Florida Statutes: 560.103 and 560.105

This bill creates the following section of the Florida Statutes: 560.501, 560.502, 560.503, 560.504, 560.505, 560.506, and 560.507.

**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 Banking and Insurance Committee on January 28, 2026:**

- Amends the definition of “money services businesses” to include kiosk businesses as a type of money services businesses.
- Creates part V of ch. 560, F.S., relating to Virtual Currency Kiosk Businesses.
- Effective March 1, 2027, provides a kiosk business may not operate in the state without first registering with the OFR, except licensed money transmitters.
- Prohibits an entity from acting as an intermediary without being licensed as a money transmitter.
- Prohibits a kiosk business registration from being transferred or assigned.
- Requires a kiosk business to comply with certain registration requirements.
- Requires the OFR to deny a kiosk business registration application in certain circumstances.
- Voids a kiosk business registration if false information is provided in an application for registration.
- Requires a kiosk to confirm whether the customer has conducted any transactions at another virtual currency kiosk on the same calendar day and any amount of such transaction.
- Clarifies the maximum amount a customer may transact per virtual currency kiosk each calendar day.
- Clarifies the information a kiosk business must include in an electronic receipt that is provided to a customer who completes a virtual currency kiosk transaction.
- Clarifies that a customer must provide proof of the “alleged” fraud to a kiosk business to receive a refund.
- Defines terms relating to virtual currency kiosks, blockchain technology, and transaction limits.
- Makes conforming changes.

**B. Amendments:**

None.

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

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LEGISLATIVE ACTION

Senate	.	House
Comm: RS	.	
01/29/2026	.	
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The Committee on Banking and Insurance (Rouson) recommended the following:

1                   **Senate Amendment (with title amendment)**

2  
3                   Delete everything after the enacting clause  
4 and insert:

5                   Section 1. Subsection (23) of section 560.103, Florida  
6 Statutes, is amended, and subsections (37) through (39) are  
7 added to that section, to read:

8                   560.103 Definitions.—As used in this chapter, the term:

9                   (23) “Money services business” means any person located in  
10 or doing business in this state, from this state, or into this



11 state from locations outside this state or country who acts as a  
12 payment instrument seller, foreign currency exchanger, check  
13 casher, ~~or~~ money transmitter, or virtual currency kiosk  
14 business.

15 (37) "Virtual currency kiosk" means an electronic terminal  
16 that acts as a mechanical agent of the kiosk business, enabling  
17 the kiosk business to facilitate the exchange of virtual  
18 currency for fiat currency or other virtual currency for a  
19 customer.

20 (38) "Virtual currency kiosk business" or "kiosk business"  
21 means a corporation, limited liability company, limited  
22 liability partnership, or foreign entity qualified to do  
23 business in this state which offers virtual currency kiosk  
24 services to a customer in this state.

25 (39) "Virtual currency kiosk transaction" means the process  
26 in which a customer uses a virtual currency kiosk to exchange  
27 virtual currency for fiat currency or other virtual currency. A  
28 transaction begins at the point at which the customer is able to  
29 initiate a transaction after the customer is given the option to  
30 select the type of transaction or account and does not include  
31 any of the screens that display the required terms and  
32 conditions, disclaimers, or attestations.

33 Section 2. Paragraph (b) of subsection (2) of section  
34 560.105, Florida Statutes, is amended to read:

35 560.105 Supervisory powers; rulemaking.—

36 (2) The commission may adopt rules pursuant to ss.  
37 120.536(1) and 120.54 to administer this chapter.

38 (b) Rules adopted to regulate money services businesses,  
39 including deferred presentment providers and virtual currency



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40 kiosk businesses, must be responsive to changes in economic  
41 conditions, technology, and industry practices.

42 Section 3. Part V of chapter 560, Florida Statutes,  
43 consisting of ss. 560.501-560.507, Florida Statutes, is created  
44 and entitled "Virtual Currency Kiosk Businesses."

45 Section 4. Section 560.501, Florida Statutes, is created to  
46 read:

47 560.501 Definitions.—For the purpose of this part, the  
48 term:

49 (1) "Blockchain" means a mathematically secured,  
50 chronological, decentralized, distributed, and digital ledger or  
51 database that consists of records of transactions that cannot be  
52 altered retroactively.

53 (2) "Blockchain analytics" means the process of examining,  
54 monitoring, and gathering insights from the data and transaction  
55 patterns on a blockchain network. The primary aims of blockchain  
56 analytics are to understand and monitor the network's health,  
57 track transaction flows, and identify potential security  
58 threats, including illicit activity, in order to extract  
59 actionable insights.

60 (3) "Daily transaction limit" means a new customer  
61 transaction of no more than \$2,000 per virtual currency kiosk  
62 each calendar day, or an existing customer transaction of no  
63 more than \$10,500 per virtual currency kiosk each calendar day,  
64 whether through a single transaction or multiple transactions.

65 (4) "Existing customer" means a customer who has transacted  
66 with a kiosk business on its virtual currency kiosk for 7 or  
67 more days.

68 (5) "New customer" means a customer who has transacted with



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69 a kiosk business on its virtual currency kiosk for fewer than 7  
70 days.

71 (6) "Registrant" means a corporation, limited liability  
72 company, limited liability partnership, or foreign entity  
73 qualified to do business in this state which offers virtual  
74 currency kiosk services and receives notice from the office that  
75 the agency has granted an application for registration pursuant  
76 to the provisions of this part.

77 (7) "Transaction hash" means a unique identifier consisting  
78 of a string of characters which provides a verifiable record  
79 that a transaction has been confirmed and added to the  
80 blockchain.

81 (8) "Wallet" means hardware or software that enables a  
82 customer to store, use, send, receive, and spend virtual  
83 currency or store virtual currency private keys or passcodes  
84 enabling the same.

85 Section 5. Effective March 1, 2027, section 560.502,  
86 Florida Statutes, is created to read:

87 560.502 Registration required; exemptions; penalties.—

88 (1) Except as provided in subsection (2), on or after March  
89 1, 2027, a virtual currency kiosk business may not operate in  
90 this state without first registering, or renewing its  
91 registration, in accordance with s. 560.503. The office shall  
92 give written notice, in person or by mail, to each applicant  
93 that the office has granted or denied the application for  
94 registration.

95 (2) A money transmitter that is licensed as a money  
96 services business pursuant to s. 560.141 and offers virtual  
97 currency kiosk services is exempt from registration as a virtual



98 currency kiosk business but is subject to ss. 560.504, 560.505,  
99 560.506, and 560.507.

100 (3) An entity, in the course of its business, may not act  
101 as an intermediary with the ability to unilaterally execute or  
102 indefinitely prevent a virtual currency kiosk transaction, or  
103 otherwise meet the definition of a money transmitter as defined  
104 in s. 560.103, without being licensed as a money services  
105 business pursuant to s. 560.141.

106 (4) A virtual currency kiosk business registration issued  
107 under this part is not transferable or assignable.

108 Section 6. Section 560.503, Florida Statutes, is created to  
109 read:

110 560.503 Registration applications.—

111 (1) To apply to be registered as a virtual currency kiosk  
112 business under this part, the applicant must submit all of the  
113 following information to the office:

114 (a) A completed registration application on forms  
115 prescribed by rule of the commission. The application must  
116 include the following information:

117 1. The legal name, including any fictitious or trade names  
118 used by the applicant in the conduct of its business, and the  
119 physical and mailing addresses of the applicant.

120 2. The date of the applicant's formation and the state in  
121 which the applicant was formed, if applicable.

122 3. The name, social security number, alien identification  
123 or taxpayer identification number, business and residence  
124 addresses, and employment history for the past 5 years for each  
125 control person as defined in s. 560.103.

126 4. A description of the organizational structure of the



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127 applicant, including the identity of any parent or subsidiary of  
128 the applicant, and the disclosure of whether any parent or  
129 subsidiary is publicly traded.

130 5. The name of the registered agent in this state for  
131 service of process.

132 6. The physical address of the location of each virtual  
133 currency kiosk through which the applicant proposes to conduct  
134 or is conducting business in this state.

135 7. An attestation that the applicant has developed clearly  
136 documented policies, processes, and procedures regarding the use  
137 of blockchain analytics to prevent transfers to wallet addresses  
138 linked to known criminal activity, including the manner in which  
139 such blockchain analytics activity will integrate into its  
140 compliance controls, and that the applicant will maintain and  
141 comply with such blockchain analytics policies, processes, and  
142 procedures.

143 8. Any other information as required by this chapter or  
144 commission rule.

145 (b) Any information needed to resolve any deficiencies  
146 found in the application within a time period prescribed by  
147 rule.

148 (2) A virtual currency kiosk business operating in this  
149 state on or before January 1, 2027, must submit a registration  
150 application to the office within 30 days after that date.

151 (3) A registrant shall report, on a form prescribed by rule  
152 of the commission, any change in the information contained in an  
153 initial application form or an amendment thereto within 30 days  
154 after the change is effective.

155 (4) A registrant must renew its registration annually on or



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156 before December 31 of the year preceding the expiration date of  
157 the registration. To renew such registration, the registrant  
158 must submit a renewal application that provides:

159 (a) The information required in paragraph (1)(a) if there  
160 are changes in the application information, or an affidavit  
161 signed by the registrant that the information remains the same  
162 as the prior year.

163 (b) Upon request by the office, evidence that the  
164 registrant has been operating in compliance with ss. 560.504,  
165 560.505, 560.506, and 560.507. Such evidence may be prescribed  
166 by rule by the commission and may include, but need not be  
167 limited to, all of the following:

168 1. Current disclosures presented to customers during the  
169 transaction process.

170 2. Current use of blockchain analytics to prevent transfers  
171 to wallet addresses linked to known criminal activity.

172 (5) A registrant that does not renew its registration by  
173 December 31 of the year of expiration shall be made inactive for  
174 60 days. A registrant may not conduct business while its  
175 registration is inactive.

176 (6) To renew an inactive registration, a registrant must,  
177 within 60 days after the registration becomes inactive, submit  
178 all of the following:

179 (a) The information required in paragraph (1)(a) if there  
180 are changes in the application information or an affidavit  
181 signed by the registrant that the information remains the same  
182 as the prior year.

183 (b) Evidence that the registrant was operating in  
184 compliance with ss. 560.504, 560.505, 560.506, and 560.507. Such



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185 evidence may be prescribed by rule by the commission and may  
186 include, but need not be limited to, all of the following:

187 1. Current disclosures presented to customers during the  
188 transaction process.

189 2. Reports that confirm compliance with daily transaction  
190 limits.

191 3. Copies of receipts provided to customers.

192 4. Records showing refunds provided to customers in  
193 required circumstances.

194 5. Current use of blockchain analytics to prevent transfers  
195 to wallet addresses linked to known criminal activity.

196  
197 Any renewal registration made pursuant to this subsection  
198 becomes effective upon the date the office approves the  
199 application for registration. The office shall approve the  
200 renewal registration within a timeframe prescribed by rule.

201 (7) Except as provided in s. 560.502(2), failure to submit  
202 an application to renew a virtual currency kiosk business's  
203 registration within 60 days after the registration becomes  
204 inactive shall result in the registration becoming null and  
205 void. If the registration is null and void, a new application to  
206 register the virtual currency kiosk business pursuant to  
207 subsection (1) must be submitted to the office and a  
208 certification of registration must be issued by the office  
209 before the virtual currency kiosk business may conduct business  
210 in this state.

211 (8) If a control person of a registrant or prospective  
212 registrant has engaged in any unlawful business practice, or  
213 been convicted or found guilty of, or pled guilty or nolo



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214 contendere to, regardless of adjudication, a crime involving  
215 dishonest dealing, fraud, acts of moral turpitude, or other acts  
216 that reflect an inability to engage lawfully in the business of  
217 a registered virtual currency kiosk business, the office must  
218 deny the prospective registrant's initial registration  
219 application or the registrant's renewal application.

220 (9) The office shall deny the application of a virtual  
221 currency kiosk business that submits a renewal application and  
222 fails to provide evidence of compliance upon request pursuant to  
223 paragraph (4) (b) or as required in paragraph (6) (b).

224 (10) Any false statement made by a virtual currency kiosk  
225 business with respect to the name of the business or its  
226 business address or location in any application for registration  
227 under this section renders the registration void. A void  
228 registration may not be construed as creating a defense to any  
229 prosecution for violation of this chapter.

230 Section 7. Section 560.504, Florida Statutes, is created to  
231 read:

232 560.504 Disclosures.—Before a customer initiates a virtual  
233 currency kiosk transaction, the virtual currency kiosk business  
234 must ensure that the virtual currency kiosk:

235 (1) Requires the customer to confirm whether the customer  
236 has conducted any transactions at another virtual currency kiosk  
237 on the same calendar day and any amount of such transactions to  
238 determine how much, if any, the customer may transact at the  
239 virtual currency kiosk before reaching the daily transaction  
240 limit.

241 (2) Clearly and conspicuously display the following  
242 disclosure to the customer on the screen:



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243  
244 WARNING: FRAUD OFTEN STARTS WITH CONTACT FROM A  
245 STRANGER. IF YOU HAVE BEEN DIRECTED TO THIS MACHINE BY  
246 SOMEONE CLAIMING TO BE A GOVERNMENT AGENT, BILL  
247 COLLECTOR, LAW ENFORCEMENT OFFICER, OR ANYONE YOU DO  
248 NOT KNOW PERSONALLY, STOP THIS TRANSACTION IMMEDIATELY  
249 AND CONTACT YOUR FINANCIAL ADVISOR OR LOCAL LAW  
250 ENFORCEMENT.

251  
252 Section 8. Section 560.505, Florida Statutes, is created to  
253 read:

254 560.505 Transaction limits.—A virtual currency kiosk  
255 business may not permit a new customer to transact more than  
256 \$2,000 per virtual currency kiosk each calendar day whether  
257 through a single transaction or multiple transactions. A virtual  
258 currency kiosk business may not permit an existing customer to  
259 transact more than \$10,500 per virtual currency kiosk each  
260 calendar day whether through a single transaction or multiple  
261 transactions.

262 Section 9. Section 560.506, Florida Statutes, is created to  
263 read:

264 560.506 Mandatory receipt.—Upon completion of a virtual  
265 currency transaction, the virtual currency kiosk business must  
266 provide the customer with an electronic receipt that includes  
267 all of the following:

268 (1) The name and contact information of the virtual  
269 currency kiosk business, including an email address and a toll-  
270 free telephone number for such business.

271 (2) The date, time, amount of the transaction in United



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272 States dollars, and type of the transaction.

273 (3) The transaction hash and each wallet used.

274 (4) The total fee charged for the transaction.

275 (5) The exchange rate, if applicable.

276 (6) A statement of the virtual currency kiosk's liability,  
277 if any, for nondelivery or delayed delivery of the virtual  
278 currency.

279 (7) The refund policy of the virtual currency kiosk  
280 business.

281 Section 10. Section 560.507, Florida Statutes, is created  
282 to read:

283 560.507 Mandatory refund.—A virtual currency kiosk business  
284 must issue a full refund within 72 hours to a customer for the  
285 customer's first virtual currency transaction if all of the  
286 following conditions are met:

287 (1) The customer transferred virtual currency to a wallet  
288 or exchange located outside the United States.

289 (2) Within 60 days, the customer notifies the virtual  
290 currency kiosk business and a law enforcement or governmental  
291 agency regarding the fraudulent nature of the transaction.

292 (3) The customer provides proof of the alleged fraud to the  
293 virtual currency kiosk business, such as a police report or a  
294 notarized affidavit.

295 Section 11. Except as otherwise expressly provided in this  
296 act, this act shall take effect January 1, 2027.

297 ===== T I T L E A M E N D M E N T =====

298 And the title is amended as follows:

300 Delete everything before the enacting clause



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301 | and insert:

A bill to be entitled

An act relating to virtual currency kiosks; amending s. 560.103, F.S.; revising the definition of the term "money services business"; defining terms; amending s. 560.105, F.S.; revising the requirements for certain rules adopted by the Financial Services Commission; creating part V of ch. 560, F.S., entitled "Virtual Currency Kiosk Businesses"; creating s. 560.501, F.S.; defining terms; creating s. 560.502, F.S.; prohibiting a virtual currency kiosk business from operating in this state without registering or renewing its registration; requiring the Office of Financial Regulation to give a specified notice to applicants; specifying that certain money transmitters are exempt from registration as a virtual currency business but are subject to certain provisions; prohibiting certain entities from performing certain actions without being licensed as a money service business; specifying that virtual currency kiosk businesses registrations are not transferable or assignable; creating s. 560.503, F.S.; requiring applicants to submit certain information to the office to be registered as a virtual currency kiosk business; requiring certain virtual currency kiosk businesses to submit a registration application to the office by a specified date; requiring registrants to report a change in the information within a specified timeframe; requiring the registrant to renew its registration annually;



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330 specifying requirements for a renewal application;  
331 requiring registrants to be made inactive for a  
332 specified timeframe under certain circumstances;  
333 prohibiting registrants from conducting business while  
334 registration is inactive; specifying requirements for  
335 registrants to renew an inactive registration;  
336 providing that a registration becomes effective on a  
337 specified date; requiring the office to approve  
338 application for renewal registration within a  
339 specified timeframe; providing that a registration  
340 becomes null and void under certain circumstances;  
341 providing requirements if a registration becomes null  
342 and void; requiring the office to deny certain  
343 applications under certain circumstances; providing  
344 that certain false statements made by a virtual  
345 currency kiosk business render its registration void;  
346 providing construction; creating s. 560.504, F.S.;  
347 requiring a virtual currency kiosk business to ensure  
348 that the virtual currency kiosk requires certain  
349 attestations from the customer and displays certain  
350 disclosures; creating s. 560.505, F.S.; prohibiting an  
351 owner or operator of a virtual currency kiosk from  
352 permitting new and existing customers from transacting  
353 more than a specified dollar amount per calendar day;  
354 creating s. 560.506, F.S.; requiring an owner or  
355 operator of a virtual currency kiosk to provide a  
356 customer with a specified electronic receipt upon  
357 completion of a virtual currency transaction; creating  
358 s. 560.507, F.S.; requiring an owner or operator of a



359       virtual currency kiosk to issue a full refund under  
360       certain circumstances; providing effective dates.



LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
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The Committee on Banking and Insurance (Rouson) recommended the following:

1       **Senate Substitute for Amendment (695850) (with title**  
2 **amendment)**

3           Delete everything after the enacting clause  
4 and insert:

5           Section 1. Subsection (23) of section 560.103, Florida  
6 Statutes, is amended, and subsections (37) through (39) are  
7 added to that section, to read:

8           560.103 Definitions.—As used in this chapter, the term:

9           (23) “Money services business” means any person located in



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11 or doing business in this state, from this state, or into this  
12 state from locations outside this state or country who acts as a  
13 payment instrument seller, foreign currency exchanger, check  
14 casher, ~~or~~ money transmitter, or virtual currency kiosk  
15 business.

16 (37) "Virtual currency kiosk" means an electronic terminal  
17 that acts as a mechanical agent of the kiosk business, enabling  
18 the kiosk business to facilitate the exchange of virtual  
19 currency for fiat currency or other virtual currency for a  
20 customer.

21 (38) "Virtual currency kiosk business" or "kiosk business"  
22 means a corporation, limited liability company, limited  
23 liability partnership, or foreign entity qualified to do  
24 business in this state which offers virtual currency kiosk  
25 services to a customer in this state.

26 (39) "Virtual currency kiosk transaction" means the process  
27 in which a customer uses a virtual currency kiosk to exchange  
28 virtual currency for fiat currency or other virtual currency. A  
29 transaction begins at the point at which the customer is able to  
30 initiate a transaction after the customer is given the option to  
31 select the type of transaction or account and does not include  
32 any of the screens that display the required terms and  
33 conditions, disclaimers, or attestations.

34 Section 2. Paragraph (b) of subsection (2) of section  
35 560.105, Florida Statutes, is amended to read:

36 560.105 Supervisory powers; rulemaking.—

37 (2) The commission may adopt rules pursuant to ss.  
38 120.536(1) and 120.54 to administer this chapter.

39 (b) Rules adopted to regulate money services businesses,



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40 including deferred presentment providers and virtual currency  
41 kiosk businesses, must be responsive to changes in economic  
42 conditions, technology, and industry practices.

43 Section 3. Part V of chapter 560, Florida Statutes,  
44 consisting of ss. 560.501-560.507, Florida Statutes, is created  
45 and entitled "Virtual Currency Kiosk Businesses."

46 Section 4. Section 560.501, Florida Statutes, is created to  
47 read:

48 560.501 Definitions.—For purposes of this part, the term:

49 (1) "Blockchain" means a mathematically secured,  
50 chronological, decentralized, distributed, and digital ledger or  
51 database that consists of records of transactions that cannot be  
52 altered retroactively.

53 (2) "Blockchain analytics" means the process of examining,  
54 monitoring, and gathering insights from the data and transaction  
55 patterns on a blockchain network. The primary aims of blockchain  
56 analytics are to understand and monitor the network's health,  
57 track transaction flows, and identify potential security  
58 threats, including illicit activity, in order to extract  
59 actionable insights.

60 (3) "Daily transaction limit" means a new customer  
61 transaction of no more than \$2,000 per calendar day, or an  
62 existing customer transaction of no more than \$10,000 per  
63 calendar day, whether through a single transaction or multiple  
64 transactions or whether through one or more virtual currency  
65 kiosks.

66 (4) "Existing customer" means a customer who has transacted  
67 with a kiosk business on its virtual currency kiosk for 7 or  
68 more days.



69       (5) "New customer" means a customer who has transacted with  
70 a kiosk business on its virtual currency kiosk for fewer than 7  
71 days.

72       (6) "Registrant" means a corporation, limited liability  
73 company, limited liability partnership, or foreign entity  
74 qualified to do business in this state which offers virtual  
75 currency kiosk services and receives notice from the office that  
76 the agency has granted an application for registration pursuant  
77 to the provisions of this part.

78       (7) "Transaction hash" means a unique identifier consisting  
79 of a string of characters which provides a verifiable record  
80 that a transaction has been confirmed and added to the  
81 blockchain.

82       (8) "Wallet" means hardware or software that enables a  
83 customer to store, use, send, receive, and spend virtual  
84 currency or store virtual currency private keys or passcodes  
85 enabling the same.

86       Section 5. Effective March 1, 2027, section 560.502,  
87 Florida Statutes, is created to read:

88       560.502 Registration required; exemptions; penalties.—

89       (1) Except as provided in subsection (2), a virtual  
90 currency kiosk business may not operate in this state without  
91 first registering, or renewing its registration, in accordance  
92 with s. 560.503. The office shall give written notice to each  
93 applicant that the office has granted or denied the application  
94 for registration.

95       (2) A money transmitter that is licensed as a money  
96 services business pursuant to s. 560.141 and offers virtual  
97 currency kiosk services is exempt from registration as a virtual



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98 currency kiosk business but is subject to ss. 560.504, 560.505,  
99 560.506, and 560.507.

100 (3) An entity, in the course of its business, may not act  
101 as an intermediary with the ability to unilaterally execute or  
102 indefinitely prevent a virtual currency kiosk transaction, or  
103 otherwise meet the definition of a money transmitter as defined  
104 in s. 560.103, without being licensed as a money services  
105 business pursuant to s. 560.141.

106 (4) A virtual currency kiosk business registration issued  
107 under this part is not transferable or assignable.

108 Section 6. Section 560.503, Florida Statutes, is created to  
109 read:

110 560.503 Registration applications.—

111 (1) To apply to be registered as a virtual currency kiosk  
112 business under this part, the applicant must submit all of the  
113 following information to the office:

114 (a) A completed registration application on forms  
115 prescribed by rule of the commission. The application must  
116 include the following information:

117 1. The legal name, including any fictitious or trade names  
118 used by the applicant in the conduct of its business, and the  
119 physical and mailing addresses of the applicant.

120 2. The date of the applicant's formation and the state in  
121 which the applicant was formed, if applicable.

122 3. The name, social security number, alien identification  
123 or taxpayer identification number, business and residence  
124 addresses, and employment history for the past 5 years for each  
125 control person as defined in s. 560.103.

126 4. A description of the organizational structure of the



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127 applicant, including the identity of any parent or subsidiary of  
128 the applicant, and the disclosure of whether any parent or  
129 subsidiary is publicly traded.

130 5. The name and mailing address of the registered agent in  
131 this state for service of process.

132 6. The physical address of the location of each virtual  
133 currency kiosk through which the applicant proposes to conduct  
134 or is conducting business in this state.

135 7. An attestation that the applicant has developed clearly  
136 documented policies, processes, and procedures regarding the use  
137 of blockchain analytics to prevent transfers to wallet addresses  
138 linked to known criminal activity, including the manner in which  
139 such blockchain analytics activity will integrate into its  
140 compliance controls, and that the applicant will maintain and  
141 comply with such blockchain analytics policies, processes, and  
142 procedures.

143 8. Any other information as required by this chapter or  
144 commission rule.

145 (b) Any information needed to resolve any deficiencies  
146 found in the application within a time period prescribed by  
147 rule.

148 (2) A virtual currency kiosk business operating in this  
149 state on or before January 1, 2027, must submit a registration  
150 application to the office within 30 days after that date.

151 (3) A registrant shall report, on a form prescribed by rule  
152 of the commission, any change in the information contained in an  
153 initial application form or an amendment thereto within 30 days  
154 after the change is effective.

155 (4) A registrant must renew its registration annually on or



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156 before December 31 of the year preceding the expiration date of  
157 the registration. To renew such registration, the registrant  
158 must submit a renewal application that provides:

159 (a) The information required in paragraph (1)(a) if there  
160 are changes in the application information, or an affidavit  
161 signed by the registrant that the information remains the same  
162 as the prior year's information.

163 (b) Upon request by the office, evidence that the  
164 registrant has been operating in compliance with ss. 560.504,  
165 560.505, 560.506, and 560.507. Such evidence may be prescribed  
166 by rule by the commission and may include, but need not be  
167 limited to, all of the following:

168 1. Current disclosures presented to customers during the  
169 transaction process.

170 2. Current use of blockchain analytics to prevent transfers  
171 to wallet addresses linked to known criminal activity.

172 (5) A registrant that does not renew its registration by  
173 December 31 of the year preceding expiration shall be made  
174 inactive for 60 days. A registrant may not conduct business  
175 while its registration is inactive.

176 (6) To renew an inactive registration, a registrant must,  
177 within 60 days after the registration becomes inactive, submit  
178 all of the following:

179 (a) The information required in paragraph (1)(a) if there  
180 are changes in the application information, or an affidavit  
181 signed by the registrant that the information remains the same  
182 as the prior year's information.

183 (b) Evidence that the registrant was operating in  
184 compliance with ss. 560.504, 560.505, 560.506, and 560.507. Such



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185 evidence may be prescribed by rule by the commission and may  
186 include, but need not be limited to, all of the following:

187     1. Current disclosures presented to customers during the  
188 transaction process.

189     2. Reports that confirm compliance with daily transaction  
190 limits.

191     3. Copies of receipts provided to customers.

192     4. Records showing refunds provided to customers in  
193 required circumstances.

194     5. Current use of blockchain analytics to prevent transfers  
195 to wallet addresses linked to known criminal activity.

196

197 Any renewal registration made pursuant to this subsection  
198 becomes effective upon the date the office approves the  
199 application for registration. The office shall approve the  
200 application for renewal registration within a timeframe  
201 prescribed by rule.

202     (7) Except as provided in s. 560.502(2), failure to submit  
203 an application to renew a virtual currency kiosk business's  
204 registration within 60 days after the registration becomes  
205 inactive shall result in the registration becoming expired. If  
206 the registration is expired, a new application to register the  
207 virtual currency kiosk business pursuant to subsection (1) must  
208 be submitted to the office and a certification of registration  
209 must be issued by the office before the virtual currency kiosk  
210 business may conduct business in this state.

211     (8) If a control person of a registrant or prospective  
212 registrant has engaged in any unlawful business practice, or  
213 been convicted or found guilty of, or pled guilty or nolo



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214 contendere to, regardless of adjudication, a crime involving  
215 dishonest dealing, fraud, acts of moral turpitude, or other acts  
216 that reflect an inability to engage lawfully in the business of  
217 a registered virtual currency kiosk business, the office may  
218 deny the prospective registrant's initial registration  
219 application or the registrant's renewal application.

220 (9) The office shall deny the application of a virtual  
221 currency kiosk business that submits a renewal application and  
222 fails to provide evidence of compliance upon request pursuant to  
223 paragraph (4) (b) or as required in paragraph (6) (b).

224 (10) Any false statement made by a virtual currency kiosk  
225 business in an application for registration under this section  
226 renders the registration void. A void registration may not be  
227 construed as creating a defense to any prosecution for violation  
228 of this chapter.

229 Section 7. Section 560.504, Florida Statutes, is created to  
230 read:

231 560.504 Disclosures.—Before a customer initiates a virtual  
232 currency kiosk transaction, the virtual currency kiosk business  
233 must ensure that the virtual currency kiosk:

234 (1) Requires the customer to confirm whether the customer  
235 has conducted any transactions at another virtual currency kiosk  
236 on the same calendar day and any amount of such transactions to  
237 determine how much, if any, the customer may transact at the  
238 virtual currency kiosk before reaching the daily transaction  
239 limit.

240 (2) Clearly and conspicuously display the following  
241 disclosure to the customer on the screen:



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243        WARNING: FRAUD OFTEN STARTS WITH CONTACT FROM A  
244        STRANGER. IF YOU HAVE BEEN DIRECTED TO THIS MACHINE BY  
245        SOMEONE CLAIMING TO BE A GOVERNMENT AGENT, BILL  
246        COLLECTOR, LAW ENFORCEMENT OFFICER, OR ANYONE YOU DO  
247        NOT KNOW PERSONALLY, STOP THIS TRANSACTION IMMEDIATELY  
248        AND CONTACT YOUR FINANCIAL ADVISOR OR LOCAL LAW  
249        ENFORCEMENT.

250

251        Section 8. Section 560.505, Florida Statutes, is created to  
252 read:

253        560.505 Transaction limits.—A virtual currency kiosk  
254        business may not permit a new customer to transact more than  
255        \$2,000 per calendar day, whether through a single transaction or  
256        multiple transactions or whether through one or more virtual  
257        currency kiosks. A virtual currency kiosk business may not  
258        permit an existing customer to transact more than \$10,000 per  
259        calendar day, whether through a single transaction or multiple  
260        transactions or whether through one or more virtual currency  
261        kiosks.

262        Section 9. Section 560.506, Florida Statutes, is created to  
263 read:

264        560.506 Mandatory receipt.—Upon completion of a virtual  
265        currency transaction, the virtual currency kiosk business must  
266        provide the customer with an electronic receipt that includes  
267        all of the following:

268        (1) The name and contact information of the virtual  
269        currency kiosk business, including an e-mail address and a toll-  
270        free telephone number for such business.

271        (2) The date, time, amount of the transaction in United



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272 States dollars, and type of the transaction.

273 (3) The transaction hash and each wallet used.

274 (4) The total fee charged for the transaction.

275 (5) The exchange rate, if applicable.

276 (6) A statement of the virtual currency kiosk's liability,  
277 if any, for nondelivery or delayed delivery of the virtual  
278 currency.

279 (7) The refund policy of the virtual currency kiosk  
280 business.

281 Section 10. Section 560.507, Florida Statutes, is created  
282 to read:

283 560.507 Mandatory refund.—A virtual currency kiosk business  
284 must issue a full refund within 72 hours to a customer for the  
285 customer's first virtual currency transaction if all of the  
286 following conditions are met:

287 (1) The customer transferred virtual currency to a wallet  
288 or exchange located outside the United States.

289 (2) Within 60 days, the customer notifies the virtual  
290 currency kiosk business and a law enforcement or governmental  
291 agency regarding the fraudulent nature of the transaction.

292 (3) The customer provides proof of the alleged fraud to the  
293 virtual currency kiosk business, such as a police report or a  
294 notarized affidavit.

295 Section 11. Except as otherwise expressly provided in this  
296 act, this act shall take effect January 1, 2027.

297 ===== T I T L E A M E N D M E N T =====

298 And the title is amended as follows:

300 Delete everything before the enacting clause



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301 | and insert:

A bill to be entitled

An act relating to virtual currency kiosks; amending s. 560.103, F.S.; revising the definition of the term "money services business"; defining terms; amending s. 560.105, F.S.; revising the requirements for certain rules adopted by the Financial Services Commission; creating part V of ch. 560, F.S., entitled "Virtual Currency Kiosk Businesses"; creating s. 560.501, F.S.; defining terms; creating s. 560.502, F.S.; prohibiting a virtual currency kiosk business from operating in this state without registering or renewing its registration; requiring the Office of Financial Regulation to give a specified notice to applicants; specifying that certain money transmitters are exempt from registration as a virtual currency kiosk business but are subject to certain provisions; prohibiting certain entities from performing certain actions without being licensed as a money services business; specifying that virtual currency kiosk business registrations are not transferable or assignable; creating s. 560.503, F.S.; requiring applicants to submit certain information to the office to be registered as a virtual currency kiosk business; requiring certain virtual currency kiosk businesses to submit a registration application to the office by a specified date; requiring registrants to report a change in the information within a specified timeframe; requiring registrants to renew their



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330 registration annually; specifying requirements for a  
331 renewal application; requiring registrants to be made  
332 inactive for a specified timeframe under certain  
333 circumstances; prohibiting registrants from conducting  
334 business while registration is inactive; specifying  
335 requirements for registrants to renew an inactive  
336 registration; providing that a renewal registration  
337 becomes effective on a specified date; requiring the  
338 office to approve applications for renewal  
339 registration within a specified timeframe; providing  
340 that a registration expires under certain  
341 circumstances; providing requirements if a  
342 registration expires; authorizing the office to deny  
343 certain applications under certain circumstances;  
344 providing that certain false statements made by a  
345 virtual currency kiosk business render its  
346 registration void; providing construction; creating s.  
347 560.504, F.S.; requiring a virtual currency kiosk  
348 business to ensure that the virtual currency kiosk  
349 requires certain attestations from the customer and  
350 displays a certain disclosure; creating s. 560.505,  
351 F.S.; prohibiting a virtual currency kiosk business  
352 from permitting new or existing customers from  
353 transacting more than specified dollar amounts per  
354 calendar day; creating s. 560.506, F.S.; requiring a  
355 virtual currency kiosk business to provide a customer  
356 with a specified electronic receipt upon completion of  
357 a virtual currency transaction; creating s. 560.507,  
358 F.S.; requiring a virtual currency kiosk business to



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359        issue a full refund under certain circumstances;  
360        providing effective dates.

By Senator Rouson

16-00044-26

2026198

A bill to be entitled

An act relating to virtual currency kiosks; creating s. 560.215, F.S.; defining terms; requiring an owner or operator of a virtual currency kiosk to ensure that a specified disclosure is displayed before a customer initiates a virtual currency kiosk transaction; prohibiting an owner or operator of a virtual currency kiosk from permitting new and existing customers from transacting more than a specified amount per calendar day; requiring an owner or operator of a virtual currency kiosk to provide a customer with a specified electronic receipt upon completion of a virtual currency transaction; requiring an owner or operator of a virtual currency kiosk to issue a full refund under certain circumstances; authorizing the Financial Services Commission to adopt rules; providing an effective date.

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

Section 1. Section 560.215, Florida Statutes, is created to read:

560.215 Requirements for virtual currency kiosks.—  
(1) For the purpose of this section, the term:  
(a) "Blockchain" means a mathematically secured, chronological, decentralized, distributed, and digital ledger or database that consists of records of transactions that cannot be altered retroactively.  
(b) "Existing customer" means a customer who has transacted

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

16-00044-26

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with the owner or operator of a virtual currency kiosk for 7 or more days.

(c) "New customer" means a customer who has transacted with the owner or operator of a virtual currency kiosk for fewer than 7 days.

(d) "Transaction hash" means a unique identifier consisting of a string of characters which provides a verifiable record that a transaction has been confirmed and added to the blockchain.

(e) "Virtual currency kiosk" means an electronic terminal that acts as a mechanical agent of the owner or operator, enabling the owner or operator to facilitate the exchange of virtual currency for fiat currency or other virtual currency on behalf of a customer.

(f) "Virtual currency kiosk transaction" means the process in which a customer uses a virtual currency kiosk to exchange virtual currency for fiat currency or other virtual currency. A transaction begins at the point at which the customer is able to initiate a transaction after the customer is given the option to select the type of transaction or account and does not include any of the screens that display the required terms and conditions, disclaimers, or attestations.

(g) "Wallet" means hardware or software that enables customers to store and use virtual currency.

(2) Before a customer may initiate a virtual currency kiosk transaction, the owner or operator of the virtual currency kiosk must ensure that the virtual currency kiosk clearly and conspicuously displays the following disclosure on the screen:

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16-00044-26

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59            ~~WARNING: CONSUMER FRAUD OFTEN STARTS WITH CONTACT FROM~~  
 60            ~~A STRANGER. IF YOU HAVE BEEN DIRECTED TO THIS MACHINE~~  
 61            ~~BY SOMEONE CLAIMING TO BE A GOVERNMENT AGENT, BILL~~  
 62            ~~COLLECTOR, LAW ENFORCEMENT OFFICER, OR ANYONE YOU DO~~  
 63            ~~NOT KNOW PERSONALLY, STOP THIS TRANSACTION IMMEDIATELY~~  
 64            ~~AND CONTACT YOUR FINANCIAL ADVISOR OR LOCAL LAW~~  
 65            ~~ENFORCEMENT.~~

66  
 67            ~~(3) The owner or operator of a virtual currency kiosk may~~  
 68            ~~not permit a new customer to transact more than \$2,000 per~~  
 69            ~~calendar day, whether through a single transaction or multiple~~  
 70            ~~transactions. The owner or operator of a virtual currency kiosk~~  
 71            ~~may not permit an existing customer to transact more than~~  
 72            ~~\$10,500 per calendar day, whether through a single transaction~~  
 73            ~~or multiple transactions.~~

74            ~~(4) Upon completion of a virtual currency transaction, the~~  
 75            ~~owner or operator of a virtual currency kiosk must provide the~~  
 76            ~~customer with an electronic receipt that includes all of the~~  
 77            ~~following:~~

78            ~~(a) The name and contact information of the owner or~~  
 79            ~~operator, including a toll-free telephone number.~~  
 80            ~~(b) The date, time, value, and type of the transaction.~~  
 81            ~~(c) The transaction hash and each wallet used.~~  
 82            ~~(d) The total fee charged.~~  
 83            ~~(e) The exchange rate, if applicable.~~  
 84            ~~(f) A statement of the owner's or operator's liability, if~~  
 85            ~~any, for nondelivery or delayed delivery of the currency.~~  
 86            ~~(g) The refund policy of the owner or operator.~~  
 87            ~~(5) The owner or operator of a virtual currency kiosk must~~

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16-00044-26

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88            issue a full refund within 72 hours to a customer for the  
 89            customer's first virtual currency transaction if all of the  
 90            following conditions are met:  
 91            (a) The customer transferred virtual currency to a wallet  
 92            or exchange located outside the United States.  
 93            (b) Within 60 days, the customer contacts both the owner or  
 94            operator of the virtual currency kiosk and a law enforcement or  
 95            governmental agency regarding the fraudulent nature of the  
 96            transaction.  
 97            (c) The customer provides proof of fraud, such as a police  
 98            report or a notarized affidavit.  
 99            (6) The commission may adopt rules to administer this  
 100           section.

101           Section 2. This act shall take effect January 1, 2027.

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



## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

**SENATOR DARRYL ERVIN ROUSON**

16th District

**COMMITTEES:**

Appropriations, Vice Chair  
Agriculture  
Appropriations Committee on Criminal and Civil Justice  
Appropriations Committee on Health and Human Services  
Children, Families, and Elder Affairs  
Ethics and Elections  
Rules

**JOINT COMMITTEE:**

Joint Legislative Budget Commission

December 9, 2025

Sen. Joe Gruters  
Chairman, Committee on Banking and Insurance  
320 Knot Building  
404 S Monroe St  
Tallahassee, FL 32399

Dear Chairman Gruters,

I am respectfully requesting SB 198, Virtual Currency Kiosks, Public Records/Appellate Court Clerks, be added to the agenda of a forthcoming meeting of the Committee on Banking and Insurance for consideration. The bill's House companion, HB 505, passed unanimously out of the House Committee on Insurance & Banking this afternoon.

I am available for any questions you may have about this legislation. Thank you in advance for the committee's time and consideration.

Sincerely –

Senator Darryl E. Rouson  
Florida Senate District 16

**REPLY TO:**

- 535 Central Avenue, Suite 302, St. Petersburg, Florida 33701 (727) 822-6828
- 212 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5016

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**BEN ALBRITTON**  
President of the Senate

**JASON BRODEUR**  
President Pro Tempore

## **Moody, Jacqueline**

---

**From:** Holloway, Jason <Jason.Holloway@flofr.gov>  
**Sent:** Thursday, January 15, 2026 5:51 PM  
**To:** Moody, Jacqueline  
**Subject:** Re: SB 198 - Virtual Currency

Good evening,

1. As of today there are 617 MSBs and 41,865 locations/branches.
2. Total funds transmission for 2024-25: \$591,129,248,691 US and foreign funds transmissions inbound and outbound.
3. Kiosks - 3178 known  
Operators - 39 known and still operating  
The number of kiosks and operators – most recent data available. (Coin ATM Radar, *Bitcoin ATMs in Florida*, available at <https://coinatmradar.com/state/10/bitcoin-atm-florida/> (last visited Jan. 15, 2026).
4. 190 crypto kiosk cases; we do not have an updated number for victims or amounts since the FBI has changed their reporting system where we extracted the data. Our Bureau of Financial Investigations reached out to the FBI for updated IC3 reports in the beginning of the month and has not heard back.  
The prior number was over \$33 million.

**Thank you,**

**Jason Holloway**

Director of Fintech Policy  
Office of Financial Regulation  
200 E. Gaines Street  
Tallahassee, FL 32399-0370  
Office: (850) 410-9601  
Mobile: (727) 417-0036

Email: [Jason.Holloway@flofr.gov](mailto:Jason.Holloway@flofr.gov)  
[www.flofr.gov](http://www.flofr.gov)



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---

**From:** Moody, Jacqueline <MOODY.JACQUELINE@flsenate.gov>

**Sent:** Thursday, January 15, 2026 5:26 PM

**To:** Holloway, Jason <Jason.Holloway@flofr.gov>

**Subject:** SB 198 - Virtual Currency

Jason,

Will you please provide me with updated data summarized below that you previously provided for SB 292 (see attached email)?

1. Confirm the number of licensed MSBs as of January 2025 is 663 and locations/branches total 42,846 – this data comes from the OFR Fast Facts 12<sup>th</sup> Edition publication found here - [fast-facts.pdf](#)
2. Total funds transmissions (including US) and foreign funds transmissions for 2024-25.
3. The number of kiosks and operators – most recent data available.
4. Victim loss related to virtual currency kiosks – amount and number of victims. Previously provided January 2020 to present in two separate date period. It would be good, if available, to have amount and one total number of victims for whatever period available (e.g. Jan 2020 – Jan 2026).

Thank you again!

Jacqueline Moody  
Senior Attorney  
The Florida Senate  
Committee on Banking and Insurance  
(850) 487-5361

01/28/26

The Florida Senate

## APPEARANCE RECORD

SB 198

Meeting Date

Banking & Insurance

Committee

Name Christopher Hodge Phone 850-375-2532

Address 1709 Heritage ct Email Christopher.Hodge@the-league.coop

Street

Tallahassee

FL

32308

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:

FL Credit Union Association

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. 2020-2022JointRules.pdf (flsenate.gov)

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

S-001 (08/10/2021)

1/28/26 - 10:30 AM

Meeting Date

Banking & Insurance

Committee

Name AARP - Karen Murillo

Address 215 S. Monroe St., Ste. 603

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:

**AARP 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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://flsenate.gov/2020-2022JointRules.pdf)*

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

S-001 (08/10/2021)

The Florida Senate

**APPEARANCE RECORD**

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

**SB 198- Virtual Currency**

Bill Number or Topic

Amendment Barcode (if applicable)

Phone 850-567-0414

Email kmurillo@aarp.org

1-28-26

Meeting Date

Barking

Committee

Name

Ethan McClelland

Address

4145 Zenith Ave S

Street

Minneapolis

MN

55410

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. [2020-2022JointRules.pdf](https://www.flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate  
**APPEARANCE RECORD**

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

198  
Bill Number or Topic

Amendment Barcode (if applicable)

Phone 202 423 5608

Email ethan.mcclelland@bitcoindepot.com

1/28/25

Meeting Date

Banking & Insurance

Committee

Name

David Ganev

The Florida Senate

## APPEARANCE RECORD

198

Bill Number or Topic

Amendment Barcode (if applicable)

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:

Florida Bankers 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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://www.leg.state.fl.us/2020-2022JointRules.pdf)

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

S-001 (08/10/2021)

1/28/26

Meeting Date

**APPEARANCE RECORD**

SB 198

Bill Number or Topic

Banking & Insurance

Committee

Name Karen Civitate

Amendment Barcode (if applicable)

321-456-7767

Address 1410 Corbett Lane

Street

Email Karciv124@gmail.comW Melbourne FL 32904

City

State

Zip

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

I am appearing without compensation or sponsorship.

**PLEASE CHECK ONE OF THE FOLLOWING:** 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. [2020-2022JointRules.pdf](#) (flsenate.gov)

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S-001 (08/10/2021)

1/28/26

Meeting Date

3±1

Committee

Name Greg Black

Phone

850 509 8022

Address 215 S. Monroe St., Suite 1300  
Street

Email greg@blackconsulting12c.com

TLH

FBH 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:

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

Satoshi Action Fund

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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022JointRules.pdf)

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

S-001 (08/10/2021)

11/28/20

Meeting Date

Banking & Insurance  
Committee

The Florida Senate

## APPEARANCE RECORD

SB198

Bill Number or Topic

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

Amendment Barcode (if applicable)

Name Rima Nathan - FSU Elder Law

Phone (386)846-7772

Address 425 W. Jefferson St  
Street

Email nathan@law.fsu.edu

Tallahassee  
City

FL  
State

32306  
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. [2020-2022JointRules.pdf](https://www.flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)*

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

S-001 (08/10/2021)

January 28, 2026

The Florida Senate

# APPEARANCE RECORD

198

Meeting Date

Banking and Insurance

Bill Number or Topic

Committee

Name Brian Jogerst

Amendment Barcode (if applicable)

850.933.1985

Address PO Box 11094

Phone

Street

brian@thegriffingroup.com

Tallahassee

FL

32302

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:

Elder Law Section/Florida Bar AND The Academy of Florida Elder Law Attorneys

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. [2020-2022JointRules.pdf](#) (flsenate.gov)*

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

S-001

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 198  
**Final Action:** Favorable with Committee Sub

**Tab #:** 1  
**Sponsor:** Rouson  
**Subject:** Virtual Currency Kiosks

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

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 Banking and Insurance

BILL: CS/SB 570

INTRODUCER: Banking and Insurance Committee and Senator Polsky

SUBJECT: Task Force on Payment Scams

DATE: January 29, 2026

REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Moody	Knudson	BI	Fav/CS
2.		AEG	
3.		FP	

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

### I. Summary:

CS/SB 570 creates the Task Force on Payment Scams (task force), for the purpose of recognizing and averting payment scams. SB 570 is similar to federal legislation pending before Congress. The task force is adjunct to the Department of Financial Services (DFS) and requires the Chief Financial Officer (CFO) to establish the task force no later than October 1, 2026. The task force must:

- Perform specific functions for which the task force is established;
- Meet a minimum number of times per year and at certain times and places as determined by the chair;
- Perform specific duties; and
- Submit reports within specified timeframes that include certain information or recommendations.

The bill specifies the membership of the task force, including the members' term of service and compensation restrictions.

The bill is subject to repeal October 2, 2029, unless the statute is reviewed and reenacted by the Legislature before that date.

There is no anticipated fiscal impact on state government. See Section V. Fiscal Impact.

The bill is effective July 1, 2026.

## II. Present Situation:

In 2024, Florida residents lost \$1 billion in internet scams.<sup>1</sup> Jacksonville, Daytona Beach, Gainesville, Ocala, Tallahassee, and Pensacola victims lost more than \$1.6 million from November 2024 to January 2025.<sup>2</sup> The Florida Attorney General warns that common signs of scams include unsolicited calls or emails, high-pressure tactics or too-good-to-be-true offers, threats of loss if immediate action is not taken, and requests for immediate payment by wire transfer, credit, prepaid debit, or gift cards.<sup>3</sup>

### Financial Crimes Analysis Center

The Florida Department of Law Enforcement, Office of Statewide Intelligence, includes the Financial Crime Analysis Center (FCAC) that researches financial intelligence to reveal trends, patterns, or correlations that may suggest money laundering, terrorist financing, or any criminal activities that threaten the state.<sup>4</sup> FCAC serves as the Financial Crimes Enforcement Network (FinCEN) Gateway System coordinator for Florida, and support state and local law enforcement agencies by conducting research and analysis of financial data filed under the Bank Secrecy Act.<sup>5</sup>

FCAC can provide generalized subject matter guidance to a payment scams task force; however, records and information, including statistical or other information that references or summarizes or may reveal the existence of Bank Secrecy Act information is confidential and exempt from disclosure.<sup>6</sup> Florida law provides that records compiled by the Financial Transaction Database

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<sup>1</sup> Bridges, C.A., *Florida Residents Lost \$1 Billion in 2024 Internet Scams. Here's How to Protect Your Money*, The Florida Times-Union, Apr. 28, 2025, available at: [Internet scams hit record \\$16 billion in losses; \\$1 billion in Florida](#) (last visited Jan. 24, 2026).

<sup>2</sup> FBI Jacksonville, *FBI Jacksonville Warning: Don't Let Scammers Steal the Season*, Dec. 1, 2025, available at: [FBI Jacksonville Warning: Don't let Scammers Steal the Season — FBI](#) (last visited Jan. 24, 2026).

<sup>3</sup> Florida Office of the Attorney General, *Scams at a Glance*, available at: [Scams at a Glance | My Florida Legal](#) (last visited Jan. 24, 2026).

<sup>4</sup> The Florida Department of Law Enforcement, *2026 FDLE Legislative Bill Analysis for SB 570*, Jan. 6, 2026, (on file with Senate Committee on Banking and Insurance) (hereinafter cited as "2026 FDLE Analysis for SB 570").

<sup>5</sup> *Id.*

<sup>6</sup> 12 U.S.C. s. 1829b, 12 U.S.C. ss. 1951-1959, and 31 U.S.C. ss. 310, 5311-5314, 5316-5336 (providing Bank Secrecy Act records, information, suspicious activity reports, and statistical information confidential).

are considered “active criminal intelligence”<sup>7</sup> or “active criminal investigative information”<sup>8</sup> and are exempt from public records disclosure requirements.<sup>9</sup>

### **Taskforce for Recognizing and Averting Payment Scams Act (“TRAPS Act”)**

The TRAPS Act is federal legislation before the House of Representatives that was introduced on August 8, 2025.<sup>10</sup> H.R. 4936 (2025-2026) requires the Secretary of Treasury to establish a TRAPS task force and specifies the membership composition. The TRAPS Act’s purposes include:

- Examine trends and development in payment scams, identify effective methods for preventing the scams, and issue recommendations to enhance efforts to detect and prevent the scam.
- Adopt a cross-sector approach to its recommendations to address the impact scams have on a variety of industries.
- Include representation from certain stakeholders, such as victims of scams and industry participants.

The TRAPS Act specifies meeting requirements and duties of the task force. The task force is required to submit reports to the House of Representatives and Senate within a specified timeframe containing certain information and recommendations.

### **Florida Law on Task Forces**

Florida law defines “task force” as an advisory body created without specific statutory enactment for a time not to exceed 1 year or created by specific statutory enactment for a time not to exceed 3 years and appointed to study a specific problem and recommend a solution or policy alternative with respect to that problem. Its existence terminates upon the completion of its assignment.<sup>11</sup> An advisory body, such as a task force, that is created by specific statutory enactment as adjunct to an executive agency must comply with the following provisions:

<sup>7</sup> Section 119.011(3)(a), F.S., defines “criminal intelligence information” as information with respect to an identifiable person or group of persons collected by a criminal justice agency in an effort to anticipate, prevent, or monitor possible criminal activity. Section 119.011(3)(d), F.S., provides criminal intelligence information is considered “active” as long as it is related to intelligence gathering conducted with a reasonable, good faith belief that it will lead to detection of ongoing or reasonably anticipated criminal activities.

<sup>8</sup> Section 119.011(3)(b), F.S., defines “criminal investigative information” as information with respect to an identifiable person or group of persons compiled by a criminal justice agency in the course of conducting a criminal investigation of a specific act or omission, including, but not limited to, information derived from laboratory tests, reports of investigators or information, or any type of surveillance. Section 119.011(3)(d), F.S., provides criminal investigative information is considered “active” as long as it is related to an ongoing investigation which is continuing with a reasonable, good faith anticipation of securing an arrest or prosecution in the foreseeable future. In addition, criminal intelligence and criminal investigation information is considered “active” while such information is directly related to pending prosecutions or appeals. “Criminal intelligence information” and “criminal investigative information” does not include: a. The time, date, location, and nature of a reported crime. 2. The name, sex, age, and address of the person arrested or of the victim of a crime with specified exceptions. 3. The time, date, and location of the incident and of the arrest. 4. The crime charged. 5. Documents given or required by law or agency rule to be given to the person arrested with certain exceptions. 6. Informations and indictments with certain exceptions.

<sup>9</sup> Section 119.071(2)(c), F.S.

<sup>10</sup> Congress.Gov, *H.R. 4936 – TRAPS Act*, available at: [Related Bills - H.R.4936 - 119th Congress \(2025-2026\): TRAPS Act | Congress.gov | Library of Congress](https://www.congress.gov/bill/119th-congress/house-bill/4936) (last visited Jan. 24, 2026).

<sup>11</sup> Section 20.03(5), F.S.

- It is created only when necessary and beneficial to further a public purpose.
- It is terminated by the Legislature when no longer necessary and beneficial to further a public purpose.
- The Legislature and public must be kept informed of certain information, such as numbers, purposes, memberships, and activities.
- It must meet a statutorily defined purpose.
- Its powers and responsibilities conform with the definitions of governmental units in s. 20.03, F.S.
- Its members are appointed for 4-year staggered terms;
- Its members serve without additional compensation or honorarium, and are authorized to receive only per diem and reimbursement for travel expenses.
- The private citizen members of an advisory board must be appointed by the Governor, the head of the department, the executive director of the department, or a Cabinet officer.
- Unless an exemption applies, all meetings are public meetings. Minutes must be maintained.<sup>12</sup>

A law creating a task force must provide for the repeal of the advisory body on October 2<sup>nd</sup> of the 3<sup>rd</sup> year after enactment unless the law is reviewed and reenacted by the Legislature before that date.<sup>13</sup>

### **III. Effect of Proposed Changes:**

SB 570 creates the Task Force on Payment Scams (the “task force”), that is adjunct to the Department of Financial Services (DFS). The task force is based on and substantially similar to the TRAPS Act. Unless the bill provides otherwise, the task force must operate in a manner consistent with s. 20.052, F.S.<sup>14</sup>

#### **Operation**

The bill requires the DFS to provide administrative and staff support relating to the functions of the task force. On or before October 1, 2026, the Chief Financial Officer (CFO) must establish the task force to recognize and avert payment scams by:

- Examining current trends and developments in payment scams, identifying effective methods for preventing such scams, and issuing recommendations to enhance efforts to identify and prevent such activities.
- Adopting a cross-sector approach to ensure the task force’s recommendations reflect the full scope of the issue, given that scams impact individuals across a wide range of industries, including financial services, telecommunications, and technology.
- Including representation from stakeholders with direct experience supporting victims of scams, as well as industry participants with insight into scam tactics and prevention strategies.

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<sup>12</sup> Section 20.052, F.S.

<sup>13</sup> Section 20.052(8), F.S.

<sup>14</sup> *Supra* note 8.

## Membership and Meetings

The task force will be chaired by the CFO or his or her designee and members will include:

- The Commissioner of Agriculture or his or her designee.
- The Attorney General or his or her designee.
- A representative from the Division of Treasury of the DFS, appointed by the CFO.
- The Secretary of Commerce or his or her designee.
- A representative from the Financial Crime Analysis Center of the Department of Law Enforcement, who has experience using and general knowledge of the Financial Transaction Database, appointed by the CFO.
- The following representatives appointed by the CFO in consultation with the task force:
  - A representative from a financial institution who has expertise in identifying, preventing, and combating payment scams.
  - A representative from a credit union who has expertise in identifying, preventing, and combating payment scams.
  - A representative from a digital payment network who has expertise in identifying, preventing, and combating payment scams.
  - A representative from a community bank.
  - A representative from a consumer group.
  - A representative from an industry association representing technology or online platforms.
- Not more than five representatives appointed by the CFO to represent scam victims, scam victim support networks, and other relevant stakeholders in order to better assist consumers and stakeholders.

Task force members serve until the termination of the task force, and any vacancy is filled in the same way the original appointment was made. Members of the task force must serve without compensation. However, employees of this state shall receive the same salaries and benefits as they would without serving on the task force. The members are entitled to receive reimbursement for per diem and travel expenses.<sup>15</sup> The task force is required to meet at least three times during the 1-year period beginning on October 1, 2026, and at such times and places, and by such means as the task force chair determines to be appropriate. The task force meetings may be conducted using communication media technology.

## Duties

The task force's duties include:

- Evaluating best practices for combating scammer methods, such as spoofed calls, scam text messages, and malicious advertisements, pop-ups, and websites.
- Assessing how other state, federal, and international jurisdictions have tried to prevent payment scams.
- Identifying and reviewing current methods used to scam a consumer through payment platforms.

---

<sup>15</sup> Section 112.061, F.S. (providing computation of travel time for reimbursement, rates of per diem and subsistence allowance, transportation, and other expenses).

- Determining a strategy for education programs that better equip consumers to identify, avoid, and report payment scam attempts to the appropriate authorities.
- Coordinating efforts to ensure perpetrators of payment scams can be identified and pursued by law enforcement.
- Consulting with other relevant stakeholders, including federal, state, local, and tribal agencies and financial services providers.
- Determining whether any additional legislation would be beneficial for law enforcement and industry in mitigating payment scams.
- Identifying potential solutions to payment scams involving business e-mail compromise.

## Reports

Within 1 year of being established, the task force must submit to the President of the Senate and the Speaker of the House of Representatives and make publicly available online a report with the following information:

- The results of the reviews and evaluations of the task force under subsection (5).
- The strategy identified under subsection (5).
- Any legislative or regulatory recommendations described in subsection (5) which would enhance the ability to detect and prevent payment scams.
- Recommendations to enhance cooperation among federal, state, local, and tribal authorities in the investigation and prosecution of scams and other financial crimes, including harmonizing data collection, improving reporting mechanisms and channels, estimating the number of complaints and consumers affected, and evaluating the effectiveness of anti-scam training programs.

After submitting an initial report required under paragraph (a), the task force shall submit annually to the President of the Senate and the Speaker of the House of Representatives and make publicly available online an updated version of the report.

## Definitions

The bill defines the following terms:

- “Payment” means any mechanism through which an individual can electronically transfer funds to another individual via a platform or intermediary.
- “Task force” means the Task Force on Payment Scams created in the bill.

## Repeal

The task force created by the bill is repealed on October 2, 2029, unless the Legislature reviews and reenacts before that date.<sup>16</sup>

## Effective Date

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

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<sup>16</sup> *Supra* note 9.

**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.

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

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

The Florida Department of Law Enforcement reports that the bill will have no fiscal impact on state government.<sup>17</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill creates the following sections of the Florida Statutes: 17.675

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<sup>17</sup> 2026 FDLE Analysis for SB 570.

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

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

**CS by Banking and Insurance Committee on January 28, 2026:**

- Consolidates the Financial Transaction Database membership position into the Financial Crime Analysis Center membership position.

**B. Amendments:**

None.

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

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Polsky) recommended the following:

1                   **Senate Amendment (with title amendment)**

2

3                   Delete lines 63 - 67

4 and insert:

5 Center of the Department of Law Enforcement, who has experience  
6 using and general knowledge of the Financial Transaction  
7 Database, appointed by the Chief Financial Officer.

8

9 ===== T I T L E A M E N D M E N T =====

10 And the title is amended as follows:



11       Delete line 11  
12 and insert:  
13       force; specifying the chair and membership of the task  
14       force; providing that members serve without

By Senator Polsky

30-00634-26

2026570

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

Section 1. Section 17.675, Florida Statutes, is created to read:

17.675 Task Force on Payment Scams.—

(1) The Task Force on Payment Scams, a task force as defined in s. 20.03(5), is created adjunct to the Department of Financial Services. Except as otherwise provided in this section, the task force shall operate in a manner consistent with s. 20.052. The department shall provide administrative and staff support relating to the functions of the task force.

Page 1 of 6

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

30-00634-26

Page 2 of 6

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

30-00634-26

2026570

59                   Department of Financial Services, appointed by the Chief  
60                   Financial Officer.

61                    4. The Secretary of Commerce or his or her designee.

62                    5. A representative from the Financial Crime Analysis

63                    Center of the Department of Law Enforcement, appointed by the  
64                   Chief Financial Officer.

65                    6. A representative from the Financial Transaction Database

66                    of the Department of Law Enforcement, appointed by the Chief  
67                   Financial Officer.

68                    7. A representative from a financial institution who has

69                    expertise in identifying, preventing, and combating payment  
70                   scams, appointed by the Chief Financial Officer in consultation  
71                   with the task force.

72                    8. A representative from a credit union who has expertise

73                    in identifying, preventing, and combating payment scams,  
74                   appointed by the Chief Financial Officer in consultation with  
75                   the task force.

76                    9. A representative from a digital payment network who has

77                    expertise in identifying, preventing, and combating payment  
78                   scams, appointed by the Chief Financial Officer in consultation  
79                   with the task force.

80                    10. A representative from a community bank, appointed by

81                    the Chief Financial Officer in consultation with the task force.

82                    11. A representative from a consumer group, appointed by

83                    the Chief Financial Officer in consultation with the task force.

84                    12. A representative from an industry association

85                    representing technology or online platforms, appointed by the  
86                   Chief Financial Officer in consultation with the task force.

87                    13. Not more than five representatives appointed by the

Page 3 of 6

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

30-00634-26

2026570

88       Chief Financial Officer to represent scam victims, scam victim  
89       support networks, and other relevant stakeholders in order to  
90       better assist consumers and stakeholders.

91           (b) Members of the task force shall serve until the  
92       termination of the task force. Any vacancy occurring in the  
93       membership of the task force shall be filled in the same manner  
94       in which the original appointment was made.

95           (c) Members of the task force:

96           1. Shall serve without compensation, except that employees  
97       of this state shall receive the same salaries and benefits as  
98       they would without serving on the task force.

99           2. Are entitled to receive reimbursement for per diem and  
100       travel expenses pursuant to s. 112.061.

101           (d) The task force shall meet at least three times during  
102       the 1-year period beginning on October 1, 2026, and thereafter  
103       at such times and places and by such means as the chair of the  
104       task force determines to be appropriate, which may include the  
105       use of communications media technology.

106           (5) The duties of the task force include all of the  
107       following:

108           (a) Evaluating best practices for combating scammer  
109       methods, such as spoofed calls, scam text messages, and  
110       malicious advertisements, pop-ups, and websites.

111           (b) Assessing how other state, federal, and international  
112       jurisdictions have tried to prevent payment scams.

113           (c) Identifying and reviewing current methods used to scam  
114       a consumer through payment platforms.

115           (d) Determining a strategy for education programs that  
116       better equip consumers to identify, avoid, and report payment

Page 4 of 6

**CODING:** Words ~~strieken~~ are deletions; words underlined are additions.

30-00634-26  
 117 scam attempts to the appropriate authorities.

118 (e) Coordinating efforts to ensure perpetrators of payment  
 119 scams can be identified and pursued by law enforcement.

120 (f) Consulting with other relevant stakeholders, including  
 121 federal, state, local, and tribal agencies and financial  
 122 services providers.

123 (g) Determining whether any additional legislation would be  
 124 beneficial for law enforcement and industry in mitigating  
 125 payment scams.

126 (h) Identifying potential solutions to payment scams  
 127 involving business e-mail compromise.

128 (6) (a) No later than 1 year after the date on which the  
 129 task force is established, the task force shall submit to the  
 130 President of the Senate and the Speaker of the House of  
 131 Representatives and make publicly available online a report  
 132 detailing all of the following:

133 1. The results of the reviews and evaluations of the task  
 134 force under subsection (5).

135 2. The strategy identified under subsection (5).

136 3. Any legislative or regulatory recommendations described  
 137 in subsection (5) which would enhance the ability to detect and  
 138 prevent payment scams.

139 4. Recommendations to enhance cooperation among federal,  
 140 state, local, and tribal authorities in the investigation and  
 141 prosecution of scams and other financial crimes, including  
 142 harmonizing data collection, improving reporting mechanisms and  
 143 channels, estimating the number of complaints and consumers  
 144 affected, and evaluating the effectiveness of anti-scam training  
 145 programs.

Page 5 of 6

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

30-00634-26  
 2026570  
 146 (b) After submitting an initial report required under

147 paragraph (a), the task force shall submit annually to the  
 148 President of the Senate and the Speaker of the House of  
 149 Representatives and make publicly available online an updated  
 150 version of the report.

151 (7) In accordance with s. 20.052(8), this section is  
 152 repealed October 2, 2029, unless reviewed and saved from repeal  
 153 through reenactment by the Legislature.

154 Section 2. This act shall take effect July 1, 2026.

Page 6 of 6

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



# 2026 FDLE LEGISLATIVE BILL ANALYSIS



<b>BILL INFORMATION</b>	
<b>BILL NUMBER:</b>	SB 570
<b>BILL TITLE:</b>	Task Force on Payment Scams
<b>BILL SPONSOR:</b>	Senator Polsky
<b>EFFECTIVE DATE:</b>	July 1, 2026

<b>COMMITTEES OF REFERENCE</b>	<b>CURRENT COMMITTEE</b>
1) Senate Banking and Insurance	
2) Senate Appropriations Committee on Agriculture, Environment, and General Government	
3) Senate Fiscal Policy	
4)	
5)	

<b>PREVIOUS LEGISLATION</b>	<b>IDENTICAL BILLS</b>
<b>BILL NUMBER:</b>	<b>BILL NUMBER:</b>
<b>SPONSOR:</b>	<b>SPONSOR:</b>
<b>YEAR:</b>	
<b>LAST ACTION:</b>	

<b>BILL ANALYSIS INFORMATION</b>	
<b>DATE OF ANALYSIS:</b>	January 6, 2026
<b>LEAD AGENCY ANALYST:</b>	Dana Kelly
<b>ADDITIONAL ANALYST(S):</b>	Will Mickler, Dan Marquith
<b>LEGAL ANALYST:</b>	Phil Lindley
<b>FISCAL ANALYST:</b>	Elizabeth Martin

## **POLICY ANALYSIS**

### **1. EXECUTIVE SUMMARY**

The bill creates the Task Force on Payment Scams adjunct to the Department of Financial Services. The bill defines the terms payment and task force. The bill requires the Chief Financial Officer to establish a task force by a specified date. The bill provides repeal and legislative review of task force. This act shall take effect July 1, 2026.

### **2. SUBSTANTIVE BILL ANALYSIS**

#### **1. PRESENT SITUATION:**

The Financial Crime Analysis Center (FCAC) is housed within the Florida Department of Law Enforcement (FDLE), Office of Statewide Intelligence. FCAC's mission is to proactively research financial intelligence to reveal trends, patterns or correlations indicative to money laundering, terrorist financing or any criminal activities that threaten the state of Florida. The FCAC also serves as the Financial Crimes Enforcement Network (FinCEN) Gateway System coordinator for the state of Florida. In this capacity, FCAC members support state and local law enforcement agencies by conducting research and analysis of financial data filed under the Bank Secrecy Act.

#### **2. EFFECT OF THE BILL:**

##### Section 1.

The bill creates section 17.675, Florida Statutes, the Task Force on Payment Scams under the Department of Financial Services. The bill defines "payment" and outlines the task force's purpose to recognize and avert electronic payment-related scams. The bill requires the Chief Financial Officer to establish the task force by October 1, 2026, with specific members including a representative from the FDLE FCAC. It directs the task force to examine current scam trends, explore prevention methods, develop educational strategies, and coordinate with law enforcement to fight payment scams. The bill mandates annual reporting of findings, strategies, and regulatory recommendations to legislative leaders and the public. The bill provides a repeal of the task force on October 2, 2029, unless reenacted.

##### Section 2.

This act shall take effect July 1, 2026.

#### **3. DOES THE LEGISLATION DIRECT OR ALLOW THE AGENCY/BOARD/COMMISSION/DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES OR PROCEDURES? Y N**

If yes, explain:	
What is the expected impact to the agency's core mission?	
Rule(s) impacted (provide references to F.A.C., etc.):	

#### **4. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS?**

List any known proponents and opponents:	
Provide a summary of the proponents' and opponents' positions:	

#### **5. ARE THERE ANY REPORTS OR STUDIES REQUIRED BY THIS BILL? Y N**

If yes, provide a description:	<p>Lines 128-144: The task force shall submit to the President of the Senate and the Speaker of the House of Representatives and make publicly available online a report detailing the following:</p> <ol style="list-style-type: none"> <li>1. Strategies identified.</li> <li>2. Legislative or regulatory recommendations to detect and prevent payment scams.</li> <li>3. Recommendations to enhance cooperation among federal, state, local, and tribal authorities in the investigation and prosecution of scams and financial crimes.</li> </ol>
Date Due:	Lines 147-149: Annually
Bill Section Number:	Section 1

**6. ARE THERE ANY NEW GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSION, ETC. REQUIRED BY THIS BILL? Y☒ N☐**

Board:	Task Force on Payment Scams
Board Purpose:	To recognize and avert payment scams
Who Appoints:	The Chief Financial Officer
Appointee Term:	Until the termination of the task force.
Changes:	
Bill Section Number(s):	Section 1; Lines 53-93.

**FISCAL ANALYSIS**

**1. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT? Y☐ N☒**

Revenues:	
Expenditures:	
Does the legislation increase local taxes or fees?	
If yes, does the legislation provide for a local referendum or local governing body public vote prior to implementation of the tax or fee increase?	

**2. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT? Y☐ N☒**

Revenues:	
Expenditures:	
Does the legislation contain a State Government appropriation?	
If yes, was this appropriated last year?	

**3. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR? Y☐ N☒**

Revenues:	
Expenditures:	
Other:	

**4. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES? Y☐ N☒**

Does the bill increase taxes, fees or fines?	
Does the bill decrease taxes, fees or fines?	
What is the impact of the increase or decrease?	
Bill Section Number:	

**TECHNOLOGY IMPACT**

**1. DOES THE LEGISLATION IMPACT THE AGENCY'S TECHNOLOGY SYSTEMS (I.E., IT SUPPORT, LICENSING, SOFTWARE, DATA STORAGE, ETC.)? Y☐ N☒**

If yes, describe the anticipated impact to the agency including any fiscal impact.	
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## **FEDERAL IMPACT**

### 1. DOES THE LEGISLATION HAVE A FEDERAL IMPACT (I.E., FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)? Y N

If yes, describe the anticipated impact including any fiscal impact.	
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## **LEGAL - GENERAL COUNSEL'S OFFICE REVIEW**

Issues/concerns/comments and recommended action:	N/A.
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## **ADDITIONAL COMMENTS**

- The Financial Crime Analysis Center houses the Financial Transaction Database.
- Lines 65-66: Consolidate the Financial Transaction Database into the Financial Crime Analysis Center (lines 62-63) because this is a single organizational division.
- Florida Department of Law Enforcement's representative from the Financial Crime Analysis Center can provide generalized subject matter guidance.
- Records and information, including statistical or other information that references, summarizes, or may reveal the existence of Bank Secrecy Act Information, that the Financial Crime Analysis Center and Financial Transaction Database accesses or houses is confidential and exempt from disclosure.
- The provisions of the Bank Secrecy Act (BSA) and regulations implementing the BSA, codified at 12 U.S.C. § 1829b, 12 U.S.C §§ 1951-1959, and 31 U.S.C. §§ 310, 5311-5314, 5316-5336, make such records, information, suspicious activity reports and statistical information confidential.
- Section 943.032(2), Florida Statutes, specifies that records compiled by the Financial Transaction Database shall be considered active criminal intelligence or active criminal investigative records, and are exempt from public record pursuant to section 119.071(2)(c), Florida Statutes.



# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

## COMMITTEES:

Appropriations on Transportation, Tourism, and Economic Development, *Vice Chair*  
Appropriations  
Appropriations on Criminal and Civil Justice  
Environment and Natural Resources  
Ethics and Elections  
Governmental Oversight and Accountability  
Judiciary

## SELECT COMMITTEE:

Joint Select Committee on Collective Bargaining

**SENATOR TINA SCOTT POLSKY**

30th District

December 10, 2025

Chairman Joe Gruters  
Committee on Banking and Insurance  
320 Knott Building  
404 S. Monroe Street  
Tallahassee, FL 32399-1100

Chairman Gruters,

I respectfully request that you place SB 570, relating to Task Force on Payment Scams on the agenda of the Committee on Banking and Insurance, at your earliest convenience.

Should you have any questions or concerns, please feel free to contact me or my office. Thank you in advance for your consideration.

Kindest Regards,

Senator Tina S. Polsky  
Florida Senate, District 30

cc: James Knudson, Staff Director  
Amaura Canty, Administrative Assistant

**REPLY TO:**  
 5301 North Federal Highway, Suite 135, Boca Raton, Florida 33487 (561) 443-8170  
 220 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5030

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**BEN ALBRITTON**  
President of the Senate

**JASON BRODEUR**  
President Pro Tempore

1/26/26 - 10:30 AM

Meeting Date

Banking & Insurance

Committee

Name AARP - Karen Murillo

Address 215 S. Monroe St., Ste. 603

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:

**AARP 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. [2020-2022JointRules.pdf](https://www.flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)*

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

S-001 (08/10/2021)

The Florida Senate

**APPEARANCE RECORD**

**SB 570 - Task Force**

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

Bill Number or Topic

Amendment Barcode (if applicable)

Phone 850-567-0414

Email kmurillo@aarp.org

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 570  
**Final Action:** Favorable with Committee Sub

**Tab #:** 2  
**Sponsor:** Polsky  
**Subject:** Task Force on Payment Scams

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

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.)

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Prepared By: The Professional Staff of the Committee on Banking and Insurance

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BILL: CS/SB 772

INTRODUCER: Banking and Insurance Committee and Senator Burgess

SUBJECT: Limited Licenses for Portable Electronics and Eyewear Insurance

DATE: January 29, 2026      REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Moody	Knudson	BI	Fav/CS
2.		AEG	
3.		RC	

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**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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### I. Summary:

CS/SB 772 expands the scope of limited insurance agent licenses issued to qualified applicants for the limited line of portable electronics to include eyewear insurance. The bill includes limited licenses as agents for eyewear to the list of those exempt from examination requirements and knowledge, experience, or instruction requirements. The bill also extends claims processing exemptions specifically for portable electronic device insurance claims to eyewear insurance claims.

The bill defines the term “eyewear” to include smart glasses and nonelectronic glasses, and the term “nonelectronic eyewear” is defined to include prescription and nonprescription glasses and sunglasses. The bill amends the definition of “portable electronics” to modernize the definition to include newer technologies. The bill removes the obsolete definition of the term “portable electronics transaction.”

There is no anticipated fiscal impact to local or state government. The bill may reduce out-of-pocket costs to consumers. See Section V. Fiscal Impact Statements.

The bill is effective July 1, 2026.

## II. Present Situation:

### Limited Lines Insurance

The Department of Financial Services (DFS) must issue to a qualified applicant a license to transact certain limited class of business, for instance travel insurance, motor vehicle rental insurance, and portable electronics insurance.<sup>1</sup> “Portable electronics” is defined as personal, self-contained, easily carried by an individual, battery-operated electronic communication, viewing, listening, recording, gaming, computing or global positioning devices, including cell or satellite phones, pagers, personal global positioning satellite units, portable computers, portable audio listening, video viewing or recording devices, digital cameras, video camcorders, portable gaming systems, docking stations, automatic answering devices, and other similar devices and their accessories, and service related to the use of such devices.<sup>2</sup>

### *Portable Electronics Insurance*

A limited license for portable electronics insurance may include property insurance or inland marine insurance that covers only loss, theft, mechanical failure, malfunction, or damage for portable electronics.<sup>3</sup> The license may only be issued to employees or an authorized representative of a licensed general lines agent, or a lead business location of a retail vendor that sells portable electronic insurance which must have a contractual relationship with a general lines agent.<sup>4</sup> Such employees and authorized representatives may sell or offer for sale portable electronics coverage without being an insurance agent if certain criteria are met, including:

- The insurance is sold or offered for sale at a licensed location or a licensee’s branch location<sup>5</sup> appointed by the licensed lead business location or its appointing insurers.
- The insurer issuing the insurance directly supervises or appoints a general lines agent to supervise the sale of the insurance.
- Brochures with specified information are made available to all prospective consumers.<sup>6</sup> Brochures and other written materials related to portable electronic insurance must include certain information, for instance that enrollment in the insurance is not required to purchase portable electronics, the material terms of the insurance, and a summary of the claims process.<sup>7</sup> Individuals not licensed to sell portable electronics insurance are subject to certain compensation restrictions.<sup>8</sup>

A licensed and general lines agent is not required to obtain a portable electronics insurance license to sell such products at locations already licensed as an insurance agency but may apply for a license for branch locations not licensed to sell insurance.<sup>9</sup> A portable electronics license authorizes the sale of individual policies or certificates under a group or master insurance policy,

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<sup>1</sup> Section 626.321(1), F.S.

<sup>2</sup> Section 626.321(1)(h)12.b., F.S.

<sup>3</sup> Section 626.321(1)(h), F.S.

<sup>4</sup> Section 626.321(1)(h)1., F.S.

<sup>5</sup> Section 626.321(1)(h)12.a., F.S., defines “branch location” as any physical location in this state at which a licensee offers its products or services for sale.

<sup>6</sup> Section 626.321(1)(h)2., F.S.

<sup>7</sup> Section 626.321(1)(h)4., F.S.

<sup>8</sup> Section 626.321(1)(h)3., F.S.

<sup>9</sup> Section 626.321(1)(h)5., F.S.

or service warranty agreements covering only portable electronics to the same extent as if licensed under s. 634.419, F.S., or s. 634.420, F.S.<sup>10</sup> A licensee may collect the premium for the purchase of portable electronics insurance if certain conditions are met, including:

- The licensee clearly and conspicuously discloses when insurance is included with the purchase or lease of portable electronics or related services.
- Premiums are incidental to other fees collected, are readily identifiable, and are remitted to the insurer or supervising entity within 60 days of receipt.
- Funds received for the sale of the insurance are held in trust by the licensee in a fiduciary capacity for the benefit of the insurer.<sup>11</sup>

The terms for the termination or modification of a portable electronics insurance policy are those provided in the policy.<sup>12</sup> Unless expressly provided otherwise, a person applying for or holding a limited license is subject to the same applicable requirements and responsibilities that apply to general lines agents in general if licensed as to portable electronics insurance.<sup>13</sup>

### ***Qualification Exemptions***

An applicant for a limited license as agent for portable electronics insurance is exempt from taking and passing a written examination to qualify for such license.<sup>14</sup> Generally, an applicant for a license as a general lines agent must meet certain requirements as to knowledge, experience, or instruction, such as teaching or successfully completing 200 hours of course work in a specified topic within 4 years immediately preceding the application date.<sup>15</sup> However, such knowledge, experience, and instruction requirements do not apply to individuals holding only limited licenses, including a limited license for portable electronics insurance.<sup>16</sup> Portable electronic insurance limited agent licensees are also exempt from fingerprinting requirements.<sup>17</sup>

### ***Claims Processing Exemptions***

Generally, individuals need a license to handle insurance claims. However, individuals processing portable electronics insurance claims do not need an individual license if they only collect or enter claims information, work for a licensed insurance business, or are supervised by a licensed insurance adjuster<sup>18</sup> or agent. No more than 25 unlicensed individuals can be

<sup>10</sup> Section 626.321(1)(h)6., F.S.

<sup>11</sup> Section 626.321(1)(h)7., F.S.

<sup>12</sup> Section 626.321(1)(h)8., F.S.

<sup>13</sup> Section 626.321(4), F.S.

<sup>14</sup> Section 626.221(2), F.S.

<sup>15</sup> Section 626.732(1)(a), F.S.

<sup>16</sup> Section 626.732(7), F.S.

<sup>17</sup>*Id.*

<sup>18</sup>Section 626.015(2), F.S., defines “adjuster” as a public adjuster defined in s. 626.854, F.S., or an all-lines adjuster as defined in s. 626.8548, F.S. Section 626.854(1), F.S., defines “public adjuster” as any person, except a duly licensed attorney at law as exempted under s. 626.860, F.S., who, for money, commission, or any other thing of value, directly or indirectly prepares, completes, or files an insurance claim for an insured or third-party claimant, regardless of how that person describes or presents his or her services, or who, for money, commission, or any other thing of value, acts on behalf of, or aids an insured or third-party claimant in negotiating for or effecting the settlement of a claim or claims for loss or damage covered by an insurance contract, regardless of how that person describes or presents his or her services, or who advertises for employment as an adjuster of such claims. The term also includes any person who, for money, commission, or any other thing of value, directly or indirectly solicits, investigates, or adjusts such claims on behalf of a public adjuster, an insured, or a third-party claimant. The term does not include a person who photographs or inventories damaged personal property or business personal property or a person performing duties under another professional license, if such person does not

supervised by any one licensed adjuster or agent.<sup>19</sup> A Canadian resident cannot obtain a Florida nonresident adjuster license to handle portable electronics claims unless they have already obtained an adjuster's license in another U.S. state.<sup>20</sup>

Unlicensed individuals can use an automated claims adjudication system<sup>21</sup> for portable electronic claims, given that system is only used by licensed or supervised individuals, compliant with all Florida insurance code claim payment requirements, and certified as compliant by a licensed adjuster who is an officer of the business entity.<sup>22</sup>

### **Eyewear Insurance vs. Current Insurance Market Options**

There is currently no statutory or regulatory framework establishing "eyewear insurance" as a licensed insurance product in Florida.<sup>23</sup> Products marketed as such are limited warranties or protection plans provided by the retailer or manufacturer to cover defects or accidental damage under contract terms.<sup>24</sup> As such, products do not have the regulatory status, obligations, or consumer protections of true insurance products.

Vision insurance is designed to cover routine eye care exams and corrective eyewear.<sup>25</sup> While coverage can vary by plan, most plans include coverage for routine eye exams, allowances for eyeglass frames, prescription lenses, and contact lenses every one or two years.<sup>26</sup> Vision insurance typically excludes coverage for non-prescription eyewear, such as sunglasses, cosmetic procedures, medical treatments for eye disease, and specialty lenses.<sup>27</sup>

### **Smart Glasses**

"Smart glasses" are a pair of glasses that contain computer technology so that, for example, they can be used in a similar way to a smartphone, or you can get information added to what you are

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otherwise solicit, adjust, investigate, or negotiate for or attempt to effect the settlement of a claim. Section 626.8548, F.S., defines "all-lines adjuster" as a person who, for money, commission, or any other thing of value, directly or indirectly undertakes on behalf of a public adjuster or an insurer to ascertain and determine the amount of any claim, loss, or damage payable under an insurance contract or undertakes to effect settlement of such claim, loss or damage. The term also includes any person who, for money, commission, or any other thing of value, directly or indirectly solicits claims on behalf of a public adjuster, but does not include a paid spokesperson used as part of a written or an electronic advertisement or a person who photographs or inventories damaged personal property or business personal property if such person does not otherwise adjust, investigate, or negotiate for or attempt to effect the settlement of a claim.

<sup>19</sup> Section 626.8685(1), F.S.

<sup>20</sup> Section 626.8685(2), F.S.

<sup>21</sup> Section 626.8685(1), F.S., defines "automated claims adjudication system" as a preprogrammed computer system designed for the collection, data entry, calculation, and final resolution of portable electronics insurance claims to fully, electronically resolve claims.

<sup>22</sup> Section 626.8685(1), F.S.

<sup>23</sup> See ch. 626, F.S.

<sup>24</sup> See ch. 501, F.S.

<sup>25</sup> Associates in Eye Care, *Medical versus Vision Insurance Explained*, available at: [Medical-vs-Vision-exam.pdf](#) (last visited January 22, 2026).

<sup>26</sup> *Id.*

<sup>27</sup> VSP Individual Vision Plans, *What Is Covered by Vision Insurance*, Sept. 23, 2024 available at: [What Is Covered by Vision Insurance?](#) (last visited January 22, 2026).

seeing as you look through them.<sup>28</sup> Smart glasses have evolved to include several key features and other optional functions, such as display and augmented reality functions, hand-free communication and connectivity, camera and content creation, voice assistant and AI integration, music and audio streaming, health and fitness tracking, productivity and work functions.<sup>29</sup> Some smart glasses are prescription eligible and can be customized with prescription lenses.<sup>30</sup>

### III. Effect of Proposed Changes:

CS/SB 772 expands the Department of Financial Services (DFS) authority to issue limited licenses to sell portable electronics insurance to include eyewear insurance. The bill updates provisions relating to an applicant's exemptions for a written examination and knowledge, experience, or instruction requirements for limited agent licenses for eyewear insurance. The claims processing exemption for portable electronics insurance is expanded to apply to eyewear insurance claims.

**Section 1** of the bill amends provisions requiring the DFS to issue limited licenses for portable electronics insurance to include eyewear insurance if certain conditions are met. The bill specifies that a license for portable electronics and eyewear insurance does not require a licensee to sell or offer for sale coverage for both products but only one limited license is required to sell insurance coverage for either product. The bill updates the following current regulatory provisions related to portable electronics insurance limited licenses to include eyewear insurance, including:

- The type of insurance coverage that may be issued.<sup>31</sup>
- The persons who may be issued a license for such coverage.<sup>32</sup>
- Conditions that must be met to be eligible to sell or offer for sale portable electronics or eyewear insurance without being subject to licensure as an insurance agent.<sup>33</sup>
- Compensation restrictions.
- Restrictions on content in brochures or other written materials.<sup>34</sup>
- Applicability of the limited licensing to general lines agents.<sup>35</sup>
- Types of policies a portable electronics and eyewear license may issue, including group or master insurance policies, or service warranty agreements.<sup>36</sup>
- Conditions regarding a licensee's billing and collecting premiums.<sup>37</sup>
- Terms for termination or modification of coverage in the policy.<sup>38</sup>

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<sup>28</sup> Cambridge Dictionary, *Smart Glasses*, available at: [SMART GLASSES definition | Cambridge English Dictionary](https://www.cambridge-dictionary.org.uk/dictionary/english/smart-glasses) (last visited Jan. 22, 2026).

<sup>29</sup> [Chao yuan2004@gmail.com](mailto:Chao yuan2004@gmail.com), *What Do Smart Glasses Do? Complete Functions List 2025*, Banna, November 15, 2025, available at: [What Do Smart Glasses Do? Complete Functions List 2025 –](https://www.banna.com/what-do-smart-glasses-do-complete-functions-list-2025/) (last visited Jan. 22, 2026).

<sup>30</sup> *Id.*; GlassesUSA.com, *Smart Glasses*, available at: [Shop Smart Glasses Online | Free Shipping on All Orders](https://www.glassesusa.com/shop-smart-glasses-online-free-shipping-on-all-orders) (last visited Jan. 22, 2026).

<sup>31</sup> *Supra* note 3.

<sup>32</sup> *Supra* note 4.

<sup>33</sup> *Supra* note 6.

<sup>34</sup> *Supra* note 7.

<sup>35</sup> *Supra* note 9.

<sup>36</sup> *Supra* note 10.

<sup>37</sup> *Supra* note 11.

<sup>38</sup> *Supra* note 12.

- Branch locations authority to obtain a single appointment from the associated lead business location licensee instead of obtaining an appointment from an insurer or warranty association.

The bill subjects a person applying for or holding a limited license for portable electronics and eyewear insurance to the same applicable requirements and responsibilities that apply to a general lines agents unless expressly provided otherwise.

The term “eyewear” is defined to mean smart glasses and nonelectronic eyewear. The bill provides the term “nonelectronic eyewear” includes prescription and nonprescription eyeglasses and sunglasses. The bill removes the definition of the term “portable electronics transaction”<sup>39</sup> because the term is no longer referred to in the statute section. The definition of “portable electronics” is amended to mean equipment that is personal, self-contained, easily carried, by an individual; has electrical, digital, magnetic, wireless, electromagnetic, or similar capabilities; and operates using batteries, rechargeable power sources, or other energy sources. The term includes equipment used for communication; data processing; viewing; listening; recording; gaming; computing; navigation; household, health or activity monitoring; or similar uses and may also incorporate features responsive to user input or environmental conditions.

**Section 2** of the bill amends current law to exempt an applicant for a limited license as agent for portable electronics or eyewear insurance, rather than only portable electronics insurance, from a written examination. Similarly, **section 3** of the bill amends the knowledge, experience, or instruction exemption for an individual holding only a limited license for portable electronics insurance to apply to an individual holding only a limited license for “portable electronics or eyewear insurance.”

**Section 4** of the bill expands claims processing exemptions for portable electronic device insurance claims to also include eyewear insurance claims. The exemption applies to an individual who collects and enters data into an automated claims adjudication system that is designed for collection, data entry, calculation, and final resolution of portable electronics or eyewear insurance that meet the specified requirements under current law.<sup>40</sup>

**Section 5** provides the bill is effective July 1, 2026.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

##### **B. Public Records/Open Meetings Issues:**

None.

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<sup>39</sup> Section 626.321(1)(h)12.c., F.S., defines “portable electronics transaction” as the sale or lease of portable electronics or a related service, including portable electronics insurance.

<sup>40</sup> *Supra* note 22.

**C. Trust Funds Restrictions:**

None.

**D. State Tax or Fee Increases:**

None.

**E. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The bill may have an indeterminate impact on the insurance marketplace by authorizing the offering of a new insurance product recognized under state law.

The DFS reports that “[e]xpanding the limited licensing statute pertaining to portable electronics devices to include smart glasses and nonelectronic eyewear will provide consumers with opportunities to purchase valuable insurance coverage and reduce out of pocket costs to consumers to repair or replace these items in the event of a loss.”<sup>41</sup>

**C. Government Sector Impact:**

The DFS reports that the bill does not have a fiscal impact to local or state government.<sup>42</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 626.321, 626.221, 626.732, and 626.8685

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<sup>41</sup> The DFS, *Department of Financial Services 2026 Legislative Bill Analysis for SB 772*, 4, (on file with Senate Committee on Banking and Insurance).

<sup>42</sup> *Id.*

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

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

**CS by Banking and Insurance Committee on January 28, 2026:**

- Clarifies that a licensee is not required to sell or offer for sale both portable electronics and eyewear products or insurance coverage for both products.
- Specifies that only one license is required to sell or offer for sale either portable electronics insurance or eyewear insurance, or both.
- Amends the definition of “portable electronics.”

**B. Amendments:**

None.

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

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
	.	
	.	
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The Committee on Banking and Insurance (Burgess) recommended the following:

1                   **Senate Amendment (with title amendment)**

2  
3                   Delete everything after the enacting clause  
4 and insert:

5                   Section 1. Paragraph (h) of subsection (1) and subsection  
6 (4) of section 626.321, Florida Statutes, are amended to read:

7                   626.321 Limited licenses and registration.—

8                   (1) The department shall issue to a qualified applicant a  
9 license as agent authorized to transact a limited class of  
10 business in any of the following categories of limited lines



11 insurance:

12 (h) *Portable electronics or eyewear insurance.*—License for  
13 property insurance or inland marine insurance that covers only  
14 loss, theft, mechanical failure, malfunction, or damage for  
15 portable electronics or eyewear. Such license does not require a  
16 licensee to sell or offer for sale coverage for both portable  
17 electronics and eyewear. This paragraph may not be construed as  
18 requiring two separate licenses to sell or offer for sale  
19 portable electronics or eyewear insurance.

20 1. The license may be issued only to:

21 a. Employees or authorized representatives of a licensed  
22 general lines agent; or

23 b. The lead business location of a retail vendor that sells  
24 portable electronics or eyewear insurance. The lead business  
25 location must have a contractual relationship with a general  
26 lines agent.

27 2. Employees or authorized representatives of a licensee  
28 under subparagraph 1. may sell or offer for sale portable  
29 electronics or eyewear coverage without being subject to  
30 licensure as an insurance agent if:

31 a. Such insurance is sold or offered for sale at a licensed  
32 location or at one of the licensee's branch locations if the  
33 branch location is appointed by the licensed lead business  
34 location or its appointing insurers;

35 b. The insurer issuing the insurance directly supervises or  
36 appoints a general lines agent to supervise the sale of such  
37 insurance, including the development of a training program for  
38 the employees and authorized representatives of vendors that are  
39 directly engaged in the activity of selling or offering the



40 insurance; and

41 c. At each location where the insurance is offered,  
42 brochures or other written materials that provide the  
43 information required by this subparagraph are made available to  
44 all prospective customers. The brochures or written materials  
45 may include information regarding portable electronics or  
46 eyewear insurance, service warranty agreements, or other  
47 incidental services or benefits offered by a licensee.

48 3. Individuals not licensed to sell portable electronics or  
49 eyewear insurance may not be paid commissions based on the sale  
50 of such coverage. However, a licensee who uses a compensation  
51 plan for employees and authorized representatives which includes  
52 supplemental compensation for the sale of noninsurance products,  
53 in addition to a regular salary or hourly wages, may include  
54 incidental compensation for the sale of portable electronics or  
55 eyewear insurance as a component of the overall compensation  
56 plan.

57 4. Brochures or other written materials related to portable  
58 electronics or eyewear insurance must:

59 a. Disclose that such insurance may duplicate coverage  
60 already provided by a customer's homeowners insurance policy,  
61 renters insurance policy, or other source of coverage;

62 b. State that enrollment in insurance coverage is not  
63 required in order to purchase or lease portable electronics or  
64 eyewear or services;

65 c. Summarize the material terms of the insurance coverage,  
66 including the identity of the insurer, the identity of the  
67 supervising entity, the amount of any applicable deductible and  
68 how it is to be paid, the benefits of coverage, and key terms



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69 and conditions of coverage, such as whether portable electronics  
70 or eyewear may be repaired or replaced with similar make and  
71 model reconditioned or nonoriginal manufacturer parts or  
72 equipment;

73 d. Summarize the process for filing a claim, including a  
74 description of how to return portable electronics or eyewear and  
75 the maximum fee applicable if the customer fails to comply with  
76 equipment return requirements; and

77 e. State that an enrolled customer may cancel coverage at  
78 any time and that the person paying the premium will receive a  
79 refund of any unearned premium.

80 5. A licensed and appointed general lines agent is not  
81 required to obtain a portable electronics and eyewear insurance  
82 license to offer or sell portable electronics or eyewear  
83 insurance at locations already licensed as an insurance agency,  
84 but may apply for a portable electronics and eyewear insurance  
85 license for branch locations not otherwise licensed to sell  
86 insurance.

87 6. A portable electronics and eyewear insurance license  
88 authorizes the sale of individual policies or certificates under  
89 a group or master insurance policy. The license also authorizes  
90 the sale of service warranty agreements covering only portable  
91 electronics or eyewear to the same extent as if licensed under  
92 s. 634.419 or s. 634.420.

93 7. A licensee may bill and collect the premium for the  
94 purchase of portable electronics or eyewear insurance provided  
95 that:

96 a. If the insurance is included with the purchase or lease  
97 of portable electronics or eyewear or related services, the



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98 licensee clearly and conspicuously discloses that insurance  
99 coverage is included with the purchase. Disclosure of the stand-  
100 alone cost of the premium for same or similar insurance must be  
101 made on the customer's bill and in any marketing materials made  
102 available at the point of sale. If the insurance is not  
103 included, the charge to the customer for the insurance must be  
104 separately itemized on the customer's bill.

105 b. Premiums are incidental to other fees collected, are  
106 maintained in a manner that is readily identifiable, and are  
107 accounted for and remitted to the insurer or supervising entity  
108 within 60 days of receipt. Licensees are not required to  
109 maintain such funds in a segregated account.

110 c. All funds received by a licensee from an enrolled  
111 customer for the sale of the insurance are considered funds held  
112 in trust by the licensee in a fiduciary capacity for the benefit  
113 of the insurer. Licensees may receive compensation for billing  
114 and collection services.

115 8. Notwithstanding any other provision of law, the terms  
116 for the termination or modification of coverage under a policy  
117 of portable electronics or eyewear insurance are those set forth  
118 in the policy.

119 9. Notice or correspondence required by the policy, or  
120 otherwise required by law, may be provided by electronic means  
121 if the insurer or licensee maintains proof that the notice or  
122 correspondence was sent. Such notice or correspondence may be  
123 sent on behalf of the insurer or licensee by the general lines  
124 agent appointed by the insurer to supervise the administration  
125 of the program. For purposes of this subparagraph, an enrolled  
126 customer's provision of an electronic mail address to the



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127 insurer or licensee is deemed to be consent to receive notices  
128 and correspondence by electronic means if a conspicuously  
129 located disclosure is provided to the customer indicating the  
130 same.

131 10. The fingerprinting requirements in s. 626.171(4) do not  
132 apply to licenses issued to qualified entities under this  
133 paragraph.

134 11. A branch location that sells portable electronics or  
135 eyewear insurance may, in lieu of obtaining an appointment from  
136 an insurer or warranty association, obtain a single appointment  
137 from the associated lead business location licensee and pay the  
138 prescribed appointment fee under s. 624.501 if the lead business  
139 location has a single appointment from each insurer or warranty  
140 association represented and such appointment applies to the lead  
141 business location and all of its branch locations. Branch  
142 location appointments shall be renewed 24 months after the  
143 initial appointment date of the lead business location and every  
144 24 months thereafter. Notwithstanding s. 624.501, the renewal  
145 fee applicable to such branch location appointments is \$30 per  
146 appointment.

147 12. For purposes of this paragraph:

148 a. "Branch location" means any physical location in this  
149 state at which a licensee offers its products or services for  
150 sale.

151 b. "Eyewear" means smart glasses and nonelectronic eyewear.  
152 As used in this sub-subparagraph, the term "nonelectronic  
153 eyewear" includes prescription and nonprescription eyeglasses  
154 and sunglasses.

155 c.b. "Portable electronics" means equipment that is



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156 personal, self-contained, easily carried, by an individual; has  
157 electrical, digital, magnetic, wireless, electromagnetic, or  
158 similar capabilities; and operates using batteries, rechargeable  
159 power sources, or other energy sources. The term includes  
160 equipment used for communication; data processing; viewing;  
161 listening; recording; gaming; computing; navigation; household,  
162 health or activity monitoring; or similar uses and may also  
163 incorporate features responsive to user input or environmental  
164 conditions ~~personal, self-contained, easily carried by an~~  
165 ~~individual, battery operated electronic communication, viewing,~~  
166 ~~listening, recording, gaming, computing or global positioning~~  
167 ~~devices, including cell or satellite phones, pagers, personal~~  
168 ~~global positioning satellite units, portable computers, portable~~  
169 ~~audio listening, video viewing or recording devices, digital~~  
170 ~~cameras, video camcorders, portable gaming systems, docking~~  
171 ~~stations, automatic answering devices, and other similar devices~~  
172 ~~and their accessories, and service related to the use of such~~  
173 ~~devices.~~

174       e. ~~"Portable electronics transaction" means the sale or~~  
175 ~~lease of portable electronics or a related service, including~~  
176 ~~portable electronics insurance.~~

177       (4) Except as otherwise expressly provided, a person  
178 applying for or holding a limited license is subject to the same  
179 applicable requirements and responsibilities that apply to  
180 general lines agents in general if licensed as to motor vehicle  
181 physical damage and mechanical breakdown insurance, industrial  
182 fire insurance or burglary insurance, motor vehicle rental  
183 insurance, credit insurance, crop hail and multiple-peril crop  
184 insurance, in-transit and storage personal property insurance,



185 or portable electronics or eyewear insurance; or as apply to  
186 life agents or health agents in general, as applicable, if  
187 licensed as to travel insurance.

188 Section 2. Paragraph (b) of subsection (2) of section  
189 626.221, Florida Statutes, is amended to read:

190 626.221 Examination requirement; exemptions.—

191 (2) However, an examination is not necessary for any of the  
192 following:

193 (b) An applicant for a limited license as agent for travel  
194 insurance, motor vehicle rental insurance, credit insurance, in-  
195 transit and storage personal property insurance, or portable  
196 electronics or eyewear insurance under s. 626.321.

197 Section 3. Subsection (7) of section 626.732, Florida  
198 Statutes, is amended to read:

199 626.732 Requirement as to knowledge, experience, or  
200 instruction.—

201 (7) This section does not apply to an individual holding  
202 only a limited license for travel insurance, motor vehicle  
203 rental insurance, credit insurance, in-transit and storage  
204 personal property insurance, or portable electronics or eyewear  
205 insurance.

206 Section 4. Section 626.8685, Florida Statutes, is amended  
207 to read:

208 626.8685 Portable electronics or eyewear insurance claims;  
209 exemption; licensure restriction.—

210 (1) This part does not apply to any individual who collects  
211 claims information from, or furnishes claims information to,  
212 insureds or claimants, and who conducts data entry, including  
213 entering data into an automated claims adjudication system,



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214 provided that the individual is an employee of a business entity  
215 licensed under this chapter, or its affiliate, and no more than  
216 25 such persons are under the supervision of one licensed  
217 independent adjuster or licensed agent who is exempt from  
218 licensure pursuant to s. 626.862. For purposes of this  
219 subsection, the term "automated claims adjudication system"  
220 means a preprogrammed computer system designed for the  
221 collection, data entry, calculation, and final resolution of  
222 portable electronics or eyewear insurance claims that:

223 (a) May be used only by a licensed independent adjuster,  
224 licensed agent, or supervised individual operating pursuant to  
225 this subsection;

226 (b) Must comply with all claims payment requirements of the  
227 insurance code; and

228 (c) Must be certified as compliant with this subsection by  
229 a licensed independent adjuster that is an officer of a licensed  
230 business entity under this chapter.

231 (2) Notwithstanding any other provision of law, a resident  
232 of Canada may not be licensed as a nonresident independent  
233 adjuster for purposes of adjusting portable electronics  
234 insurance or eyewear claims unless the person has successfully  
235 obtained an adjuster's license in another state.

236 Section 5. This act shall take effect July 1, 2026.

237

238 ===== T I T L E A M E N D M E N T =====  
239 And the title is amended as follows:

240 Delete everything before the enacting clause  
241 and insert:

242 A bill to be entitled



243        An act relating to limited licenses for portable  
244        electronics or eyewear insurance; amending s. 626.321,  
245        F.S.; renaming "portable electronics insurance" as  
246        "portable electronics or eyewear insurance" to include  
247        eyewear for purposes of insurance coverage and  
248        licenses; providing construction; defining the term  
249        "eyewear"; revising the definition of the term  
250        "portable electronics"; deleting the obsolete  
251        definition of the term "portable electronics  
252        transaction"; amending ss. 626.221, 626.732, and  
253        626.8685, F.S.; conforming provisions to changes made  
254        by the act; providing an effective date.

By Senator Burgess

23-01085-26

2026772

1                   A bill to be entitled  
 2                   An act relating to limited licenses for portable  
 3                   electronics and eyewear insurance; amending s.  
 4                   626.321, F.S.; renaming "portable electronics  
 5                   insurance" as "portable electronics and eyewear  
 6                   insurance" to include eyewear for purposes of  
 7                   insurance coverage and licenses; defining the term  
 8                   "eyewear"; deleting the obsolete definition of the  
 9                   term "portable electronics transaction"; amending ss.  
 10                   626.221, 626.732, and 626.8685, F.S.; conforming  
 11                   provisions to changes made by the act; providing an  
 12                   effective date.

13  
 14                   Be It Enacted by the Legislature of the State of Florida:

15  
 16                   Section 1. Paragraph (h) of subsection (1) and subsection  
 17                   (4) of section 626.321, Florida Statutes, are amended to read:  
 18                   626.321 Limited licenses and registration.—  
 19                   (1) The department shall issue to a qualified applicant a  
 20                   license as agent authorized to transact a limited class of  
 21                   business in any of the following categories of limited lines  
 22                   insurance:  
 23                   (h) Portable electronics and eyewear insurance.—License for  
 24                   property insurance or inland marine insurance that covers only  
 25                   loss, theft, mechanical failure, malfunction, or damage for  
 26                   portable electronics and eyewear.  
 27                   1. The license may be issued only to:  
 28                   a. Employees or authorized representatives of a licensed  
 29                   general lines agent; or

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

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30                   b. The lead business location of a retail vendor that sells  
 31                   portable electronics and eyewear insurance. The lead business  
 32                   location must have a contractual relationship with a general  
 33                   lines agent.  
 34                   2. Employees or authorized representatives of a licensee  
 35                   under subparagraph 1. may sell or offer for sale portable  
 36                   electronics and eyewear coverage without being subject to  
 37                   licensure as an insurance agent if:  
 38                   a. Such insurance is sold or offered for sale at a licensed  
 39                   location or at one of the licensee's branch locations if the  
 40                   branch location is appointed by the licensed lead business  
 41                   location or its appointing insurers;  
 42                   b. The insurer issuing the insurance directly supervises or  
 43                   appoints a general lines agent to supervise the sale of such  
 44                   insurance, including the development of a training program for  
 45                   the employees and authorized representatives of vendors that are  
 46                   directly engaged in the activity of selling or offering the  
 47                   insurance; and  
 48                   c. At each location where the insurance is offered,  
 49                   brochures or other written materials that provide the  
 50                   information required by this subparagraph are made available to  
 51                   all prospective customers. The brochures or written materials  
 52                   may include information regarding portable electronics and  
 53                   eyewear insurance, service warranty agreements, or other  
 54                   incidental services or benefits offered by a licensee.  
 55                   3. Individuals not licensed to sell portable electronics  
 56                   and eyewear insurance may not be paid commissions based on the  
 57                   sale of such coverage. However, a licensee who uses a  
 58                   compensation plan for employees and authorized representatives

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59 which includes supplemental compensation for the sale of  
 60 noninsurance products, in addition to a regular salary or hourly  
 61 wages, may include incidental compensation for the sale of  
 62 portable electronics and eyewear insurance as a component of the  
 63 overall compensation plan.

64       4. Brochures or other written materials related to portable  
 65 electronics and eyewear insurance must:

66       a. Disclose that such insurance may duplicate coverage  
 67 already provided by a customer's homeowners insurance policy,  
 68 renters insurance policy, or other source of coverage;

69       b. State that enrollment in insurance coverage is not  
 70 required in order to purchase or lease portable electronics and  
 71 eyewear or services;

72       c. Summarize the material terms of the insurance coverage,  
 73 including the identity of the insurer, the identity of the  
 74 supervising entity, the amount of any applicable deductible and  
 75 how it is to be paid, the benefits of coverage, and key terms  
 76 and conditions of coverage, such as whether portable electronics  
 77 and eyewear may be repaired or replaced with similar make and  
 78 model reconditioned or nonoriginal manufacturer parts or  
 79 equipment;

80       d. Summarize the process for filing a claim, including a  
 81 description of how to return portable electronics and eyewear  
 82 and the maximum fee applicable if the customer fails to comply  
 83 with equipment return requirements; and

84       e. State that an enrolled customer may cancel coverage at  
 85 any time and that the person paying the premium will receive a  
 86 refund of any unearned premium.

87       5. A licensed and appointed general lines agent is not

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88 required to obtain a portable electronics and eyewear insurance  
 89 license to offer or sell portable electronics and eyewear  
 90 insurance at locations already licensed as an insurance agency,  
 91 but may apply for a portable electronics and eyewear insurance  
 92 license for branch locations not otherwise licensed to sell  
 93 insurance.

94       6. A portable electronics and eyewear license authorizes  
 95 the sale of individual policies or certificates under a group or  
 96 master insurance policy. The license also authorizes the sale of  
 97 service warranty agreements covering only portable electronics  
 98 and eyewear to the same extent as if licensed under s. 634.419  
 99 or s. 634.420.

100       7. A licensee may bill and collect the premium for the  
 101 purchase of portable electronics and eyewear insurance provided  
 102 that:

103       a. If the insurance is included with the purchase or lease  
 104 of portable electronics or eyewear or related services, the  
 105 licensee clearly and conspicuously discloses that insurance  
 106 coverage is included with the purchase. Disclosure of the stand-  
 107 alone cost of the premium for same or similar insurance must be  
 108 made on the customer's bill and in any marketing materials made  
 109 available at the point of sale. If the insurance is not  
 110 included, the charge to the customer for the insurance must be  
 111 separately itemized on the customer's bill.

112       b. Premiums are incidental to other fees collected, are  
 113 maintained in a manner that is readily identifiable, and are  
 114 accounted for and remitted to the insurer or supervising entity  
 115 within 60 days of receipt. Licensees are not required to  
 116 maintain such funds in a segregated account.

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117 c. All funds received by a licensee from an enrolled  
 118 customer for the sale of the insurance are considered funds held  
 119 in trust by the licensee in a fiduciary capacity for the benefit  
 120 of the insurer. Licensees may receive compensation for billing  
 121 and collection services.

122 8. Notwithstanding any other provision of law, the terms  
 123 for the termination or modification of coverage under a policy  
 124 of portable electronics and eyewear insurance are those set  
 125 forth in the policy.

126 9. Notice or correspondence required by the policy, or  
 127 otherwise required by law, may be provided by electronic means  
 128 if the insurer or licensee maintains proof that the notice or  
 129 correspondence was sent. Such notice or correspondence may be  
 130 sent on behalf of the insurer or licensee by the general lines  
 131 agent appointed by the insurer to supervise the administration  
 132 of the program. For purposes of this subparagraph, an enrolled  
 133 customer's provision of an electronic mail address to the  
 134 insurer or licensee is deemed to be consent to receive notices  
 135 and correspondence by electronic means if a conspicuously  
 136 located disclosure is provided to the customer indicating the  
 137 same.

138 10. The fingerprinting requirements in s. 626.171(4) do not  
 139 apply to licenses issued to qualified entities under this  
 140 paragraph.

141 11. A branch location that sells portable electronics and  
 142 eyewear insurance may, in lieu of obtaining an appointment from  
 143 an insurer or warranty association, obtain a single appointment  
 144 from the associated lead business location licensee and pay the  
 145 prescribed appointment fee under s. 624.501 if the lead business

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146 location has a single appointment from each insurer or warranty  
 147 association represented and such appointment applies to the lead  
 148 business location and all of its branch locations. Branch  
 149 location appointments shall be renewed 24 months after the  
 150 initial appointment date of the lead business location and every  
 151 24 months thereafter. Notwithstanding s. 624.501, the renewal  
 152 fee applicable to such branch location appointments is \$30 per  
 153 appointment.

154 12. For purposes of this paragraph:

155 a. "Branch location" means any physical location in this  
 156 state at which a licensee offers its products or services for  
 157 sale.

158 b. "Eyewear" means smart glasses and nonelectronic eyewear.  
 159 As used in this sub subparagraph, the term "nonelectronic  
 160 eyewear" includes prescription and nonprescription eyeglasses  
 161 and sunglasses.

162 c.b. "Portable electronics" means personal, self-contained,  
 163 easily carried by an individual, battery-operated electronic  
 164 communication, viewing, listening, recording, gaming, computing  
 165 or global positioning devices, including cell or satellite  
 166 phones, pagers, personal global positioning satellite units,  
 167 portable computers, portable audio listening, video viewing or  
 168 recording devices, digital cameras, video camcorders, portable  
 169 gaming systems, docking stations, automatic answering devices,  
 170 and other similar devices and their accessories, and service  
 171 related to the use of such devices.

172 e. "Portable electronics transaction" means the sale or  
 173 lease of portable electronics or a related service, including  
 174 portable electronics insurance.

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175 (4) Except as otherwise expressly provided, a person  
 176 applying for or holding a limited license is subject to the same  
 177 applicable requirements and responsibilities that apply to  
 178 general lines agents in general if licensed as to motor vehicle  
 179 physical damage and mechanical breakdown insurance, industrial  
 180 fire insurance or burglary insurance, motor vehicle rental  
 181 insurance, credit insurance, crop hail and multiple-peril crop  
 182 insurance, in-transit and storage personal property insurance,  
 183 or portable electronics and eyewear insurance; or as apply to  
 184 life agents or health agents in general, as applicable, if  
 185 licensed as to travel insurance.

186 Section 2. Paragraph (b) of subsection (2) of section  
 187 626.221, Florida Statutes, is amended to read:

188 626.221 Examination requirement; exemptions.—

189 (2) However, an examination is not necessary for any of the  
 190 following:

191 (b) An applicant for a limited license as agent for travel  
 192 insurance, motor vehicle rental insurance, credit insurance, in-  
 193 transit and storage personal property insurance, or portable  
 194 electronics and eyewear insurance under s. 626.321.

195 Section 3. Subsection (7) of section 626.732, Florida  
 196 Statutes, is amended to read:

197 626.732 Requirement as to knowledge, experience, or  
 198 instruction.—

199 (7) This section does not apply to an individual holding  
 200 only a limited license for travel insurance, motor vehicle  
 201 rental insurance, credit insurance, in-transit and storage  
 202 personal property insurance, or portable electronics and eyewear  
 203 insurance.

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204 Section 4. Section 626.8685, Florida Statutes, is amended  
 205 to read:  
 206 626.8685 Portable electronics and eyewear insurance claims;  
 207 exemption; licensure restriction.—

208 (1) This part does not apply to any individual who collects  
 209 claims information from, or furnishes claims information to,  
 210 insureds or claimants, and who conducts data entry, including  
 211 entering data into an automated claims adjudication system,  
 212 provided that the individual is an employee of a business entity  
 213 licensed under this chapter, or its affiliate, and no more than  
 214 25 such persons are under the supervision of one licensed  
 215 independent adjuster or licensed agent who is exempt from  
 216 licensure pursuant to s. 626.862. For purposes of this  
 217 subsection, the term "automated claims adjudication system"  
 218 means a preprogrammed computer system designed for the  
 219 collection, data entry, calculation, and final resolution of  
 220 portable electronics and eyewear insurance claims that:

221 (a) May be used only by a licensed independent adjuster,  
 222 licensed agent, or supervised individual operating pursuant to  
 223 this subsection;

224 (b) Must comply with all claims payment requirements of the  
 225 insurance code; and

226 (c) Must be certified as compliant with this subsection by  
 227 a licensed independent adjuster that is an officer of a licensed  
 228 business entity under this chapter.

229 (2) Notwithstanding any other provision of law, a resident  
 230 of Canada may not be licensed as a nonresident independent  
 231 adjuster for purposes of adjusting portable electronics  
 232 insurance and eyewear claims unless the person has successfully

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obtained an adjuster's license in another state.

234 Section 5. This act shall take effect July 1, 2026.

# Department of Financial Services (DFS)

## 2026 Legislative Bill Analysis

### BILL INFORMATION

Bill Number:	SB 772 (Identical to HB 645)
Bill Title:	Limited Licenses for Portable Electronics and Eyewear Insurance
Bill Sponsor:	Burgess
Effective Date:	July 1, 2026

### ANALYSIS INFORMATION

Agency Contact:	Hannah Christian, Director of Legislative Affairs and Policy (850) 413-2894
Division Director:	Sean Fisher, Director, Division of Consumer Services
Program Analyst:	Sarah Law, Liaison, Research & Regulation Unit

### POLICY ANALYSIS

#### I. SUMMARY ANALYSIS

An act relating to limited agent licenses; renaming “portable electronics and eyewear insurance” to include eyewear for purposes of insurance coverages and licenses; removing the obsolete definition of the term “portable electronic transaction”; making conforming changes; and providing an effective date.

#### II. PRESENT SITUATION

Smart glasses are a type of wearable technology that can be purchased with prescription or nonprescription lens and provide features such as, but not limited to, the ability to listen to music, take pictures and videos, read or listen to text messages, and translate signs. While smart electronic devices such as smart phones are considered portable electronic devices for insurance purposes, smart glasses could potentially fall into two different categories when the lens also has a prescription which may create a question of coverage for damages to such products.

Most retail eyewear protection plans are separate service contracts or extended warranties that cover accidental damage such as cracks, scratches, and breaks, but generally exclude loss, theft or cosmetic issues. Vision insurance covers routine exams and basic eyewear costs, and homeowner’s insurance may cover lost or stolen glasses, but coverage under a homeowners policy is typically subject to a deductible.

#### III. EFFECT OF PROPOSED CHANGES

##### Section 1

Amends section 626.321, Florida Statutes, “Limited licenses and registration,” by adding conforming changes to paragraph 626.321(1)(h), Florida Statutes, applying the term “eyewear” subsequent to portable electronics. Adds sub subparagraph 626.321(1)(h)12.b., Florida Statutes, to define the term “Eyewear” [on line 157]. The definition includes electronic and nonelectronic eyewear with or without prescription lens. This essentially would include any type of glasses worn. The provisions for insurance coverage in this section originally limited to portable electronic devices is now extended to essentially any type of eyewear. Consumers can now purchase a portable electronic insurance policy to cover their eyewear or add their eyewear to an existing portable electronic insurance policy and have all the same consumer protection provisions of this section apply. The bill removes the definition of “Portable electronic transaction” from the current sub subparagraph 626.321(1)(h)12.c., Florida

Statutes.

**Sections 2-4**

Amends the following sections making conforming changes that apply to the licensure requirements for selling portable electronics and eyewear insurance.

Section 626.221, Florida Statutes, "Examination requirement; exemptions."

Section 626.732, Florida Statutes, "Requirement as to knowledge, experience, or instruction."

Section 626.8685, Florida Statutes, "Portable electronics and eyewear insurance claims; exemption; licensure restrictions."

**Section 5**

Provides for an effective date of July 1, 2026.

**IV. DOES THE BILL DIRECT OR ALLOW THE DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES?**

If yes, explain:	
Is the change consistent with the agency's core mission?	<input type="checkbox"/> <input checked="" type="checkbox"/>
Rule(s) impacted (provide references to F.A.C.):	

**V. DOES THE BILL REQUIRE REPORTS OR STUDIES?**

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	

**VI. DOES THE BILL REQUIRE APPOINTMENTS OR MODIFY EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC.?**

Board:	
Board Purpose:	
Who Appoints:	
Changes:	
Bill Section Number(s):	

**FISCAL ANALYSIS****I. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT?**Y  N 

Revenues:	
Expenditures:	

**II. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT?**Y  N 

Revenues:	
Expenditures:	
Does the legislation contain a State Government appropriation?	
If yes, was this appropriated last year?	

**III. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR?**Y  N 

Revenues:	
Expenditures:	
Other:	

**IV. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?**Y  N 

If yes, explain impact.	
Bill Section Number:	

**TECHNOLOGY IMPACT****I. DOES THE BILL IMPACT THE DEPARTMENT'S TECHNOLOGY SYSTEMS (I.E., IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)?**Y  N 

If yes, describe the anticipated impact to the agency including any fiscal impact.	
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**FEDERAL IMPACT****I. DOES THE BILL HAVE A FEDERAL IMPACT (I.E., FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)?**Y  N 

If yes, describe the anticipated impact including any fiscal impact.	
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**ADDITIONAL COMMENTS**

Many consumers utilize smart glasses and nonelectronic eyewear as part of their daily lives. Expanding the limited licensing statute pertaining to portable electronics devices to include smart glasses and nonelectronic eyewear will provide consumers with opportunities to purchase valuable insurance coverage and reduce out of pocket costs to consumers to repair or replace these items in the event of a loss.

**LEGAL - GENERAL COUNSEL'S OFFICE REVIEW**

Issues/concerns/comments:	<p>A. Does the proposed legislation conflict with existing federal law or regulations? If so, what laws and/or regulations?</p> <p>B. Does the proposed legislation raise significant constitutional concerns under the U.S. or Florida Constitutions (e.g. separation of powers, access to the courts, equal protection, free speech, establishment clause, impairment of contracts)?</p> <p>C. Is the proposed legislation likely to generate litigation and, if so, from what interest groups or parties?</p> <p>D. Rules:</p>
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The Florida Senate

## Committee Agenda Request

**To:** Senator Joe Gruters, Chair  
Committee on Banking and Insurance

**Subject:** Committee Agenda Request

**Date:** December 30, 2025

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I respectfully request that **Senate Bill # 772**, relating to Limited Licenses for Portable Electronics and Eyewear Insurance , be placed on the:

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

A handwritten signature in blue ink that appears to read "Danny".

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Senator Danny Burgess  
Florida Senate, District 23

CC: James Knudson, Staff Director  
CC: Amaura Canty, Committee Administrative Assistant

1/28/2026

Meeting Date

Bunking is Insurance  
Committee

Name

Tim Mecman

Phone

Address

300 S. Royal St.

Email

Street

Tallahassee

State

Zip

City

## The Florida Senate APPEARANCE RECORD

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

SB 772

Bill Number or Topic

668782

Amendment Barcode (if applicable)

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:

Asurion

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. [2020-2022JointRules.pdf](#) (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 772

**Tab #:** 3  
**Sponsor:** Burgess  
**Subject:** Limited Licenses for Portable Electronics and Eyewear Insurance

**Final Action:** Favorable with Committee Substitute

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

**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 Banking and Insurance

BILL: SB 808

INTRODUCER: Senator Simon

SUBJECT: Roofing Requirements for Property Insurance

DATE: January 27, 2026      REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Knudson	Knudson	BI	<u>Pre-meeting</u>
2.		RI	
3.		RC	

### I. Summary:

SB 808 revises the prohibition against an insurer refusing to issue or nonrenewing a homeowner's insurance policy solely because of the roof's age if the roof is less than 15 years old or is at least 15 years old but is determined by an authorized inspector to have at least 5 years of useful life remaining.

The bill amends the definition of "authorized inspector" to include an inspector who is approved by the insurer and is a Registered Roof Consultant certified by the International Institute of Building Enclosure Consultants (IIBEC) or Registered Roof Observer certified by the IIBEC.

The bill retains the prohibition on nonrenewing roofs less than 15 years old, but with broader application to all property insurance policies insuring a residential structure.

Regarding roofs on residential structures that are at least 15 years old, the bill applies current law to steep-slope roofs, defined as a roof with a pitch of more than 2 inches. Current law requires an insurer to allow a property owner to have a roof inspection performed by an authorized inspector at the property owner's expense before requiring the replacement of the roof as a condition of issuing or renewing the policy. The bill creates a new standard for low-slope roofs, defined as a roof with a pitch of 2 inches or less, prohibiting the insurer from refusing to issue or nonrenewing a property insurance policy solely because of roof age if an authorized inspector determines the roof may be restored by having a roof coating system applied which will result in the roof having 5 years or more of useful life remaining. The provisions governing roofs at least 15 years old apply to all property insurance policies insuring residential structures, not just homeowner's policies.

The effective date of the bill is July 1, 2026.

## II. Present Situation:

### Property Insurance

The National Association of Insurance Commissioners defines property insurance as “coverage protecting the insured against loss or damage to real or personal property from a variety of perils” such as fire, lightening, wind; etc.<sup>1</sup> Generally, property insurance covers structures and the contents within structures, but can include other coverages, examples of which include coverage for loss of use, liability to third parties, and business interruption. Property insurance is classified either as “personal lines” property insurance or “commercial lines” property insurance. Personal lines property insurance is property insurance for personal, family, or household needs. Commercial lines property insurance is property insurance for businesses.

### Homeowners Insurance

Homeowners insurance is a type of residential property insurance that covers an owner-occupied dwelling, owner-occupied condominium, owner-occupied manufactured home, or a renter. The Office of Insurance Regulation (OIR) defines homeowners insurance as a type of residential property insurance that covers damage or loss by theft and against perils which can include fire and storm damage.<sup>2</sup> Homeowners insurer may also insure the owner for accidental injury or death for which the owner may be legal responsible. The standard homeowners insurance policy (an HO-3 form) provides the following coverage:

- Coverage A – Structure (dwelling);
- Coverage B – Other structures (sheds and fences);
- Coverage C – Personal property (contents of structures);
- Coverage D – Loss of use (additional living expenses);
- Coverage L – Personal liability; and
- Coverage M – Medical payments to others.<sup>3</sup>

Though the HO-3 form is the most common type of homeowners insurance, various other types of polices are classified as homeowners insurance. According to the Office of Insurance Regulation, the following are all homeowners insurance policies:

- HO-1 Basic Form Homeowners Insurance;
- HO-2 Broad Form Homeowners Insurance;
- HO-3 Special Form Homeowners Insurance;
- HO-5 Comprehensive Form Homeowners Insurance;
- HO-8 Older Home Form Homeowners Insurance;
- HO-4 Tenant Renters Insurance;
- HO-6 Condominium Unit Insurance; and
- HO-7 Mobile or Manufactured Home Insurance.<sup>4</sup>

<sup>1</sup> National Association of Insurance Commissioners, *Glossary of Insurance Terms – Property*, <https://content.naic.org/glossary-insurance-terms> (last accessed January 26, 2026)

<sup>2</sup> Office of Insurance Regulation, *Homeowners Insurance Policies*, <https://flioir.gov/property-casualty/homeowners-insurance> (last accessed January 26, 2026).

<sup>3</sup> See id.

<sup>4</sup> See id.

## **Florida Law Governing Refusing to Issue or Nonrenew a Homeowner's Insurance Policy Solely Because of Roof Age**

Section 627.7011(5), F.S., prohibits any insurer from refusing to issue or renew a homeowner's policy insuring a residential structure solely because of roof age if the structure has a roof less than 15 years old.

The statute also provides that if residential structure's roof is at least 15 years old, an insurer must allow a homeowner to have a roof inspection performed by an authorized inspector at the homeowner's expense before requiring the replacement of the roof as a condition of issuing or renewing a homeowner's insurance policy. The insurer may not refuse to issue or nonrenew the homeowner's insurance policy solely because of roof age if the roof inspection indicates that the roof has 5 years or more of useful life remaining.

Authorized inspectors must be approved by the insurer and be a home inspector licensed under s. 468.8314, F.S., a building code inspector licensed under s. 468.607, F.S., a contractor (general, building, or residential) licensed under s. 489.111, F.S., a roofing contractor, a professional engineer licensed under s. 471.015, F.S., a professional architect licensed under s. 481.213, F.S., or any other individual or entity recognized by the insurer a possessing the necessary qualifications to properly complete a general inspection of a residential structure insured with a homeowner's insurance policy.

The provisions of s. 627.7011, F.S., which include the foregoing limitations as well as other provisions relating to replacement cost coverage and law and ordinance coverage, apply only to homeowners' property insurance policies and do not apply to mobile home policies.

### **The Florida Building Code**

The intent of the Florida Building Code (FBC) is to establish unified and consistent minimum standards in the design, construction and compliance processes, and regulations for the safety, health, and general welfare of building occupants. The Florida Building Code also protects property investments and saves governmental entities the mitigation costs linked to natural disasters, including hurricanes.

### ***Background***

In 1974, Florida adopted a state minimum building code law requiring all local governments to adopt and enforce a building code.<sup>5</sup> The system provided four separate model codes that local governments could consider and adopt to establish minimum standards of health and life safety for the public. In that system, the state's role was limited to adopting all or relevant parts of new editions of the four model codes. The law authorized local governments to amend and enforce their local codes.<sup>6</sup>

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<sup>5</sup> The Florida Building Code Act of 1974 (ch. 74-167, L.O.F.).

<sup>6</sup> See The Florida Building Commission, *Annual Report FY 2019-2020*, available at [FBC\\_FY\\_2019-2020\\_Annual\\_Report\\_floridabuilding.org](https://floridabuilding.org) (last visited January 26, 2026).

In 1992, Hurricane Andrew demonstrated that this system of local codes did not provide the level of public protection that was necessary. The South Florida Building Code, which was the local code universally acknowledged as the strongest standard for hurricane protection, essentially failed. The resulting problems had impacts well beyond southern Miami-Dade County. The state filled the property insurer void left by failed and fleeing private insurance companies, and the federal government provided billions of dollars of aid into the disaster area.<sup>7</sup> It became apparent the state had a significant interest in the effectiveness of building codes. After Hurricane Andrew, Miami-Dade County conducted a review of its building code and made significant changes to both the code and support systems for code enforcement. In other areas of the state the Florida Board of Building Codes and Standards (the predecessor to the Florida Building Commission) adopted significant upgrades to the wind resistance standards of the model state minimum code that was used by the majority of other local governments. The state also began licensing local governments' code enforcement personnel.<sup>8</sup> These steps proved critical in leading to the building codes that produced improved building performance in the 2004 hurricane season.

In 1996, a study commission was appointed to review the system of local codes created by the 1974 law and to make recommendations for modernizing the entire system.<sup>9</sup> The 1998 Legislature adopted the study commission's recommendations for a single state building code and an enhanced oversight role for the state in local code enforcement. The same legislation created the Florida Building Commission (commission) to develop and maintain the Florida Building Code and related programs and processes.<sup>10</sup> The 2000 Legislature authorized implementation of the Florida Building Code, and the first edition replaced all local codes on March 1, 2002.<sup>11</sup> The 8th Edition of the Florida Building Code is the currently in-force version, having become effective December 31, 2023.<sup>12</sup>

### ***Roofs***

One of the many aspects of construction governed by the Florida Building Code is roofing. requirements for the installation of roofs. The FBC contains requirements for the design, materials, construction, and quality of roof assemblies.<sup>13</sup> "Roof assembly"<sup>14</sup> is the technical term for what is commonly described as a roof and is defined as "a system designed to provide weather protection and resistance to design loads. The system consists of a roof covering and roof deck or a single component serving as both the roof covering and the roof deck. A roof assembly includes the roof covering, roof deck, and may include a vapor retarder, thermal barrier, insulation or similar substrate." The FBC does not contain requirements for or reference

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<sup>7</sup> Final Report and Recommendations of the Governor's Property and Casualty Insurance Reform Committee (Nov. 2006) (on file with Senate Banking and Insurance Committee).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Supra* at 2.

<sup>11</sup> *Id.*

<sup>12</sup> International Code Council, *ICC Digital Codes – Florida*, <https://codes.icsafe.org/codes/united-states/florida> (last accessed January 26, 2026).

<sup>13</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R901.1 (December 31, 2023) <https://codes.icsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026)

<sup>14</sup> Florida Building Commission, *Florida Building Code, Building, Eighth Edition*, R202 Roof Assembly, (December 31, 2023) [https://codes.icsafe.org/content/FLBC2023P2/chapter-15-roof-assemblies-and-rooftop-structures#FLBC2023P2\\_Ch15\\_Sec1502](https://codes.icsafe.org/content/FLBC2023P2/chapter-15-roof-assemblies-and-rooftop-structures#FLBC2023P2_Ch15_Sec1502) (last accessed January 26, 2026).

to roof pitch, a term used by SB 808 to differentiate between steep-slope and low-slope roofs. The FBC does, however, establish requirements that various roofing materials must have a minimum slope when used in residential construction:

Roof Covering Material	Slope (inches of rise per 12 inches of run)
Asphalt Shingles <sup>15</sup>	2:12
Clay and Concrete Roof Tiles <sup>16</sup>	2.5:12 with 2 underlayment layers; 4:12
Metal Shingles <sup>17</sup>	3:12
Mineral-surfaced Roll Roofing <sup>18</sup>	1:12
Slate Shingles <sup>19</sup>	4:12
Metal-lapped, nonsoldered seam <sup>20</sup>	3:12 without sealant, 0.5:12 with sealant
Metal standing-seam <sup>21</sup>	0.25:12
Modified bitumen membrane <sup>22</sup>	0.25:12
Thermoset single-ply membrane <sup>23</sup>	0.25:12
Thermoplastic single-ply membrane <sup>24</sup>	0.25:12
Sprayed polyurethane foam roofing <sup>25</sup>	0.25:12
Liquid-applied roofing <sup>26</sup>	0.25:12

## Roof Coatings

A “roof coating” is defined by the 2021 International Building Code (IBC) as “a fluid applied, adhered coating used for roof maintenance or roof repair, or as a component of a roof covering

<sup>15</sup>Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.2.2, (December 31, 2023). <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>16</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.3.2,(December 31, 2023); FRSA/TRI Alliance, *Florida High Wind Concrete and Clay Roof Tile Installation Manual*, 7<sup>th</sup> Edition, pg. 6 (December 31, 2023) [https://eagleroofing.com/wp-content/uploads/2024/01/FRSA-TRI\\_Florida\\_High\\_Wind\\_Tile\\_Installation\\_Manual\\_7th\\_Edition\\_R1.pdf](https://eagleroofing.com/wp-content/uploads/2024/01/FRSA-TRI_Florida_High_Wind_Tile_Installation_Manual_7th_Edition_R1.pdf) (last accessed January 27, 2026).

<sup>17</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.4.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies>

<sup>18</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.5.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>19</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.6.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>20</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.10.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>21</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.10.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>22</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.11.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>23</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.12.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>24</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.13.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>25</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.14.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

<sup>26</sup> Florida Building Commission, *Florida Building Code, Residential, Eighth Edition*, R905.15.2, (December 31, 2023) <https://codes.iccsafe.org/content/FLRC2023P1/chapter-9-roof-assemblies> (last accessed January 27, 2026).

system or roof assembly.<sup>27</sup> The Florida Building Code, however, does not contain this definition. The FBC, Building, Eighth Edition does provide requirements for roof coatings in section 1509. The installation of a roof coating system must be done in accordance with section 1509 and section 1505 regarding fire classifications<sup>28</sup>, and roof coating materials<sup>29</sup> must meet specified standards of the American Society for Testing and Materials.<sup>30</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 627.7011(5), F.S., which currently prohibits an insurer from refusing to issue or nonrenewing a homeowner's insurance policy solely because of the roof's age if the roof is less than 15 years old or is at least 15 years old but is determined by an authorized inspector to have at least 5 years of useful life remaining.

The bill amends the definition of "authorized inspector" to include an inspector who is approved by the insurer and is a Registered Roof Consultant<sup>31</sup> certified by the International Institute of Building Enclosure Consultants (IIBEC) or Registered Roof Observer<sup>32</sup> certified by the IIBEC.<sup>33</sup> A Registered Roof Consultant is a technical expert that assists building owners, architects, and contractors through the design, investigation, and management of roof systems.<sup>34</sup> A Registered Roof Observer is a person who performs on-site observation of roofing projects for quality assurance purposes.<sup>35</sup>

Under current law, s. 627.7011, F.S., only applies to homeowner's policies other than mobile home policies. The bill expands application of subsection (5) to all property insurance policies insuring a residential structure. Accordingly, s. 627.7011(5), F.S., as amended by the bill, will apply to all personal lines residential insurance policies, including but not limited to

<sup>27</sup> International Code Council, *2021 International Building Code Section 202-Definitions-Roof Coating*, (August 2025 Version) <https://codes.iccsafe.org/content/IBC2021V2.0/chapter-2-definitions> (last accessed January 26, 2026).

<sup>28</sup> Florida Building Commission, *Florida Building Code, Building, Eighth Edition*, 1509.1, (December 31, 2023) [https://codes.iccsafe.org/content/FLBC2023P2/chapter-15-roof-assemblies-and-rooftop-structures#FLBC2023P2\\_Ch15\\_Sec1509](https://codes.iccsafe.org/content/FLBC2023P2/chapter-15-roof-assemblies-and-rooftop-structures#FLBC2023P2_Ch15_Sec1509) (last accessed January 27, 2026).

<sup>29</sup> Roof coating materials listed in the FBC are acrylic coating, asphaltic emulsion coating, asphalt coating, asphalt roof coating, aluminum pigmented asphalt coating, silicone coating, and moisture-cured polyurethane coating.

<sup>30</sup> Florida Building Commission, *Florida Building Code, Building, Eighth Edition*, 1509.2, (December 31, 2023) [https://codes.iccsafe.org/content/FLBC2023P2/chapter-15-roof-assemblies-and-rooftop-structures#FLBC2023P2\\_Ch15\\_Sec1509](https://codes.iccsafe.org/content/FLBC2023P2/chapter-15-roof-assemblies-and-rooftop-structures#FLBC2023P2_Ch15_Sec1509) (last accessed January 27, 2026).

<sup>31</sup> The IIBEC credential for a Registered Roof Consultant requires that the designee have at least 4 years of roof consulting experience; meet minimum requirements of related to education, professional registration, and work experience; and pass examinations. See International Institute of Building Enclosure Consultants, *Handbook Registered Roof Consultant Application & Exam Study Guide*, pg. i (2025), <https://iibec.org/wp-content/uploads/2025/10/2025-IIBEC-RRC-Handbook-Exam-Study-Guide.pdf> (last accessed January 26, 2026).

<sup>32</sup> The IIBEC credential for a Registered Roof Observer requires that the designee have at least 2 years' experience as a quality assurance inspector, as a registered architect, professional engineer, building inspector, property manager, or a roofer, or 4 years' experience as a roofing manufacturers technical or sales representative. The designee must also pass an exam. See International Institute of Building Enclosure Consultants, *Handbook Registered Roof Observer Application & Exam Study Guide*, pg. i (2025) <https://iibec.org/wp-content/uploads/2025/11/2025-IIBEC-Registered-Roof-Observer-Handbook.pdf>

<sup>33</sup> The IIBEC is an association of professionals that specialize in roofing, waterproofing, and exterior wall specification and design. Programs offered by the IIBEC include educational programs, a technical library, government advocacy, and credentialing. See IIBEC, About Us, <https://iibec.org/about/> (last accessed January 26, 2026).

<sup>34</sup> IIBEC, *Registered Roof Consultant*, <https://iibec.org/rrc/> (last accessed January 26, 2026).

<sup>35</sup> IIBEC, *Registered Roof Observer*, <https://iibec.org/rro/> (last accessed January 26, 2026).

homeowner's insurance, mobile homeowners insurance, landlord policies (insurance of a home that is rented to a tenant), and commercial lines residential insurance policies (a category that includes condominium association coverage, homeowners association coverage, and coverage of apartment buildings and continuing care retirement community residential buildings).

The bill retains the prohibition on nonrenewing roofs less than 15 years old, but with broader application to all property insurance policies insuring a residential structure.

Regarding roofs on residential structures that are at least 15 years old, the bill applies current law to steep-slope roofs with a pitch of more than 2 inches, which requires an insurer to allow a property owner to have a roof inspection performed by an authorized inspector at the property owner's expense before requiring the replacement of the roof as a condition of issuing or renewing the policy. The bill creates a new standard for low-slope roofs with a pitch of 2 inches or less, prohibiting the insurer from refusing to issue or nonrenewing a property insurance policy solely because of roof age if an authorized inspector determines the roof may be restored by having a roof coating system applied which will result in the roof having 5 years or more of useful life remaining.

**Section 2** provides that the act is effective 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.

#### **V. Fiscal Impact Statement:**

##### **A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

None.

**VI. Technical Deficiencies:**

The bill provides that a property insurer may not refuse to issue or nonrenew a residential property insurance policy if an authorized inspector determines that a roof that is at least 15 years old *“may be restored* by having a roof coating system applied which will result in the roof having 5 years or more of useful life remaining.” As drafted, the bill does not require that the roof be restored with a roof coating system, it merely requires that an authorized inspector find that if a roof coating system is applied, the roof will have 5 years of useful life.

The bill defines a low-slope roof as having a pitch of 2 inches or less and a steep-slope roof as having a pitch of more than 2 inches. Slope is a defined term used in the Florida Building Code and by the insurance industry in the Uniform Mitigation Verification Inspection Form.<sup>36</sup> Pitch is not defined or used in the FBC or the mitigation verification form.

The bill uses the term “roof coating system” which is ambiguous regarding whether the term is referring simply to a roof coating or a roof coating used in conjunction with other techniques in the construction or maintenance of a roof. For instance, the Florida Building Code, Residential, Eighth Edition definition of a “roof system” in Section R202 begins by describing it as “a roof covering and other interacting roofing components”. The term “roof coating system” is not defined in the International Building Code or the Florida Building Code, though the IBC defines the term “roof coating” and the Florida Building Code, Building, Eighth Edition contains requirements for a “roof coating”.

**VII. Related Issues:**

The Office of Insurance Regulation 2026 Agency Bill Analysis for SB 808 raised concerns that the bill’s definition of “low-slope roof” differs from how that term is generally used in the insurance industry and how the OIR is using that term when evaluating wind-mitigation credits:

The proposed bill’s definitions differ from the customary industry definition. The bill defines a low-slope roof as one with a 2-inch pitch or less, and a high slope roof as one with a pitch of more than 2 inches. The customary industry definition for a low-slope roof is a roof with a slope that rises less than 6 inches for every 12 inches (“< 6:12”) and a high-slope roof as one that rises more than 6 inches for every 12 inches (“>6:12”). The Office’s most recent wind mitigation study uses the customary industry definition for these terms, which the Office is using to update the wind mitigation credits. In addition, the Uniform Mitigation Verification Inspection Form that goes into effect on April 1, 2026, adopts the

<sup>36</sup> Office of Insurance Regulation, Uniform Mitigation Verification Inspection Form, OIR-BI01802, [https://flioir.gov/docs-sf/default-source/property-and-casualty/oir-b1-1802.pdf?sfvrsn=13b11cba\\_2](https://flioir.gov/docs-sf/default-source/property-and-casualty/oir-b1-1802.pdf?sfvrsn=13b11cba_2) (last accessed January 27, 2026).

customary industry definition. For these reasons, the bill's definitions are likely to cause confusion to insureds, and across those in the industries impacted by the bill.

The OIR Agency Bill Analysis for SB 808 also notes that the bill does not define "roof coating system, and that providing a uniform definition, "would promote uniform implementation across the market. Insurers may be hesitant to rely on such systems absent validated loss data, and it is currently unclear whether sufficient actuarial or claims data exists to support their effectiveness."

## **VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 627.7011

## **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.

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

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By Senator Simon

3-01561-26

2026808

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

23       Section 1. Subsection (5) and paragraph (a) of subsection  
24 (6) of section 627.7011, Florida Statutes, are amended to read:  
25       627.7011 Homeowners' policies; property insurance policies;  
26 offer of replacement cost coverage and law and ordinance  
27 coverage.—

28 (5) (a) As used in this subsection, the term "authorized  
29 inspector" means an inspector who is approved by the insurer and

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

3-01561-26

who is:

1. A home inspector licensed under s. 468.8314;
2. A building code inspector certified under s. 468.607;
3. A general, building, or residential contractor licensed under s. 489.111 or a roofing contractor;
4. A professional engineer licensed under s. 471.015;
5. A professional architect licensed under s. 481.213; ~~or~~
6. A Registered Roof Consultant certified by the International Institute of Building Enclosure Consultants;
7. A Registered Roof Observer certified by the International Institute of Building Enclosure Consultants; or

8.6. Any other individual or entity recognized by the insurer as possessing the necessary qualifications to properly complete a general inspection of a residential structure insured with a homeowner's insurance policy.

(b) An insurer may not refuse to issue or refuse to renew a property insurance homeowner's policy insuring a residential structure with a roof that is less than 15 years old solely because of the age of the roof.

(c)1. For a roof that is at least 15 years old, an insurer must differentiate between a low-slope roof with a 2-inch pitch or less and a steep-slope roof with a pitch of more than 2 inches in its offer for coverage under a policy.

2. Before requiring the replacement of a steep-slope roof as a condition of issuing or renewing a property insurance policy, the insurer must allow a property owner homeowner to have a roof inspection performed by an authorized inspector at the property owner's homeowner's expense before requiring the replacement of the roof of a residential structure as a

Page 2 of 3

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

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2026808

59 ~~condition of issuing or renewing a homeowner's insurance policy.~~

60     3. If the roof is a steep-slope roof, the insurer may not  
61 refuse to issue or refuse to renew a property homeowner's  
62 insurance policy solely because of roof age if an inspection of  
63 the roof of the residential structure performed by an authorized  
64 inspector indicates that the roof has 5 years or more of useful  
65 life remaining.

66     4. If the roof is a low-slope roof, the insurer may not  
67 refuse to issue or refuse to renew a property insurance policy  
68 solely because of roof age if an authorized inspector determines  
69 that the roof may be restored by having a roof coating system  
70 applied which will result in the roof having 5 years or more of  
71 useful life remaining.

72     (d) For purposes of this subsection, a roof's age shall be  
73 calculated using the last date on which 100 percent of the  
74 roof's surface area was built or replaced in accordance with the  
75 building code in effect at that time or the initial date of a  
76 partial roof replacement when subsequent partial roof builds or  
77 replacements were completed that resulted in 100 percent of the  
78 roof's surface area being built or replaced.

79     (e) This subsection applies to property homeowners'  
80 insurance policies issued or renewed on or after July 1, 2026  
81 2022.

82     (6) This section does not:  
83         (a) Except as provided in subsection (5), apply to policies  
84 not considered to be "homeowners' policies," as that term is  
85 commonly understood in the insurance industry.

86     Section 2. This act shall take effect July 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 Banking and Insurance

BILL: CS/SB 1038

INTRODUCER: Banking and Insurance Committee and Senator Gruters

SUBJECT: Florida Strategic Cryptocurrency Reserve

DATE: January 29, 2026 REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Moody	Knudson	BI	Fav/CS
2.		AEG	
3.		AP	

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

### I. Summary:

CS/SB 1038, together with CS/SB 1040, creates the Florida Strategic Cryptocurrency Reserve that is administered and managed by the Chief Financial Officer (CFO). The bill authorizes the CFO to:

- Purchase a cryptocurrency if it has an average market capitalization of at least \$500 billion during the preceding 24-month period.
- Contract with third-party entities to administer and manage the reserve.
- Invest in derivative instruments of cryptocurrency in specified circumstances.
- Liquidate assets of the reserve and temporarily transfer the resulting moneys to State Treasury in certain circumstances.

The bill restricts the purposes for which moneys in the reserve may be used to authorized investment activities, temporary transfers of money to the State Treasury necessary to comply with specific appropriations or orders of the Governor, and the reasonable costs to administer and manage the reserve. Moneys temporarily transferred to the State Treasury must be returned with interest earned on the moneys within a specified time.

The bill creates the Florida Strategic Cryptocurrency Reserve Advisory Committee (the “Committee”) to advise the CFO in the administration and management of the reserve, including issues related to valuation of assets, investment policies, and custody and security practices. The bill specifies the composition of the committee and compensation restrictions.

The bill requires the CFO to submit report biennial reports to the President of the Senate and Speaker of the House of Representatives that contain specified information.

The CFO is required to liquidate the assets of the reserve when the reserve terminates and transfer the resulting moneys to the General Revenue Fund. The CFO is required to adopt rules as necessary to administer the reserve created in the act.

The bill has an indeterminate fiscal impact on state government. See Section V. Fiscal Impact Statement.

The bill is effective July 1, 2026, but only if CS/SB 1040 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

## II. Present Situation:

### Chief Financial Officer

The Chief Financial Officer (CFO) serves as the chief fiscal officer of the state, responsible for settling and approving all accounts against the state and keeping all state funds and securities.<sup>1</sup> The Legislature may, by law, prescribe additional powers and duties for the CFO.

### *Qualified Public Depositories*

Unless a specific exemption applies, state and local governments must deposit public funds in a bank or savings association that has been designated as a qualified public depository (QPD) under the Florida Security for Public Deposits Act.<sup>2</sup> As of November 2025, Florida had 129 authorized QPDs.<sup>3</sup>

To be designated as a QPD by the CFO, a bank, savings bank, or savings association must:

- Have authority to accept deposits because it has been chartered and regulated by the state or federal government;
- Have its principal place of business in Florida, or a branch office in Florida;
- Have deposit insurance pursuant to the Federal Deposit Insurance Act<sup>4</sup> or the National Credit Union Share Insurance Fund;<sup>5</sup>
- Have procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits;
- Make determinations about the provision of services or the denial of services based on an analysis of risk factors unique to each customer;

<sup>1</sup> Section 4(c), Art. IV, Florida Constitution; Section 17.001, F.S.

<sup>2</sup> Sections 280.01 and 280.03(1)(b), F.S. Certain public deposits, including those that are fully collateralized under other laws and moneys contributions to the state retirement system that are held in the System Trust Fund, are exempt pursuant to s. 280.03(3), F.S.

<sup>3</sup>Florida Department of Financial Services, Division of the Treasury, *Public Deposits Program Data*, Jan. 16, 2026, available at: [List of Active QPDs.xlsx \(myfloridacfo.com\)](https://myfloridacfo.com) (last visited Jan. 16, 2026).

<sup>4</sup> 12 U.S.C. ss. 1811 et. seq.

<sup>5</sup> 12 U.S.C. ss. 1783 et. seq.

- Does not engage in the unsafe and unsound practice of denying, canceling, suspending, or terminating its services to a person on specified grounds; and
- Meet all the requirements of ch. 280, F.S., relating to security for public deposits.<sup>6</sup>

QPDs must secure public deposits with a pledge of eligible collateral, to protect the deposit against losses that could occur in the event of insolvency or default.<sup>7</sup> The amount of collateral required is based on statutory guidelines and the QPD's overall financial condition.<sup>8</sup>

Public deposits include, but are not limited to, time deposit accounts, demand deposit accounts, and nonnegotiable certificates of deposits; they do not include moneys in deposit notes, securities, mutual funds, and similar investments.<sup>9</sup>

### ***Investments***

The CFO oversees the state's accounting, auditing, and investment functions.<sup>10</sup> Under current law, the CFO is responsible for investing general revenue funds, trust funds, agency funds of each state agency and the judicial branch, and may upon request invest funds of any board, association, or entity created by the State Constitution or by law, except for funds required to be invested by the State Board of Administration (SBA).<sup>11</sup> Funds that are not needed to meet the disbursement needs of the state must be placed in qualified public depositories (QPD) that will pay rates established by the CFO at levels not less than the prevailing rate for United States Treasury securities with a corresponding maturity.<sup>12</sup> If money is available for investment and QPDs are unwilling to accept such money and pay the established rates, then the money must be invested in a specified list of assets, such as:

- Direct United States Treasury Obligations;
- Obligations of the Federal Farm Credit Banks, Federal Home Loan Bank, Federal National Mortgage Association;
- Money market mutual funds;
- Convertible debt obligations of any corporations domiciled within the United States;
- Securities;
- Derivatives of investment instruments authorized in current law; and
- Certain futures and options on futures.<sup>13</sup>

### **Digital Currency**

Digital currency, also known as virtual currency, is a virtual representation of a value, stored in electronic form, that is not available in physical form but which can be used as a medium of exchange, a unit of account, or a store of value. Digital currency includes all forms of money in digital format and can be either centralized (such as electronic money issued by banks) or

<sup>6</sup> Section 280.02(26), F.S.

<sup>7</sup> Sections 280.04 and 280.041(6), F.S.

<sup>8</sup> Section 280.04, F.S., and Rule 69C-2.024, F.A.C.

<sup>9</sup> Section 280.02(23), F.S.

<sup>10</sup> See Florida Department of Financial Services, *About the Agency*, [About the Florida Department of Financial Services | MyFloridaCFO](http://www.MyFloridaCFO.com) (last visited Jan. 17, 2026).

<sup>11</sup> Section 17.61, F.S.

<sup>12</sup> Section 17.57(2), F.S.

<sup>13</sup> *Id.*

decentralized.<sup>14</sup> Cryptocurrencies, such as Bitcoin,<sup>15</sup> are a subset of digital currencies<sup>16</sup> that typically operate on a decentralized system.<sup>17</sup>

Most people buy and sell cryptocurrency through exchanges, such as Coinbase or Crypto.com.<sup>18</sup> Cryptocurrency can also be received by airdrop which is when a blockchain, usually a startup, distributes a small amount of free coins or tokens directly to wallet addresses as a promotional strategy to increase awareness and use of the cryptocurrency.<sup>19</sup>

Digital currencies are stored in digital wallets, typically software or apps installed by users on their computer or mobile device. Each digital wallet contains encrypted information that is used to send and receive the digital currency.<sup>20</sup> Decentralized digital currency transactions are recorded on a virtual public ledger called the "blockchain,"<sup>21</sup> which is maintained by digital currency "miners." Miners receive digital currency in exchange for verifying each transaction and adding it to the blockchain.<sup>22</sup>

Bitcoin is a decentralized digital currency created in 2009.<sup>23</sup> It is global and limited to 21 million units total.<sup>24</sup> Like other decentralized digital currencies, it is not issued or backed by a government or central bank, and users can store Bitcoin online through exchanges or more securely using private keys.<sup>25</sup> Bitcoin's market capitalization reached over \$1 trillion for the first time in December 2021,<sup>26</sup> and has had an average market capitalization over \$500 billion during

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<sup>14</sup> Tamplin, T., *Digital Currency vs. Cryptocurrency, Finance Strategists*, Sept. 3, 2023, available at: [Digital Currency vs. Cryptocurrency | Differences, Implications](#) (last visited Jan. 26, 2026) (hereinafter cited as "Digital Currency vs. Cryptocurrency Article").

<sup>15</sup> Bitcoin is a decentralized digital currency created in 2009. It is global and limited to 21 million units total. Like other decentralized digital currencies, it is not issued or backed by a government or central bank, and users can store Bitcoin online through exchanges or more securely using private keys. Samara Cohen et al., *Bitcoin: A Unique Diversifier*, BlackRock, <https://www.blackrock.com/us/financial-professionals/literature/whitepaper/bitcoin-a-unique-diversifier.pdf> (last visited Jan. 18, 2026).

<sup>16</sup> Westlaw, *Definition of virtual currency*, <https://1.next.westlaw.com/Document/11c0f4fc4505011e89bf199c0ee06c731/View/FullText.html?ppcid=d154a21215fa49b2b97bc6db2c6392a5&originationContext=knowHow&transitionType=KnowHowItem&contextData=%28sc.Default%29> (last visited Jan. 17, 2026).

<sup>17</sup> Digital Currency vs. Cryptocurrency Article.

<sup>18</sup> Hooson, M., *How to Buy Cryptocurrency*, Forbes, Dec. 17, 2025, available at: [How To Buy Cryptocurrency – Forbes Advisor](#) (last visited Jan. 20, 2026).

<sup>19</sup> The Investopedia Team, *Guide to Cryptocurrency Airdrops: How They Work and What to Expect*, Investopedia, Aug. 10, 2025, available at: [Guide to Cryptocurrency Airdrops: How They Work and What to Expect](#) (last visited Jan. 20, 2026).

<sup>20</sup> NCSL, *Cryptocurrency, Digital or Virtual Currency and Digital Assets 2025 Legislation*, <https://www.ncsl.org/financial-services/cryptocurrency-digital-or-virtual-currency-and-digital-assets-2025-legislation> (last visited Jan. 17, 2026).

<sup>21</sup> Digital Currency vs. Cryptocurrency Article.

<sup>22</sup> *Id.*

<sup>23</sup> Samara Cohen et al., *Bitcoin: A Unique Diversifier*, BlackRock, <https://www.blackrock.com/us/financial-professionals/literature/whitepaper/bitcoin-a-unique-diversifier.pdf> (last visited Jan. 18, 2026).

<sup>24</sup> *Id.*

<sup>25</sup> *Id.*

<sup>26</sup> Torpey, K., *Bitcoin Market Cap Tops \$1 Trillion Again – That's Almost Twice That of Tesla*, Feb. 24, 2024, available at: [Bitcoin Market Cap Tops \\$1 Trillion Again—That's Almost Twice That Of Tesla](#) (last visited Jan. 18, 2026).

the preceding 24-months.<sup>27</sup> Ethereum is the second largest cryptocurrency and has reached a \$500 billion market capitalization on some instances.<sup>28</sup>

### ***Federal Law***

On March 6, 2025, President Trump signed an executive order (the “Executive Order”) that established a Strategic Bitcoin Reserve which is capitalized with all Bitcoin held by the Department of Treasury that was finally forfeited as part of criminal or civil asset forfeiture proceedings or in satisfaction of any civil money penalty imposed by any executive department or agency and is not needed for other specified reasons. The Strategic Bitcoin Reserve consists of approximately 207,189 Bitcoin with an estimated value of \$19.72 billion.<sup>29</sup>

The Executive Order also established an office known as the “United States Digital Asset Stockpile” (the “Stockpile”) to administer and maintain control of custodial accounts that are capitalized with all digital assets owned by the Department of Treasury, other than Bitcoin that were finally forfeited as part of criminal or civil asset forfeiture proceedings and that are not needed to satisfy certain requirements.<sup>30</sup> The Stockpile consists of cryptocurrencies (such as Ethereum or Solana), stablecoin, non-fungible tokens, and potentially other tokenized assets.<sup>31</sup>

### ***State Reserves***

Florida does not currently have a virtual currency or cryptocurrency reserve. Texas,<sup>32</sup> New Hampshire,<sup>33</sup> and Arizona<sup>34</sup> have adopted laws creating a reserve for Bitcoin or digital assets, or both. Several states have pending legislation creating a digital asset or cryptocurrency reserve or authorizing public funds to be invested in such assets.<sup>35</sup>

### ***Florida Law***

A money services business that receives virtual currency for the purpose of acting as an intermediary to transmit virtual currency from one person to another location or person is regulated as a money transmitter in this state.<sup>36</sup> Virtual currency is defined in ch. 560, F.S.,

<sup>27</sup> Blockchain.com, *Charts: Market Capitalization*, available at: [Blockchain.com | Charts - Market Capitalization \(USD\)](https://blockchain.com/charts/market-capitalization) (last visited Jan. 18, 2026).

<sup>28</sup> Jafar, B., *Ethereum Crosses \$500 Billion Market Cap*, Finance Magnets, Oct. 21, 2021, available at: [Ethereum Crosses \\$500 Billion Market Cap | Finance Magnates](https://financemagnets.com/ethereum-crosses-500-billion-market-cap/); Munene, K., *Ethereum Becomes Fastest Major Asset to Reach \$500 Billion Market Cap*, MoneyCheck, Aug. 25, 2025, available at: [Ethereum Becomes Fastest Major Asset To Reach \\$500 Billion Market Cap](https://moneycheck.com/ethereum-becomes-fastest-major-asset-to-reach-500-billion-market-cap/); Adejumo, O., *Ethereum Becomes Fastest Asset to Reach \$500B with Holders' Gain Doubling*, CryptoSlate, Aug. 25, 2025, available at: [Ethereum breaks \\$500B market cap, doubling investors gains](https://cointelegraph.com/news/ethereum-breaks-500b-market-cap-doubling-investors-gains); Wadington, M., *The Maturation of Digital Assets*, Fidelity, Oct. 9, 2025, available at: [The Maturation of Digital Assets](https://www.fidelity.com/insight/the-maturation-of-digital-assets) (all sites last visited Jan. 18, 2026).

<sup>29</sup> BiTBO, *USA Bitcoin Reserve Tracker*, available at: [US Bitcoin Reserve](https://bitbo.com/us-bitcoin-reserve-tracker/) (last visited Jan. 17, 2026).

<sup>30</sup> Authenticated U.S. Government Information GPO, *Executive Order 14233-Establishment of the Strategic Bitcoin Reserve and United States Digital Asset Stockpile*, March 6, 2025, available at: [DPD-202500335.pdf](https://www.gpo.gov/pdfs/2025/20250306/DPD-202500335.pdf) (last visited Jan. 17, 2026).

<sup>31</sup> DigitalFinanceNews.com, *Managing the U.S. Digital Asset Stockpile: Operational Complexities, Accounting Challenges, and Regulatory Implications*, July 1, 2025, available at: [Managing the U.S. Digital Asset Stockpile: Operational Complexities, Accounting Challenges, and Regulatory Implications – Digital Finance News](https://digitalfinancenews.com/managing-the-u-s-digital-asset-stockpile-operational-complexities-accounting-challenges-and-regulatory-implications/) (last visited Jan. 18, 2026).

<sup>32</sup> Tex. Gov’t Code Ann ss. 403.701-403.709 (Subchapter V) (2025) (establishing Texas Strategic Bitcoin Reserve).

<sup>33</sup> N.H. Rev. Stat. Ann. (RSA) s. 6:8-d (2025) (establishing the Strategic Reserve).

<sup>34</sup> Ariz. Rev. Stat. Ann. s. 41-180 (2025) (establishing Bitcoin and Digital Assets Reserve Fund).

<sup>35</sup> See AZ S.B. 1042 (2026), IL H.B. 1844 (2025-2026), MD H.B. 51 (2026), MI H.B. 4087 (2025-2026), OH H.B. 18 (136<sup>th</sup> GA), OH S.B. 57 (136<sup>th</sup> GA), PA H.B. 2664 (2025), TN H.B. 1695 (2026), WV S.B. 143 (2026).

<sup>36</sup> Section 560.103(24), F.S.

relating to the regulation of money services businesses, as a medium of exchange in electronic or digital format that is not currency. The term does not include a medium of exchange in electronic or digital format that is:

- Issued by or on behalf of a publisher and used solely within an online game, game platform, or family of games sold by the same publisher or offered on the same game platform; or
- Used exclusively as part of a consumer affinity or rewards program and can be applied solely converted into or redeemed for currency or another medium of exchange.<sup>37</sup>

The Florida Money Laundering Act defines “virtual currency” as a medium of exchange in electronic or digital format that is not a coin or currency of the United States or any other country.<sup>38</sup>

### **III. Effect of Proposed Changes:**

CS/SB 1038, together with CS/SB 1040, creates the Florida Strategic Cryptocurrency Reserve (the “Reserve”). The bill provides for the following:

- The administration and management of the reserve;
- The types of assets in which the CFO may invest;
- The purpose for which moneys may be invested;
- The establishment of an advisory committee, and topics for which such committee must advise; and
- Requirements for terminating the reserve.

**Section 1** of the bill creates a short title at s. 215.991, F.S., providing that ss. 215.991-215.994, F.S., are known and cited as the “Florida Strategic Cryptocurrency Reserve Act.”

**Section 2** of the bill creates s. 215.992, F.S., and defines the following terms used in ss. 215.993 and 215.994, F.S., which is created in CS/SB 1040 (2026):

- “Airdrop” means a gratuitous distribution of cryptocurrency to users of a blockchain or protocol, generally made in a broad, equitable, and nondiscretionary manner.
- “Blockchain” means a mathematically secured, chronological, decentralized, distributed, and digital ledger or database that consists of records of transactions that cannot be altered retroactively.
- “Cryptocurrency” means a virtual currency that is not issued by any central authority, is designed to function as a medium of exchange, and uses encryption technology to regulate the generation of units of currency, to verify fund transfers, and to prevent counterfeiting.
- “Distributed ledger” means technology in which data is shared across a network that creates a public digital ledger of verified transactions or information among network participants and in which cryptography is used to link the data to maintain the integrity of the public ledger and execute other functions.
- “Fork” means a change to the protocol of a distributed ledger system which creates a separate ledger, which may result in a new cryptocurrency that shares a common transaction history with the previous cryptocurrency up to the point of change.
- “Governmental entity” has the same meaning as in s. 215.986, F.S., which defines the term as a state, regional, county, municipal, special district, or other political subdivision, whether

<sup>37</sup> Section 560.103(36), F.S.

<sup>38</sup> Section 896.101(2)(j), F.S.

executive, judicial, or legislative, including, but not limited to, a department, a division, a board, a bureau, a commission, an authority, a district, or an agency thereof, or a public school, a Florida College System institution, a state university, or an associated board.

- “Private key” means confidential cryptographic data that allows a person or entity to access, control, or authorize transactions involving cryptocurrency or virtual currency.
- “Qualified custodian” means a state financial institution or a federally chartered institution or other entity regulated by this state which is permitted to act as a custodian of virtual currencies on behalf of clients.
- “Qualified liquidity provider” means an entity that:
  - Is licensed or regulated under applicable federal or state law;
  - Maintains audited financial statements prepared by an independent certified public accountant;
  - Has at least 5 years of experience trading in the digital assets industry;
  - Maintains an office and has a registered principal in this state; and
  - Submits to the Chief Financial Officer a certification, in a form prescribed by the Chief Financial Officer, attesting that it meets the criteria in the definition of this term.
- “Reserve” means the Florida Strategic Cryptocurrency Reserve established under this act.
- “Secure custody solution” means a technological product or a blended product and service that meets the following criteria:
  - The cryptographic private keys are:
    - Exclusively known by and accessible to the governmental entity;
    - Contained within an encrypted environment and accessible only through end-to-end encrypted channels; and
    - Not stored on, or accessible through, a smartphone.
  - The hardware containing the cryptographic private keys is maintained in at least two geographically diverse, secure data centers.
  - A multiparty governance structure for authorizing transactions is implemented, user access control is enforced, and all user-initiated actions are logged.
  - The provider implements a disaster recovery protocol ensuring state access to assets if the provider becomes unavailable.
  - The technological product or blended product and service undergoes regular code audits and penetration testing, with identified vulnerabilities promptly addressed.
- “Virtual currency” has the same meaning as in s. 896.101(1), F.S., which defines the term to mean, “a medium of exchange in electronic or digital format that is not a coin or currency of the United States or any other country.”

**Section 3** of the bill creates s. 215.993, F.S., and provides for the administration and management of the Reserve. The Chief Financial Officer (CFO) may acquire, exchange, sell, supervise, manage, or retain cryptocurrency, or derivative instruments authorized in CS/SB 1040 (2026) if the CFO determines that the investment is in the best interest of the state, including cryptocurrency derived from the fork of a distributed ledger or distributed as an airdrop to the state’s cryptocurrency addresses.

The bill requires the CFO to exercise judgment and care that a prudent investor would exercise, considering the purposes, terms, distribution requirements, and other circumstances of the reserve, and considering the reserve as a whole rather than a single investment. The reasonable

costs of administering and managing the reserve may be paid from cryptocurrency held in the reserve or from the net proceeds of the sale or exchange of the cryptocurrency.

The bill authorizes the CFO to purchase a cryptocurrency for the reserve only if the average market capitalization is at least \$500 billion during the preceding 24-month period. Currently, Bitcoin is the only virtual currency that meets this requirement.

The CFO is allowed to contract with third-party entities for the reserve's administration or management, including the following entities:

- A technology provider of a secure custody solution.
- A certified public accountant, to perform an independent audit of the reserve.
- A qualified custodian who utilizes a secure custody solution.
- A qualified liquidity provider, to facilitate the purchase and sale of assets in the reserve.

Moneys in the reserve may be used only for:

- Investment activities authorized in the bill.
- Temporary cash-management purposes if required to comply with a specific appropriation by operation of law or order by the Governor.
  - The bill authorizes the CFO to liquidate assets of the reserve and temporarily transfer the resulting moneys to the State Treasury if required to comply with a specific appropriation by operation of law or order by the Governor. The temporarily transferred moneys with any interest earned while held in the State Treasury must be returned to the reserve as soon as practicable.
- Paying the reasonable costs of administering and managing the reserve.

The bill creates the Florida Strategic Cryptocurrency Reserve Advisory Committee to advise the CFO on the administration and management of the reserve. The committee consists of the following five members:

- The CFO, who serves as the chair; and
- Four members appointed by the CFO by October 1, 2026, including three members with expertise in cryptocurrency investments and one with expertise in digital asset security.

Members appointed by the CFO serve at the pleasure of the CFO. The committee is required to advise on matters relating to:

- The valuation of assets held in the reserve;
- Prudent investment policies, including investment objectives and asset allocation standards; and
- Prudent custody and security practices for the reserve.

Members of the committee serve without compensation but may be reimbursed for per diem and travel expenses as provided under current law.<sup>39</sup>

Beginning December 31, 2026, and biennially thereafter, the CFO must submit a report to the President of the Senate and the Speaker of the House of Representatives which includes:

---

<sup>39</sup> See s. 112.061, F.S. (providing computation of travel time for reimbursement, rates of per diem and subsistence allowance, transportation, and other expenses).

- The amount of cryptocurrency held in the reserve on the last day of the preceding state fiscal year.
- The estimated monetary value of the cryptocurrency held in the reserve on the last day of the preceding state fiscal year.
- A summary of any changes in the amount and estimated monetary value of cryptocurrency held in the reserve during the preceding state fiscal year, disaggregated by cryptocurrency type.
- A description of the actions taken by the CFO to administer and manage the reserve during the preceding state fiscal year.

The CFO must liquidate any remaining assets when the reserve terminates and transfer the resulting moneys to the General Revenue Fund. The CFO must also adopt rules as necessary to administer the provisions in the bill.

**Section 4** of the bill provides an effective date of July 1, 2026, but only if CS/SB 1040 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

#### **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.

#### **V. Fiscal Impact Statement:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

The fiscal impact of the reserve on state government is indeterminate and will depend on the performance of the investments made in the reserve. The reasonable administrative and management costs of the reserve may be paid for using the moneys in the reserve.

**VI. Technical Deficiencies:****VII. None. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill creates the following sections of the Florida Statutes: 215.991, 215.992, and 215.993

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

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

**CS by Banking and Insurance Committee on January 28, 2026:**

- Moves the provisions created in the bill out of the State Bond Act and into the newly created “Florida Strategic Cryptocurrency Reserve Act.”
- Defines several terms and modifies the definition of “cryptocurrency.”
- Modifies the CFO’s authority to invest in derivative instruments of cryptocurrency that are in the best interest of the “state,” rather than in the best interest of the “reserve.”

**B. Amendments:**

None.

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

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
	.	
	.	
	.	

---

The Committee on Banking and Insurance (Gruters) recommended the following:

1                   **Senate Amendment (with title amendment)**

2

3                   Delete lines 44 - 188

4 and insert:

5                   Section 1. Section 215.991, Florida Statutes, is created to  
6 read:

7                   215.991 Short title.—Sections 215.991-215.994 shall be  
8 known and may be cited as the "Florida Strategic Cryptocurrency  
9 Reserve Act."

10                  Section 2. Section 215.992, Florida Statutes, is created to



11 read:

12 215.992 Definitions relating to the Florida Strategic  
13 Cryptocurrency Reserve Act.—As used in this section and ss.

14 215.993 and 215.994, the term:

15 (1) "Airdrop" means a gratuitous distribution of  
16 cryptocurrency to users of a blockchain or protocol, generally  
17 made in a broad, equitable, and nondiscretionary manner.

18 (2) "Blockchain" means a mathematically secured,  
19 chronological, decentralized, distributed, and digital ledger or  
20 database that consists of records of transactions that cannot be  
21 altered retroactively.

22 (3) "Cryptocurrency" means a virtual currency that is not  
23 issued by any central authority, is designed to function as a  
24 medium of exchange, and uses encryption technology to regulate  
25 the generation of units of currency, to verify fund transfers,  
26 and to prevent counterfeiting.

27 (4) "Distributed ledger" means technology in which data is  
28 shared across a network that creates a public digital ledger of  
29 verified transactions or information among network participants  
30 and in which cryptography is used to link the data to maintain  
31 the integrity of the public ledger and execute other functions.

32 (5) "Fork" means a change to the protocol of a distributed  
33 ledger system which creates a separate ledger, which may result  
34 in a new cryptocurrency that shares a common transaction history  
35 with the previous cryptocurrency up to the point of change.

36 (6) "Governmental entity" has the same meaning as in s.  
37 215.986.

38 (7) "Private key" means confidential cryptographic data  
39 that allows a person or an entity to access, control, or



40 authorize transactions involving cryptocurrency or virtual  
41 currency.

42 (8) "Qualified custodian" means a state financial  
43 institution or a federally chartered institution or other entity  
44 regulated by the state which is permitted to act as a custodian  
45 of virtual currencies on behalf of clients.

46 (9) "Qualified liquidity provider" means an entity that:

47 (a) Is licensed or regulated under applicable federal or  
48 state law;

49 (b) Maintains audited financial statements prepared by an  
50 independent certified public accountant;

51 (c) Has at least 5 years of experience trading in the  
52 digital assets industry;

53 (d) Maintains an office and has a registered principal in  
54 this state; and

55 (e) Submits to the Chief Financial Officer a certification,  
56 in a form prescribed by the Chief Financial Officer, attesting  
57 that it meets the criteria in paragraphs (a)-(d).

58 (10) "Reserve" means the Florida Strategic Cryptocurrency  
59 Reserve established under ss. 215.993 and 215.994.

60 (11) "Secure custody solution" means a technological  
61 product or a blended product and service that meets all of the  
62 following criteria:

63 (a) The cryptographic private keys are:

64 1. Exclusively known by and accessible to the governmental  
65 entity;

66 2. Contained within an encrypted environment and accessible  
67 only through end-to-end encrypted channels; and

68 3. Not stored on, or accessible through, a smartphone.



69        (b) The hardware containing the cryptographic private keys  
70        is maintained in at least two geographically diverse, secure  
71        data centers.

72        (c) A multiparty governance structure for authorizing  
73        transactions is implemented, user access control is enforced,  
74        and all user-initiated actions are logged.

75        (d) The provider implements a disaster recovery protocol  
76        ensuring state access to assets if the provider becomes  
77        unavailable.

78        (e) The technological product or blended product and  
79        service undergoes regular code audits and penetration testing,  
80        with identified vulnerabilities promptly addressed.

81        (12) "Virtual currency" has the same meaning as in s.  
82        896.101(2).

83        Section 3. Section 215.993, Florida Statutes, is created to  
84        read:

85        215.993 Administration of the Florida Strategic  
86        Cryptocurrency Reserve.—

87        (1) In administering and managing the reserve, the Chief  
88        Financial Officer may acquire, exchange, sell, supervise,  
89        manage, or retain cryptocurrency or any other asset authorized  
90        under this section and shall exercise the judgment and care that  
91        a prudent investor would exercise, in light of the purposes,  
92        terms, distribution requirements, and other circumstances of the  
93        reserve, by considering the reserve as a whole rather than a  
94        single investment. The reasonable costs of administering and  
95        managing the reserve may be paid from cryptocurrency held in the  
96        reserve or from the net proceeds of the sale or exchange of such  
97        cryptocurrency.



152950

98        (2) The Chief Financial Officer may purchase a  
99        cryptocurrency for the reserve only if the cryptocurrency has  
100        had an average market capitalization of at least \$500 billion  
101        during the preceding 24-month period.

102        (3) The Chief Financial Officer may contract with third-  
103        party entities for the administration or management of the  
104        reserve, including contracting with any of the following  
105        entities:

106        (a) A technology provider of a secure custody solution.  
107        (b) A certified public accountant, to perform an  
108        independent audit of the reserve.

109        (c) A qualified custodian who utilizes a secure custody  
110        solution.

111        (d) A qualified liquidity provider, to facilitate the  
112        purchase and sale of assets in the reserve.

113        (4) The Chief Financial Officer may invest in derivative  
114        instruments of cryptocurrency authorized under s. 215.994(2)(c)  
115        if the Chief Financial Officer determines that such investment  
116        is in the best interest of the state.

117        (5) (a) Moneys in the reserve may be used only for  
118        investment activities authorized under this section, for  
119        temporary cash-management purposes authorized under paragraph  
120        (b), and for paying the reasonable costs of administering and  
121        managing the reserve.

122        (b) The Chief Financial Officer may liquidate assets of the  
123        reserve and temporarily transfer the resulting moneys to the  
124        State Treasury if required to comply with a specific  
125        appropriation by operation of law or order by the Governor.

126        (c) Moneys temporarily transferred under paragraph (b) must



127 be returned to the reserve as soon as practicable, together with  
128 any interest earned on such moneys while held in the State  
129 Treasury.

130 (6) (a) The Florida Strategic Cryptocurrency Reserve  
131 Advisory Committee is created to advise the Chief Financial  
132 Officer in the administration and management of the reserve.

133 (b) The committee shall consist of five members, as  
134 follows:

135 1. The Chief Financial Officer, who shall serve as chair;  
136 and

137 2. Four members appointed by the Chief Financial Officer by  
138 October 1, 2026, as follows:

139 a. Three members with expertise in cryptocurrency  
140 investments; and

141 b. One member with expertise in digital asset security.

142 (c) The committee shall advise on matters relating to:

143 1. The valuation of assets held in the reserve;

144 2. Prudent investment policies, including investment  
145 objectives and asset allocation standards; and

146 3. Prudent custody and security practices for the reserve.

147 (d) Members of the committee shall serve without  
148 compensation but may be reimbursed for per diem and travel  
149 expenses in accordance with s. 112.061, if applicable.

150 (e) Members appointed by the Chief Financial Officer serve  
151 at the pleasure of the Chief Financial Officer.

152 (7) Beginning December 31, 2026, and biennially thereafter,  
153 the Chief Financial Officer shall submit a report to the  
154 President of the Senate and the Speaker of the House of  
155 Representatives which includes all of the following:



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156        (a) The amount of cryptocurrency held in the reserve on the  
157 last day of the preceding state fiscal year.

158        (b) The estimated monetary value of the cryptocurrency held  
159 in the reserve on the last day of the preceding state fiscal  
160 year.

161        (c) A summary of any changes in the amount and estimated  
162 monetary value of cryptocurrency held in the reserve during the  
163 preceding state fiscal year, disaggregated by cryptocurrency  
164 type.

165        (d) A description of the actions taken by the Chief  
166 Financial Officer to administer and manage the reserve during  
167 the preceding state fiscal year.

168        (8) Upon termination of the reserve under s. 215.994(4),

169 ===== T I T L E   A M E N D M E N T =====

170 And the title is amended as follows:

171        Delete lines 3 - 4

172 and insert:

173        Cryptocurrency Reserve; creating s. 215.991, F.S.;  
174        providing a short title; creating s. 215.992, F.S.;  
175        defining terms; creating s. 215.993, F.S.; authorizing

By Senator Gruters

22-00900-26

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30 may be reimbursed for certain expenses; specifying  
31 that members of the committee serve at the pleasure of  
32 the Chief Financial Officer; requiring, beginning on a  
33 specified date and biennially thereafter, the Chief  
34 Financial Officer to submit a report to the  
35 Legislature; specifying requirements for the report;  
36 requiring the Chief Financial Officer to liquidate  
37 assets of the reserve and transfer moneys to the  
38 General Revenue Fund upon the termination of the  
39 reserve; requiring the Chief Financial Officer to  
40 adopt rules; providing a contingent effective date.

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

44           Section 1. Section 215.594, Florida Statutes, is created to  
45 read:

215.594 Florida Strategic Cryptocurrency Reserve;  
definitions.—As used in this section and ss. 215.595 and  
215.596, the term:

(1) "Airdrop" means a gratuitous distribution of cryptocurrency to users of a blockchain or protocol, generally made in a broad, equitable, and nondiscretionary manner.

(2) "Cryptocurrency" means a type of virtual currency that uses cryptography to secure transactions that are digitally recorded on a distributed ledger, such as blockchain.

(3) "Fork" means a change to the protocol of a distributed ledger system which creates a separate ledger, which may result in a new cryptocurrency that shares a common transaction history with the previous cryptocurrency up to the point of change.

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59       (4) "Private key" means confidential cryptographic data  
 60       that allows a person or entity to access, control, or authorize  
 61       transactions involving cryptocurrency or virtual currency.  
 62       (5) "Qualified custodian" means a state financial  
 63       institution or a federally chartered institution or other entity  
 64       regulated by this state which is permitted to act as a custodian  
 65       of virtual currencies on behalf of clients.  
 66       (6) "Qualified liquidity provider" means an entity that:  
 67        (a) Is licensed or regulated under applicable federal or  
 68        state law;  
 69        (b) Maintains audited financial statements prepared by an  
 70        independent certified public accountant;  
 71        (c) Has at least 5 years of experience trading in the  
 72        digital assets industry;  
 73        (d) Maintains an office and has a registered principal in  
 74        this state; and  
 75        (e) Submits to the Chief Financial Officer a certification,  
 76        in a form prescribed by the Chief Financial Officer, attesting  
 77        that it meets the criteria in paragraphs (a)-(d).  
 78       (7) "Reserve" means the Florida Strategic Cryptocurrency  
 79       Reserve established under ss. 215.595 and 215.596.  
 80       (8) "Secure custody solution" means a technological product  
 81       or a blended product and service that meets all of the following  
 82       criteria:  
 83        (a) The cryptographic private keys are:  
 84        1. Exclusively known by and accessible to the governmental  
 85        entity;  
 86        2. Contained within an encrypted environment and accessible  
 87        only through end-to-end encrypted channels; and

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88       3. Not stored on, or accessible through, a smartphone.  
 89       (b) The hardware containing the cryptographic private keys  
 90       is maintained in at least two geographically diverse, secure  
 91       data centers.  
 92       (c) A multiparty governance structure for authorizing  
 93       transactions is implemented, user access control is enforced,  
 94       and all user-initiated actions are logged.  
 95       (d) The provider implements a disaster recovery protocol  
 96       ensuring state access to assets if the provider becomes  
 97       unavailable.  
 98       (e) The technological product or blended product and  
 99       service undergoes regular code audits and penetration testing,  
 100       with identified vulnerabilities promptly addressed.  
 101       (9) "Virtual currency" has the same meaning as in s.  
 102       896.101(1).  
 103       Section 2. Section 215.595, Florida Statutes, is created to  
 104       read:  
 105       215.595 Administration of the Florida Strategic  
 106       Cryptocurrency Reserve.-  
 107       (1) In administering and managing the reserve, the Chief  
 108       Financial Officer may acquire, exchange, sell, supervise,  
 109       manage, or retain cryptocurrency or any other asset authorized  
 110       under this section and shall exercise the judgment and care that  
 111       a prudent investor would exercise, in light of the purposes,  
 112       terms, distribution requirements, and other circumstances of the  
 113       reserve, by considering the reserve as a whole rather than a  
 114       single investment. The reasonable costs of administering and  
 115       managing the reserve may be paid from cryptocurrency held in the  
 116       reserve or from the net proceeds of the sale or exchange of such

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117 ~~cryptocurrency.~~

118 (2) The Chief Financial Officer may purchase a

119 ~~cryptocurrency for the reserve only if the cryptocurrency has~~

120 ~~had an average market capitalization of at least \$500 billion~~

121 ~~during the preceding 24-month period.~~

122 (3) The Chief Financial Officer may contract with third-

123 ~~party entities for the administration or management of the~~

124 ~~reserve, including contracting with any of the following~~

125 ~~entities:~~

126 (a) A technology provider of a secure custody solution.

127 (b) A certified public accountant, to perform an

128 ~~independent audit of the reserve.~~

129 (c) A qualified custodian who utilizes a secure custody

130 ~~solution.~~

131 (d) A qualified liquidity provider, to facilitate the

132 ~~purchase and sale of assets in the reserve.~~

133 (4) The Chief Financial Officer may invest in derivative

134 ~~instruments of cryptocurrency authorized under s. 215.596(2)(c)~~

135 ~~if the Chief Financial Officer determines that such investment~~

136 ~~is in the best interest of the reserve.~~

137 (5) (a) Moneys in the reserve may be used only for

138 ~~investment activities authorized under this section, for~~

139 ~~temporary cash-management purposes authorized under paragraph~~

140 ~~(b), and for paying the reasonable costs of administering and~~

141 ~~managing the reserve.~~

142 (b) The Chief Financial Officer may liquidate assets of the

143 ~~reserve and temporarily transfer the resulting moneys to the~~

144 ~~State Treasury if required to comply with a specific~~

145 ~~appropriation by operation of law or order by the Governor.~~

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146 (c) Moneys temporarily transferred under paragraph (b) must

147 ~~be returned to the reserve as soon as practicable, together with~~

148 ~~any interest earned on such moneys while held in the State~~

149 ~~Treasury.~~

150 (6) (a) The Florida Strategic Cryptocurrency Reserve

151 ~~Advisory Committee is created to advise the Chief Financial~~

152 ~~Officer in the administration and management of the reserve.~~

153 (b) The committee shall consist of five members, as

154 ~~follows:~~

155 1. The Chief Financial Officer, who shall serve as chair;

156 ~~and~~

157 2. Four members appointed by the Chief Financial Officer by

158 ~~October 1, 2026, as follows:~~

159 a. Three members with expertise in ~~cryptocurrency~~

160 ~~investments; and~~

161 b. One member with expertise in digital asset security.

162 (c) The committee shall advise on matters relating to:

163 1. The valuation of assets held in the reserve;

164 2. Prudent investment policies, including investment

165 ~~objectives and asset allocation standards; and~~

166 3. Prudent custody and security practices for the reserve.

167 (d) Members of the committee shall serve without

168 ~~compensation but may be reimbursed for per diem and travel~~

169 ~~expenses in accordance with s. 112.061, if applicable.~~

170 (e) Members appointed by the Chief Financial Officer serve

171 ~~at the pleasure of the Chief Financial Officer.~~

172 (7) Beginning December 31, 2026, and biennially thereafter,

173 ~~the Chief Financial Officer shall submit a report to the~~

174 ~~President of the Senate and the Speaker of the House of~~

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175       Representatives which includes all of the following:

176        (a) The amount of cryptocurrency held in the reserve on the  
177 last day of the preceding state fiscal year.

178        (b) The estimated monetary value of the cryptocurrency held  
179 in the reserve on the last day of the preceding state fiscal  
180 year.

181        (c) A summary of any changes in the amount and estimated  
182 monetary value of cryptocurrency held in the reserve during the  
183 preceding state fiscal year, disaggregated by cryptocurrency  
184 type.

185        (d) A description of the actions taken by the Chief  
186 Financial Officer to administer and manage the reserve during  
187 the preceding state fiscal year.

188        (8) Upon termination of the reserve under s. 215.596(4),  
189 the Chief Financial Officer shall liquidate any remaining assets  
190 of the reserve and transfer the resulting moneys to the General  
191 Revenue Fund.

192        (9) The Chief Financial Officer shall adopt rules as  
193 necessary to administer this section.

194       Section 3. This act shall take effect on July 1, 2026, but  
195 only if SB \_\_\_\_ or similar legislation takes effect, if such  
196 legislation is adopted in the same legislative session or an  
197 extension thereof and becomes a law.

1/20/26

Meeting Date

B & I

Committee

Name

Greg Black

Address 215 S. Monroe St., Ste 130  
Street

TLH

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:

Satoshi Action Fund

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. [2020-2022JointRules.pdf](https://flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 1038  
**Final Action:** Favorable with Committee Sub

**Tab #:** 5  
**Sponsor:** Gruters  
**Subject:** Florida Strategic Cryptocurrency Reserve

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

**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 Banking and Insurance

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BILL: CS/SB 1040

INTRODUCER: Banking and Insurance Committee and Senator Gruters

SUBJECT: Trust Funds/Florida Cryptocurrency Reserve

DATE: January 29, 2026      REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Moody	Knudson	BI	<u>Fav/CS</u>
2. _____	_____	AEG	_____
3. _____	_____	AP	_____

---

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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## I. Summary:

CS/SB 1040 establishes the Florida Strategic Cryptocurrency Reserve (the “reserve”), a trust fund within the Chief Financial Officer’s (CFO) office that will hold cryptocurrency investments as authorized in CS/SB 1038. The bill lists the types of assets that may be held in the reserve. The bill provides the purpose for the reserve. The reserve will terminate on July 1, 2030, unless it is terminated sooner, and must be reviewed before it’s terminated.

The bill is expected to have a fiscal impact on state government. See Section V. Fiscal Impact Statement.

The bill is effective on the same date that CS/SB 1038 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

## II. Present Situation:

### Chief Financial Officer

The Chief Financial Officer (CFO) serves as the chief fiscal officer of the state, responsible for settling and approving all accounts against the state and keeping all state funds and securities.<sup>1</sup> The Legislature may, by law, prescribe additional powers and duties for the CFO.

---

<sup>1</sup> Section 4(c), Art. IV, Florida Constitution; Section 17.001, F.S.

The CFO oversees the state's accounting, auditing, and investment functions.<sup>2</sup> Under current law, the CFO is responsible for investing general revenue funds, trust funds, agency funds of each state agency and the judicial branch, and may upon request invest funds of any board, association, or entity created by the State Constitution or by law, except for funds required to be invested by the SBA.<sup>3</sup>

When the CFO decides whether to invest and when investing, the CFO must make decisions based solely on pecuniary factors<sup>4</sup> and may not subordinate the interests of the people of this state to other objectives.<sup>5</sup> Funds that are not needed to meet the disbursement needs of the state must be placed in qualified public depositories (QPD) that will pay rates established by the CFO at levels not less than the prevailing rate for United States Treasury securities with a corresponding maturity.<sup>6</sup> If money is available for investment and QPDs are unwilling to accept such money and pay the established rates, then the money must be invested in a specified list of assets, such as:

- Direct United States Treasury Obligations;
- Obligations of the Federal Farm Credit Banks, Federal Home Loan Bank, Federal National Mortgage Association;
- Money market mutual funds;
- Convertible debt obligations of any corporations domiciled within the United States;
- Securities;
- Derivatives of investment instruments authorized in current law; and
- Certain futures and options on futures.<sup>7</sup>

## Digital Currency

Digital currency, also known as virtual currency, is a virtual representation of a value, stored in electronic form, that is not available in physical form but which can be used as a medium of exchange, a unit of account, or a store of value. Cryptocurrencies, such as Bitcoin,<sup>8</sup> are a subset of digital currencies.<sup>9</sup> Most people buy and sell cryptocurrency through exchanges, such as

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<sup>2</sup> See Florida Department of Financial Services, *About the Agency*, [About the Florida Department of Financial Services | MyFloridaCFO](#) (last visited Jan. 17, 2026).

<sup>3</sup> Section 17.61, F.S.

<sup>4</sup> Section 17.57(1)(a), F.S., defines “pecuniary factor” as a factor that the CFO, or other party authorized to invest on his or her behalf, prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy.

<sup>5</sup> Section 17.57(1)(c), F.S.

<sup>6</sup> Section 17.57(2), F.S.

<sup>7</sup> *Id.*

<sup>8</sup> Bitcoin is a decentralized digital currency created in 2009. It is global and limited to 21 million units total. Like other decentralized digital currencies, it is not issued or backed by a government or central bank, and users can store Bitcoin online through exchanges or more securely using private keys. Samara Cohen et al., *Bitcoin: A Unique Diversifier*, BlackRock, <https://www.blackrock.com/us/financial-professionals/literature/whitepaper/bitcoin-a-unique-diversifier.pdf> (last visited Jan. 18, 2026).

<sup>9</sup> Westlaw, *Definition of virtual currency*, <https://1.next.westlaw.com/Document/11c0f4fc4505011e89bf199c0ee06c731/View/FullText.html?ppcid=d154a21215fa49b2b97bc6db2c6392a5&originationContext=knowHow&transitionType=KnowHowItem&contextData=%28sc.Default%29> (last visited Jan. 17, 2026).

Coinbase or Crypto.com.<sup>10</sup> Cryptocurrency can also be received by airdrop which is when a blockchain, usually a startup, distributes a small amount of free coins or tokens directly to wallet addresses as a promotional strategy to increase awareness and use of the cryptocurrency.<sup>11</sup>

Digital currencies are stored in digital wallets, typically software or apps installed by users on their computer or mobile device. Each digital wallet contains encrypted information that is used to send and receive the digital currency.<sup>12</sup> Digital currency transactions are recorded on a virtual public ledger called the "blockchain," which is maintained by digital currency "miners." Miners receive digital currency in exchange for verifying each transaction and adding it to the blockchain.<sup>13</sup> A fork occurs when a blockchain changes the way it operates. A hard fork splits a blockchain into two blockchains with each blockchain operating independently, whereas a soft fork occurs when a blockchain modifies its rules but does not split. The entire community usually accepts the new rules when a soft fork happens.<sup>14</sup>

### ***Federal Law***

On March 6, 2025, President Trump signed an executive order (the "Executive Order") that established a Strategic Bitcoin Reserve which is capitalized with all Bitcoin held by the Department of Treasury that was finally forfeited as part of criminal or civil asst forfeiture proceedings or in satisfaction of any civil money penalty imposed by any executive department or agency and is not needed for other specified reasons. The Strategic Bitcoin Reserve consists of approximately 207,189 Bitcoin with an estimated value of \$19.72 billion.<sup>15</sup>

The Executive Order also established an office known as the "United States Digital Asset Stockpile" (the "Stockpile") to administer and maintain control of custodial accounts that are capitalized with all digital assets owned by the Department of Treasury, other than Bitcoin that were finally forfeited as part of criminal or civil asset forfeiture proceedings and that are not needed to satisfy certain requirements.<sup>16</sup> The Stockpile consists of cryptocurrencies (such as Ethereum or Solana), stablecoin, non-fungible tokens, and potentially other tokenized assets.<sup>17</sup>

### ***Florida Law***

A money services business that receives virtual currency for the purpose of acting as an intermediary to transmit virtual currency from one person to another location or person is

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<sup>10</sup> Hooson, M., *How to Buy Cryptocurrency*, Forbes, Dec. 17, 2025, available at: [How To Buy Cryptocurrency – Forbes Advisor](#) (last visited Jan. 20, 2026).

<sup>11</sup> The Investopedia Team, *Guide to Cryptocurrency Airdrops: How They Work and What to Expect*, Investopedia, Aug. 10, 2025, available at: [Guide to Cryptocurrency Airdrops: How They Work and What to Expect](#) (last visited Jan. 20, 2026).

<sup>12</sup> NCSL, *Cryptocurrency, Digital or Virtual Currency and Digital Assets 2025 Legislation*, <https://www.ncsl.org/financial-services/cryptocurrency-digital-or-virtual-currency-and-digital-assets-2025-legislation> (last visited Jan. 17, 2026).

<sup>13</sup> *Id.*

<sup>14</sup> Fidelity, *What Is a Hard Fork in Crypto?*, Jan. 3, 2024, available at: [What is a hard fork in crypto? | Hard fork vs soft fork | Fidelity](#) (last visited Jan. 20, 2026) (hereinafter cited as "Fidelity Article: What Is a Hard Fork in Crypto?").

<sup>15</sup> BiTBO, *USA Bitcoin Reserve Tracker*, available at: [US Bitcoin Reserve](#) (last visited Jan. 17, 2026).

<sup>16</sup> Authenticated U.S. Government Information GPO, *Executive Order 14233-Establishment of the Strategic Bitcoin Reserve and United States Digital Asset Stockpile*, March 6, 2025, available at: [DCPD-202500335.pdf](#) (last visited Jan. 17, 2026).

<sup>17</sup> DigitalFinanceNews.com, *Managing the U.S. Digital Asset Stockpile: Operational Complexities, Accounting Challenges, and Regulatory Implications*, July 1, 2025, available at: [Managing the U.S. Digital Asset Stockpile: Operational Complexities, Accounting Challenges, and Regulatory Implications – Digital Finance News](#) (last visited Jan. 18, 2026).

regulated as a money transmitter in this state.<sup>18</sup> Virtual currency is defined in ch. 560, F.S., relating to the regulation of money services businesses, as a medium of exchange in electronic or digital format that is not currency. The term does not include a medium of exchange in electronic or digital format that is:

- Issued by or on behalf of a publisher and used solely within an online game, game platform, or family of games sold by the same publisher or offered on the same game platform; or
- Used exclusively as part of a consumer affinity or rewards program and can be applied solely converted into or redeemed for currency or another medium of exchange.<sup>19</sup>

The Florida Money Laundering Act defines “virtual currency” as a medium of exchange in electronic or digital format that is not a coin or currency of the United States or any other country.<sup>20</sup>

### ***State Reserves***

Florida does not currently have a virtual currency or cryptocurrency reserve. Texas,<sup>21</sup> New Hampshire,<sup>22</sup> and Arizona<sup>23</sup> have adopted laws creating a reserve for Bitcoin or digital assets, or both. Several states have pending legislation creating a digital asset or cryptocurrency reserve or authorizing public funds to be invested in such assets.<sup>24</sup>

### **III. Effect of Proposed Changes:**

**Section 1** of CS/SB 1040 establishes the trust fund that will hold the assets of the Florida Strategic Cryptocurrency Reserve created in CS/SB 1038. The reserve consists of the following assets:

- Money transferred or deposited by legislative appropriation for the purposes of:
  - Investing in cryptocurrency; and
  - Administering and managing the reserve. Administering the reserve includes being responsible for and supervising the custody, consultants, external managers, and software related to the implementation of the reserve.
- Revenue that the Legislature by general law dedicates for deposit to the reserve.
- Cryptocurrency purchased using money in or received by the reserve, including any cryptocurrency:
  - Derived from the fork of a distributed ledger; or
  - Distributed from an airdrop to the state’s cryptocurrency addresses.
- Investment earnings, interest, or rewards accruing on reserve moneys that are not invested in cryptocurrency, which earnings, interest, or rewards may be invested as provided in current law.<sup>25</sup>

The bill provides the purpose of the reserve is to:

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<sup>18</sup> Section 560.103(24), F.S.

<sup>19</sup> Section 560.103(36), F.S.

<sup>20</sup> Section 896.101(2)(j), F.S.

<sup>21</sup> Tex. Gov’t Code Ann ss. 403.701-403.709 (Subchapter V) (2025) (establishing Texas Strategic Bitcoin Reserve).

<sup>22</sup> N.H. Rev. Stat. Ann. (RSA) s. 6:8-d (2025) (establishing the Strategic Reserve).

<sup>23</sup> Ariz. Rev. Stat. Ann. s. 41-180 (2025) (establishing Bitcoin and Digital Assets Reserve Fund).

<sup>24</sup> See AZ S.B. 1042 (2026), IL H.B. 1844 (2025-2026), MD H.B. 51 (2026), MI H.B. 4087 (2025-2026), OH H.B. 18 (136<sup>th</sup> GA), OH S.B. 57 (136<sup>th</sup> GA), PA H.B. 2664 (2025), TN H.B. 1695 (2026), WV S.B. 143 (2026).

<sup>25</sup> See s. 17.57, F.S.; *Supra* notes 6 and 7.

- Acquire, hold, manage, and dispose of cryptocurrency and any assets authorized in the bill or in s. 215.993, F.S., created in CS/SB 1038 for the benefit of the state;
- Strengthen the state's financial security and resilience;
- Diversify the state's investment portfolio, including providing a potential hedge against inflation and economic volatility; and
- Position the state to participate in and adapt to the emerging digital economy.

The bill terminates the reserve on July 1, 2030, unless it is terminated sooner,<sup>26</sup> and requires the reserve to be reviewed before its scheduled termination.<sup>27</sup>

**Section 2** provides is effective on the same date that CS/SB 1038 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

The Florida Constitution requires three-fifths vote of the membership of each house of the legislature in a separate bill for that purpose only.<sup>28</sup> Trust funds must terminate not more than four years after the trust fund is created.<sup>29</sup> All cash balances and income of any trust funds abolished under this subsection must be deposited into the general revenue fund.<sup>30</sup>

##### **D. State Tax or Fee Increases:**

None.

##### **E. Other Constitutional Issues:**

None.

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<sup>26</sup> Section 19(f)(2), Art. III, Fla. Const.

<sup>27</sup> Section 215.3206(1) and (2), F.S.

<sup>28</sup> Section 19(f)(1), Art. III, Fla. Const.

<sup>29</sup> Section 19(f)(2), Art. III, Fla. Const.

<sup>30</sup> Section 19(f)(4), Art. III, Fla. Const.

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

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

The Department of Financial Services (DFS) reports the bill will have a fiscal impact to state government. The DFS reports “[t]he potential revenue impact may include investment revenues (gains or losses)” and “[t]he potential expenditure impact may include the funding of the investment into cryptocurrencies by the Legislature (not yet determined).” The DFS would need to hire “appropriate industry leaders and software providers” to facilitate investment in cryptocurrencies.<sup>31</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill creates the following sections of the Florida Statutes: 215.994

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

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

**CS by Banking and Insurance Committee on January 28, 2026:**

- Moves the trust fund out of the State Bond Act and into the Florida Strategic Cryptocurrency Reserve Act with the other sections in SB 1038.
- Clarifies the scope of administering the reserve, and the purpose of the reserve.

**B. Amendments:**

None.

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

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<sup>31</sup> The DFS, *Department of Financial Services 2026 Legislative Bill Analysis for SB 1040*, p. 2-3, Jan. 9, 2026 (on file with Senate Committee on Banking and Insurance).



LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
	.	
	.	
	.	

The Committee on Banking and Insurance (Gruters) recommended the following:

1                   **Senate Amendment (with title amendment)**

2

3                   Delete lines 12 - 36

4 and insert:

5                   Section 1. Section 215.994, Florida Statutes, is created to  
6 read:

7                   215.994 Florida Strategic Cryptocurrency Reserve.—

8                   (1) The Florida Cryptocurrency Reserve is a trust fund

9                   created within the office of the Chief Financial Officer.

10                   (2) The reserve shall consist of all of the following:



422262

11        (a) Money transferred or deposited to the credit of the  
12 reserve by legislative appropriation. The Legislature may  
13 appropriate funds for deposit to the credit of the reserve for  
14 the purposes of:

- 15        1. Investing in cryptocurrency; and
- 16        2. Administering and managing all aspects of the reserve.

17 Administering the reserve includes, but is not limited to, being  
18 responsible for and supervising the custody, consultants,  
19 external managers, and software related to the implementation of  
20 the reserve.

21        (b) Revenue that the Legislature by general law dedicates  
22 for deposit to the credit of the reserve.

23        (c) Cryptocurrency purchased using money in or received by  
24 the reserve, including any cryptocurrency:

- 25        1. Derived from the fork of a distributed ledger; or
- 26        2. Distributed pursuant to an airdrop to the state's  
27 cryptocurrency addresses.

28        (d) Investment earnings, interest, or rewards accruing on  
29 reserve moneys that are not invested in cryptocurrency, which  
30 earnings, interest, or rewards may be invested as provided in s.  
31 17.57.

32        (3) The purpose of the reserve is to acquire, hold, manage,  
33 and dispose of cryptocurrency and any assets authorized in this  
34 section or s. 215.993 for the benefit

35 ===== T I T L E   A M E N D M E N T =====

36 And the title is amended as follows:

37        Delete line 2  
38 and insert:



40

An act relating to trust funds; creating s. 215.994,

By Senator Gruters

22-01492-26

20261040

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

Page 1 of 2

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

22-01492-26

cryptocurrency addresses.

(d) Investment earnings, interest, or rewards accruing on reserve moneys that are not invested in cryptocurrency, which earnings, interest, or rewards may be invested as provided in s.  
17.57.

(3) The purpose of the reserve is to acquire, hold, manage, and dispose of cryptocurrency and related assets for the benefit of the state; to strengthen the state's financial security and resilience; to diversify the state's investment portfolio, including providing a potential hedge against inflation and economic volatility; and to position the state to participate in and adapt to the emerging digital economy.

(4) In accordance with s. 19(f)(2), Art. III of the State Constitution, the reserve is terminated July 1, 2030, unless terminated sooner. Before its scheduled termination, the reserve shall be reviewed as provided in s. 215.3206(1) and (2).

Section 2. This act shall take effect on the same date that SB 1038 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

Page 2 of 2

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

# Department of Financial Services (DFS)

## 2026 Legislative Bill Analysis

### BILL INFORMATION

Bill Number:	SB 1040
Bill Title:	Trust Funds
Bill Sponsor:	Gruters
Effective Date:	When Becomes Law

### ANALYSIS INFORMATION

Agency Contact:	Hannah Christian, Director of Legislative Affairs and Policy (727) 501-4853
Division Director:	Tanner Collins, Director of Treasury
Analysis Date:	01/09/2026

### POLICY ANALYSIS

#### I. SUMMARY ANALYSIS

Creating the Florida Cryptocurrency Reserve, a trust fund, within the office of the Chief Financial Officer; providing for the source of funds and the purpose of the reserve; providing for future review and termination or re-creation of the reserve, etc.

#### II. PRESENT SITUATION

The state does not currently have a Florida Strategic Cryptocurrency Reserve. Additionally, the state does not have a trust fund associated with a reserve of this nature.

#### III. EFFECT OF PROPOSED CHANGES

This bill would create the Florida Strategic Cryptocurrency Reserve and Florida Strategic Cryptocurrency Reserve Trust Fund.

#### IV. DOES THE BILL DIRECT OR ALLOW THE DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES?

N

If yes, explain:	
Is the change consistent with the agency's core mission?	<input checked="" type="checkbox"/> <input type="checkbox"/> N
Rule(s) impacted (provide references to F.A.C.):	

**V. DOES THE BILL REQUIRE REPORTS OR STUDIES?**Y  N 

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	

**VI. DOES THE BILL REQUIRE APPOINTMENTS OR MODIFY EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC.?**Y  N 

Board:	
Board Purpose:	
Who Appoints:	
Changes:	
Bill Section Number(s):	

**FISCAL ANALYSIS****I. DOES THE BILL HAVE A FISCAL IMPACT TO LOCAL GOVERNMENT?**Y  N 

Revenues:	
Expenditures:	

**II. DOES THE BILL HAVE A FISCAL IMPACT TO STATE GOVERNMENT?**Y  N 

Revenues:	The potential revenue impact may include investment revenues (gains or losses).
Expenditures:	The potential expenditure impact may include the funding of the investment into cryptocurrencies by the Legislature (not yet determined).
Does the legislation contain a State Government appropriation?	This bill provides for the ability for the legislature to fund the Florida Strategic Cryptocurrency Reserve Trust Fund.
If yes, was this appropriated last year?	N/A.

**III. DOES THE BILL HAVE A FISCAL IMPACT TO THE PRIVATE SECTOR?**Y  N 

Revenues:	
Expenditures:	
Other:	

**IV. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?**Y  N 

If yes, explain impact.	
Bill Section Number:	

**TECHNOLOGY IMPACT****I. DOES THE BILL IMPACT THE DEPARTMENT'S TECHNOLOGY SYSTEMS (I.E., IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)?**Y  N 

If yes, describe the anticipated impact to the agency including any fiscal impact.	The Division would have to contract with appropriate industry leaders and software providers in order to purchase, trade, store, and account for the cryptocurrencies.
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**FEDERAL IMPACT****I. DOES THE BILL HAVE A FEDERAL IMPACT (I.E., FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)?**Y  N 

If yes, describe the anticipated impact including any fiscal impact.	The state will be required to adhere to and follow all investment accounting laws and best practices.
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**ADDITIONAL COMMENTS**

It would be beneficial to clarify Section 2 (a)(2) to ensure administering is inclusive of all aspects of the fund related to custody, consultant(s), external managers and software related to this implementation.

**LEGAL - GENERAL COUNSEL'S OFFICE REVIEW**

Issues/concerns/comments:	A. Does the proposed legislation conflict with existing federal law or regulations? If so, what laws and/or regulations?  B. Does the proposed legislation raise significant constitutional concerns under the U.S. or Florida Constitutions (e.g. separation of powers, access to the courts, equal protection, free speech, establishment clause, impairment of contracts)?  C. Is the proposed legislation likely to generate litigation and, if so, from what interest groups or parties?  D. Rules:
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The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 1040  
**Final Action:** Favorable with Committee Sub

**Tab #:** 6  
**Sponsor:** Gruters  
**Subject:** Trust Funds/Florida Cryptocurrency Reserve

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

**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.)

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Prepared By: The Professional Staff of the Committee on Banking and Insurance

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BILL: SB 1286

INTRODUCER: Senator Wright

SUBJECT: First Responders

DATE: January 27, 2026

REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Johnson	Knudson	BI	<u>Favorable</u>
2. _____	_____	AEG	_____
3. _____	_____	FP	_____

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### **I. Summary:**

SB 1286 renames the Florida Law Enforcement Recruitment Bonus Payment Program (program) within the Department of Law Enforcement (FDLE) as the Florida Law Enforcement Officer and Firefighter Recruitment Bonus Payment Program, thereby expanding the program to include newly employed firefighters in the program. Recruitment and retention of firefighters in Florida is an ongoing challenge, and there is currently no similar incentive program to attract qualified firefighters to the state. Due to the expansion of the program to include firefighters, the Department of Commerce will consult the Division of State Fire Marshal (division) to verify firefighter eligibility. Currently, the Department of Commerce administers the program in consultation with the Criminal Justice Standards and Training Commission within FDLE to verify eligibility of newly employed officers.

The program, as amended by the bill, administers one-time bonus payments of up to \$5,000 to each newly employed officer and newly employed firefighter within the state. The minimum eligibility requirements a newly employed officer or firefighter must meet to receive and retain a bonus include, but are not limited to:

- Obtaining certification for employment or appointment as a law enforcement officer or as a firefighter.
- Gaining full-time employment with a Florida criminal justice agency or a Florida fire service provider.
- Maintaining full-time employment as a law enforcement officer or firefighter with one or more employing agencies or fire service providers, respectively, for at least two years after the date the officer or firefighter obtained certification. Such period of service may not contain any break in service longer than 180 calendar days.

SB 1286 also establishes a grant review panel within the Department of Financial Services (DFS) Division of the State Marshal (division). The Chief Financial Officer is authorized to appoint review panel members to assist DFS in the grant review process of applicants for general support

grants and specific fire program grants provided by the division. The CFO will review panel recommendations and, beginning January 1, 2027, include approved grant applicants for approved fire service grant projects in the legislative budget request for DFS.

SB 1286 creates the Institute for Posttraumatic Stress Disorder (institute) within DFS to serve as a statewide center for research, training, outreach, and program development in support of first responder behavioral health, subject to a legislative appropriation. A first responder is a law enforcement officer as defined in s. 943.10, F.S., a firefighter as defined in s. 633.102, F.S., or an emergency medical technician or paramedic as defined in s. 401.23, F.S., who is employed by the state or a local government. A volunteer law enforcement officer, firefighter, or emergency medical technician or paramedic engaged by the state or a local government is also considered a first responder of the state or local government for purposes of this section.

The purpose of the institute is to strengthen the mental resilience and well-being of the state's public safety workforce through coordination of research, training initiatives, public outreach, and policy guidance. The institute is charged with the following duties:

- Coordinate statewide research efforts on behavioral health issues, including suicide prevention, burnout reduction, and resilience-building, which affect first responders.
- Develop and disseminate evidence-informed best practices and policy recommendations relating to first responder behavioral health.
- Facilitate training programs and technical assistance in behavioral health initiatives for public safety agencies.
- Serve as a central hub for public outreach and awareness campaigns aimed at improving mental health outcomes for first responders.
- Evaluate behavioral health programs and initiatives to measure their effectiveness and their impact on first responders.

The bill takes effect on becoming a law.

## II. Present Situation:

There are many factors that have attributed to the current labor shortages and retention challenges relating to firefighters. Some of those causes are better opportunities, changes in demographic population, increasing medical risks related to cancer, and mental health.<sup>1</sup>

### **Florida Law Enforcement Recruitment Bonus Payment Program**

The Department of Commerce (department) in consultation with the Criminal Justice Standards and Training Commission (commission) within the Department of Law Enforcement administers the Florida Law Enforcement Recruitment Bonus Payment Program (program).<sup>2</sup> The program's purpose is to assist in the recruitment of law enforcement officers within the state by

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<sup>1</sup> Florida Fire Chiefs' Association in partnership with the Florida State Fire Marshal's Office, White paper on recruitment and retention in the Florida fire service (June 2023) [Florida Recruitment and Retention White Paper.pdf](#)

<sup>2</sup> Section 445.08, F.S.

administering one-time bonus payments of up to \$5,000 to each eligible newly employed officer, contingent upon legislative appropriations.<sup>3</sup>

The department must develop an annual plan for the administration and distribution of bonus payments and submit the plan to the Office of Policy and Budget within the Executive Office of the Governor, the chair of the Senate Appropriations Committee, and the chair of the House Appropriations Committee by October 1 of each year. At a minimum, the plan must include:

- The method for determining the estimated number of newly employed officers to gain or be appointed to full-time employment during the applicable fiscal year.
- The minimum eligibility requirements a newly employed officer must meet to receive and retain a bonus payment, which must include the following
  - Obtaining certification for employment or appointment as a law enforcement officer under pursuant to s. 943.1395, F.S.
  - Gaining full-time employment with a Florida criminal justice agency or a fire service provider.
  - Maintaining full-time employment as a law enforcement officer with a Florida criminal justice agency for at least 2 years after from the date on which the officer obtained certification. The two year period may not contain any break in service longer than 180 calendar days.
- The standards by which the department will determine under what circumstances a break in service is acceptable. A law enforcement officer must provide documentation to the department justifying a break in service.
- The method that will be used to determine the bonus payment amount to be distributed to each newly employed officer.
- The method that will be used to distribute bonus payments to applicable employing agencies for distribution to eligible officers in the most efficient and expedient manner possible.
- The estimated cost to the department associated with developing and administering the program and distributing bonus payments.
- The reimbursement method by which an officer must reimburse the state if the bonus payment was received but the officer failed to maintain continuous employment for the required two-year period.

The department must consult with the commission within the Department of Law Enforcement on a quarterly basis to verify the certification of newly employed officers and affidavits of separation submitted to the commission detailing officer misconduct. The department is authorized to submit budget amendments pursuant to ch. 216, F.S., as necessary to release appropriated funds distribution to applicable employing agencies.

The provisions of s. 445.08 are scheduled to repeal on July 1, 2026.

## **Department of Financial Services**

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<sup>3</sup> Section 445.08(2)(b), F.S. Each bonus payment must be adjusted to include 7.65 percent of the officer's share of Federal Insurance Contribution Act tax on the payment.

The head of the Department of Financial Services (DFS) is the Chief Financial Officer (CFO) who may also be known as the Treasurer.<sup>4</sup> The CFO is the chief fiscal officer of the state and is responsible for settling and approving accounts against the state and keeping all state funds and securities.<sup>5</sup> Further, the CFO is designated as the State Fire Marshal.<sup>6</sup> The DFS consists of the following divisions and offices:

- The Division of Accounting and Auditing.
- The Division of Consumer Services.
- The Division of Funeral, Cemetery, and Consumer Services.
- The Division of Insurance Agent and Agency Services.
- The Division of Investigative and Forensic Services.
- The Division of Public Assistance Fraud.
- The Division of Rehabilitation and Liquidation.
- The Division of Risk Management.
- The Division of State Fire Marshal.
- The Division of Treasury.
- The Division of Unclaimed Property.
- The Division of Workers' Compensation.
- The Division of Administration.
- The Office of Insurance Consumer Advocate.

### **Division of State Fire Marshal**

The Division of State Fire Marshal (division) is comprised of two bureaus, the Bureau of Fire Prevention and the Bureau of Fire Standards and Training.<sup>7</sup> The Bureau of Fire Prevention conducts fire and life safety inspections and construction plans review on all state-owned buildings; regulates the fireworks and the fire sprinkler industries; inspects and licenses boilers; and certifies fire suppression industry workers.<sup>8</sup> The Bureau of Fire Standards and Training approves Florida's firefighter training curricula, provides training to Florida's emergency services providers at the Florida State Fire College, and certifies Florida fire service members to ensure they meet industry-based standards.<sup>9</sup>

Pursuant to s. 633.104, F.S., the State Fire Marshal must enforce all laws and provisions of this chapter, and any rules adopted pursuant thereto, relating to:

- The prevention of fire and explosion through the regulation of conditions which could cause fire or explosion, the spread of fire, and panic resulting therefrom;
- Installation and maintenance of fire alarm systems and fire protection systems, including fire suppression systems, fire-extinguishing equipment, and fire sprinkler systems;
- Servicing, repairing, recharging, testing, marking, inspecting, installing, maintaining, and tagging of fire extinguishers, pre-engineered systems, and individually designed fire protection systems;

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<sup>4</sup> Section 20.121, F.S.

<sup>5</sup> Section 17.001, F.S.

<sup>6</sup> Section 633.104, F.S.

<sup>7</sup> Department of Financial Services, State Fire Marshal, What We Do, [Florida's State Fire Marshal](#) (last visited Jan. 23, 2026).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

- The training and licensing of persons engaged in the business of servicing, repairing, recharging, testing, marking, inspecting, installing, maintaining, and tagging fire extinguishers, pre-engineered systems, and individually designed fire protection systems;
- The maintenance of fire cause and loss records; and
- Suppression of arson and the investigation of the cause, origin, and circumstances of fire.

Pursuant to s. 633.104, F.S., the division may accept for any of its purposes and functions any donations of property and grants of money from any governmental unit, public agency, institution, person, firm, or corporation. Such moneys shall be deposited, disbursed, and administered in a trust fund as provided by law.

### **First Responders and Post Traumatic Stress Disorder**

According to the American Psychiatric Association, Posttraumatic Stress Disorder (PTSD) is a psychiatric disorder that may occur in people who have experienced or witnessed a traumatic event, such as a natural disaster, serious accident, terrorist act, war, or rape; or people who have been threatened with death, sexual violence, or serious injury.<sup>10</sup> Exposure to an upsetting traumatic event may be indirect rather than firsthand. PTSD can occur if a person learns of the violent death of a close family member or friend, or is repeatedly exposed to the horrible details of trauma.<sup>11</sup>

In general, the prevalence of PTSD in the United States is estimated to be approximately 4 percent of U.S. adults and 8 percent of U.S. adolescents aged 13-18. The lifetime prevalence in the U.S. is estimated to be 6 percent. However, for firefighters, the prevalence of PTSD is estimated to be 57 percent.<sup>12</sup> Firefighters face many traumatic situations due to the nature of their work.<sup>13</sup> They confront injuries and death associated with natural and artificial disasters, at times under the threat of personal injury, and prevent death or attempt to limit the damage.<sup>14</sup> When compared to the general population, police officers have approximately twice the prevalence of PTSD and depression (20 percent vs 7 - 9 percent).<sup>15</sup>

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<sup>10</sup>American Psychiatric Association, What is Posttraumatic Stress Disorder (PTSD)? (Mar. 23, 2025) [Psychiatry.org - What is Posttraumatic Stress Disorder \(PTSD\)?](https://www.psychiatry.org/what-is-posttraumatic-stress-disorder-ptsd) (last visited Jan. 21, 2026).

<sup>11</sup> *Id.*

<sup>12</sup>Obuobi-Donkor G, Oluwasina F, Nkire N, Agyapong VIO. A Scoping Review on the Prevalence and Determinants of Post-Traumatic Stress Disorder among Military Personnel and Firefighters: Implications for Public Policy and Practice. *Int J Environ Res Public Health.* 2022 Jan 29;19(3):1565. doi: 10.3390/ijerph19031565. PMID: 35162587; PMCID: PMC8834704. [A Scoping Review on the Prevalence and Determinants of Post-Traumatic Stress Disorder among Military Personnel and Firefighters: Implications for Public Policy and Practice - PMC](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8834704/) (last visited Jan. 21, 2026).

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> Santre S. Mental Disorders and Mental Health Promotion in Police Officers. *Health Psychol Res.* 2024 Feb 17;12:93904. doi: 10.52965/001c.93904. PMID: 38375073; PMCID: PMC10875161. [Mental Disorders and Mental Health Promotion in Police Officers - PMC](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10875161/) (last visited Jan. 21, 2026).

Psychiatrists and other mental health professionals use various effective and evidence-based treatments to help people recover from PTSD. This includes, but is not limited to, psychotherapy, including exposure therapy<sup>16</sup> and cognitive therapy, and medication.<sup>17</sup>

In 2018, the Florida Legislature<sup>18</sup> authorized medical benefits and compensation for lost wages for first responders who are diagnosed with Post Traumatic Stress Disorder (PTSD), as described in the Diagnostic and Statistical Manual of Mental Disorders.<sup>19</sup> To be eligible for workers' compensation benefits for PTSD, first responders must demonstrate that they were acting within the scope of employment when they experienced a qualifying event, that they were diagnosed with PTSD by the employer or carrier's authorized treating physician, and that they reported the injury to their employer.<sup>20</sup> Employing agencies of first responders are required to provide training related to mental health awareness, prevention, mitigation, and treatment.<sup>21</sup>

### III. Effect of Proposed Changes:

**Section 1** amends 445.08, F.S., to rename the Florida Law Enforcement Recruitment Bonus Payment Program as the Florida Law Enforcement Officer and Firefighter Recruitment Bonus Payment Program. Further, the section is amended to provide conforming changes to broaden the scope of the program to include firefighters as part of the program and references to their employing agency, a fire service provider. The section is also amended to rearrange existing provisions. The section creates definition of the following terms:

- “Fire service provider” has the same meaning as in s. 633.102(13), F.S., which provides that the term means a municipality or county, the state, the division, or any political subdivision of the state, including authorities and special districts, that employs firefighters or uses volunteer firefighters to provide fire extinguishment or fire prevention services for the protection of life and property. The term includes any organization under contract or other agreement with such entity to provide such services.
- “Firefighter” has the same meaning as in s. 633.102(9), F.S., which provides that the term means an individual who holds a current and valid Firefighter Certificate of Compliance or Special Certificate of Compliance issued by the Division of State Fire Marshal under s. 633.408, F.S.

<sup>16</sup> Mayo Clinic, Posttraumatic stress disorder (Aug. 16, 2024) ([Post-traumatic stress disorder \(PTSD\) - Diagnosis and treatment - Mayo Clinic](#) (last visited Jan. 21, 2026)). Exposure therapy is a type of behavioral therapy that helps an individual safely face situations and memories that are frightening so that the individual can learn to cope with them. This is done in a gradual, predictable and controllable manner. Cognitive therapy helps an individual see the ways of thinking, also known as cognitive patterns, that are keeping a person stuck. Examples include negative self-beliefs and the risk of traumatic things happening again.

<sup>17</sup> *Supra* at 9.

<sup>18</sup> Ch. 2018-124, Laws of Fla.

<sup>19</sup> Diagnostic and Statistical Manual of Mental Disorders, (Fifth Edition, Text Revision) (2022), published by the American Psychiatric Association. The Diagnostic and Statistical Manual of Mental Disorders (DSM)\* describes recognized mental disorders and . specifies symptoms and other criteria for clinicians to evaluate in order to decide on a diagnosis and organizes these diagnoses together into a classification system. American Psychiatric Association, What is the DSM? (Apr. 2025) [Psychiatry.org - What is the DSM?](#) (last visited Jan. 21, 2026)

<sup>20</sup> Section 112.1815(5), F.S. The Division of Workers' Compensation within DFS adopted Rule 69L-3.009, F.A.C., to specify the types of injuries that qualify as grievous bodily harm of a nature that shocks the conscience. This rule is used to administer s. 112.1815, F.S., relating to specified first responders (for firefighters, paramedics, emergency medical technicians, and law enforcement officers) and s. 112.18155, F.S., relating to correctional officers.

<sup>21</sup> Section 112.1815(6), F.S.

- “Newly employed firefighter” means a person who gains or is appointed to full-time employment as a certified firefighter with a fire service provider on or after July 1, 2026, and who has never been previously employed as a firefighter in this state.

Technical conforming changes are made to the section to require the Department of Commerce to consult with the Division of State Fire Marshal to verify certification of newly employed firefighters and affidavits of separation submitted to the Division of State Fire Marshal which detail firefighter misconduct. The Division of State Fire Marshal is required to define by rule the term, “firefighter misconduct.”

**Section 2** amends s. 633.134, F.S., relating to gifts and grants accepted by the Division of State Fire Marshal, to authorize the CFO to appoint review panels to assist in the grant review process. Each review panel must:

- Consist of five members, each serving a one-year term, from the fire service industry or other professions that involve the specific industry or program for which the panel has been appointed.
- Review and score grant applications and recommend to DFS which applicants should be awarded a grant. Each panel must submit to the DFS a list of eligible applicants by score.
- Hold a public form for public comment before recommending a grant application.
- Review the lists of eligible applicants for a grant and create two lists, one of which must consist of recommendations for eligible applicants for general support grants and one of which must consist of recommendations for eligible applicants for specific fire project grants, and submit the lists to the CFO.
  - Provides that a general program support grant or a specific fire program grant includes, but is not limited to all of the following:
    - Grants for the purchase, replacement, or maintenance of operational equipment and resources, including, but not limited to, fire apparatuses, personal protective equipment, communication systems, rescue tools, and other essential firefighting and emergency response equipment.
    - Grants pertaining to fixed capital outlay, grants and aids, and grants and aids to local governments and nonstate entities-fixed capital outlay, as those terms are defined in s. 216.011(1), and the construction or remodel of fire departments.
    - Grants to support state-coordinated outreach programs such as mobile fire safety exhibits, educational tours, and statewide fire awareness campaigns. An outreach program must prioritize grant funds to Florida-based fire departments, safety educators, and emergency personnel and promote best practices in fire prevention, public safety, and emergency preparedness.
    - Grants or stipends for individual firefighters or fire service instructors selected through a competitive process based on merit, leadership, or innovation in fire safety. Grant funds may support training, research, or professional exchange opportunities that advance public safety practices in this state.
    - Grants for programs or projects that advance the mission of fire prevention and emergency response, including, but not limited to, firefighter health and wellness initiatives, emergency planning and coordination systems, public safety communications upgrades, or community preparedness efforts. A

program or project must clearly demonstrate alignment with the goals of this subsection and provide measurable public safety outcomes.

- Grants for programs or projects that advance the mission of arson prevention, arson investigation, juvenile arson prevention, arson intervention programs, and police canine programs. Eligible recipients include entities that investigate or prevent arson. The term “police canine” has the same meaning as in s. 401.254(1), F.S., which provides it means any canine that is owned, or the service of which is employed, by a state or local law enforcement agency, a correctional agency, a fire department, a special fire district, or the State Fire Marshal for the principal purpose of aiding in the detection of criminal activity, flammable materials, or missing persons; the enforcement of laws; the investigation of fires; or the apprehension of offenders.

The bill requires CFO to review the panel’s recommendations, and beginning January 1, 2027, submit a list of approved applicants to be included in the legislative budget request of the Department of Financial Services (DFS). Projects from the CFO’s approved list must be funded by score until all appropriated funds are depleted.

The bill requires the Division of State Fire Marshal to adopt rules to implement and administer the requirements created by this section of the bill, including rules that establish:

- Eligibility criteria and the scoring rubric for the awarding of grants.
- Particular grant programs or projects, categories of grants, and procedures necessary for the prudent administration of the grant programs or projects.

**Section 3** creates s. 633.1424, F.S., to establish the Institute for Posttraumatic Stress Disorder (institute) within DFS to serve as a statewide center for research, training, outreach, and program development in support of first responder behavioral health, subject to an appropriation. The purpose of the institute is to strengthen the mental resilience and well-being of the state’s public safety workforce through coordination of research, training initiatives, public outreach, and policy guidance.

The bill defines the term, “first responder,” as having the same meaning as in s. 125.01045, F.S. Section 125.01045, F.S., defines a first responder to mean a law enforcement officer as defined in s. 943.10, F.S., a firefighter as defined in s. 633.102, F.S., or an emergency medical technician or paramedic as defined in s. 401.23, F.S., who is employed by the state or a local government. A volunteer law enforcement officer, firefighter, or emergency medical technician or paramedic engaged by the state or a local government is also considered a first responder of the state or local government for purposes of this section.

The term, “public safety agency,” has the same meaning as in s. 365.172(3), F.S., which provides the term means a functional division of a public agency which provides firefighting, law enforcement, medical, or other emergency services.

The bill requires the institute to do all the following:

- Coordinate statewide research efforts on behavioral health issues, including suicide prevention, burnout reduction, and resilience-building, which affect first responders.

- Develop and disseminate evidence-informed best practices and policy recommendations relating to first responder behavioral health.
- Facilitate training programs and technical assistance in behavioral health initiatives for public safety agencies.
- Serve as a central hub for public outreach and awareness campaigns aimed at improving mental health outcomes for first responders.
- Evaluate behavioral health programs and initiatives to measure their effectiveness and their impact on first responders.

The section authorizes the institute to collaborate with public and private partners, including, but not limited to, Florida College System institutions, state universities, public safety agencies, mental health providers, and community organizations, to enhance program development and service delivery. The Division of State Fire Marshal must adopt rules to implement this section.

**Section 4** provides the bill takes effect upon becoming a law.

#### **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.

#### **V. Fiscal Impact Statement:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

Newly employed firefighters meeting eligibility requirements will benefit from the bonus payments.

### C. Government Sector Impact:

The expansion of the Florida Law Enforcement Officer and Firefighter Recruitment Bonus Payment Program to include firefighters will assist fire service providers in recruiting and retaining firefighters in Florida.

The Department of Financial Services provided the following information regarding the fiscal impact of SB 1286:<sup>22</sup>

#### **The Florida Law Enforcement Office and Firefighter Recruitment Bonus Program**

The program provides one-time bonus payments of up to \$5,000 per newly employed firefighter and law enforcement officer, prorated based on legislative appropriations. The total cost depends on the number of eligible participants and available appropriations.

#### **Fire Service Grant Review Panel**

The grants to fire service providers for general support and specific projects are funded by state appropriations. Funding allocation is dependent on legislative appropriations. Administrative costs for the panel (e.g., member coordination, scoring, and reporting) can be absorbed within existing departmental resources.

#### **Institute for Posttraumatic Stress Disorder**

DFS is seeking an initial Legislative Budget Request of \$5,000,000 with recurring funding of \$3,000,000. Costs are broken down as follows:

##### Initial Funding

- \$100,000 – Leadership & Administration
- \$1,500,000 – Research & Data
- \$2,650,000 – Service & Program Implementation
- \$750,000 – Public Awareness & Outreach

##### Recurring Funding

- \$250,000 – Administration & Evaluation
- \$1,100,000 – Service, Outreach, and Capacity Building
- \$650,000 – Education & Training
- \$500,000 – Family Support

SB 1286 is not expected to require significant changes to the technology systems at DFS. Existing systems can be used to verify firefighter and law enforcement officer certification and employment for the recruitment bonus program. Grant application review and budget submission for the fire service grant panel can be managed using current DFS and Division of State Fire Marshal systems. The Institute for Posttraumatic Stress Disorder will utilize existing IT infrastructure for research, training, and program tracking.

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<sup>22</sup> Department of Financial Services, SB 1286 Analysis (Jan. 20, 2026).

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends sections 445.08, 633.134 of the Florida Statutes.  
This bill creates section 633.1424 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.

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

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30        Financial Services for a specified purpose; providing  
31        duties and responsibilities of the institute;  
32        authorizing the institute to collaborate with other  
33        entities to enhance program development and service  
34        delivery; requiring the Division of State Fire Marshal  
35        to adopt rules; providing an effective date.

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

39           Section 1. Section 445.08, Florida Statutes, is amended to  
40 read:

445.08 Florida Law Enforcement Officer and Firefighter  
Recruitment Bonus Payment Program.—

43                   (1) As used in ~~For the purposes of~~ this section, the term:  
44                   (a) "Break in service" means:  
45                   1. A period of time during which a person is employed with  
46 a Florida criminal justice agency or fire service provider but  
47 is not employed as a full-time law enforcement officer or  
48 firefighter; or

2. A period of time during which a person is in between employment as a full-time law enforcement officer or firefighter lasting no longer than 15 days.

53 The time period for any break in service does not count toward  
54 satisfying the 2-year full-time employment requirement of this  
55 section.

(b)-(e) "Commission" means the Criminal Justice Standards and Training Commission within the Department of Law Enforcement.

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59       (c) (d) "Employing agency" has the same meaning as provided  
 60       in s. 943.10(4).  
 61       (d) "Fire service provider" has the same meaning as in s.  
 62       633.102(13).  
 63       (e) "Firefighter" has the same meaning as in s. 633.102(9).  
 64       (f) (e) "Law enforcement officer" has the same meaning as  
 65       provided in s. 943.10(1).  
 66       (g) "Newly employed firefighter" means a person who gains  
 67       or is appointed to full-time employment as a certified  
 68       firefighter with a fire service provider on or after July 1,  
 69       2026, and who has never been previously employed as a  
 70       firefighter in this state.  
 71       (h) (d) "Newly employed officer" means a person who gains or  
 72       is appointed to full-time employment as a certified law  
 73       enforcement officer with a Florida criminal justice employing  
 74       agency on or after July 1, 2022, and who has never before been  
 75       employed as a law enforcement officer in this state.  
 76       (i) (e) "Program" means the Florida Law Enforcement Officer  
 77       and Firefighter Recruitment Bonus Payment Program.  
 78       (2) (a) There is created within the department the Florida  
 79       Law Enforcement Officer and Firefighter Recruitment Bonus  
 80       Payment Program to aid in the recruitment of law enforcement  
 81       officers and firefighters within the state. The purpose of the  
 82       program is to administer one-time bonus payments of up to \$5,000  
 83       to each newly employed officer and newly employed firefighter  
 84       within the state.  
 85       (b) Bonus payments provided to eligible newly employed  
 86       officers and newly employed firefighters are contingent upon  
 87       legislative appropriations and shall be prorated subject to the

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88       amount appropriated for the program.  
 89       (3) Each bonus payment shall be adjusted to include 7.65  
 90       percent for the officer's or firefighter's share of Federal  
 91       Insurance Contribution Act tax on the payment.  
 92       (4) The department shall develop an annual plan for the  
 93       administration of the program and distribution of bonus  
 94       payments. Applicable employing agencies and fire service  
 95       providers shall assist the department with the collection of any  
 96       data necessary to determine bonus payment amounts and to  
 97       distribute the bonus payments, and shall otherwise provide the  
 98       department with any information or assistance needed to fulfill  
 99       the requirements of this section. At a minimum, the plan must  
 100       include:  
 101       (a) The method for determining the estimated number of  
 102       newly employed officers and newly employed firefighters to gain  
 103       or be appointed to full-time employment during the applicable  
 104       fiscal year.  
 105       (b) The minimum eligibility requirements a newly employed  
 106       officer and newly employed firefighter must meet to receive and  
 107       retain a bonus payment, which must include:  
 108       1. Obtaining certification for employment or appointment as  
 109       a law enforcement officer under pursuant to s. 943.1395 or as a  
 110       firefighter under s. 633.408.  
 111       2. Gaining full-time employment with a Florida criminal  
 112       justice agency or a fire service provider.  
 113       3. Maintaining full-time employment as a law enforcement  
 114       officer with a Florida criminal justice agency or as a  
 115       firefighter with a fire service provider for at least 2 years  
 116       after from the date on which the officer or firefighter obtained

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certification. The required 2-year employment period may be satisfied by maintaining full-time employment at one or more employing agencies or fire service providers, but such period must not contain any break in service longer than 180 calendar days.

(c) The standards by which the department will determine under what circumstances a break in service is acceptable. A law enforcement officer or firefighter must provide documentation to the department justifying a break in service. For purposes of this section, the term "break in service" means a period of time during which the person is employed with a Florida criminal justice agency but is not employed as a full-time law enforcement officer or a period of time during which the person is in between employment as a full-time law enforcement officer for no longer than 15 days. The time period for any break in service does not count toward satisfying the 2-year full-time employment requirement of this section.

(d) The method that will be used to determine the bonus payment amount to be distributed to each newly employed officer and newly employed firefighter.

(e) The method that will be used to distribute bonus payments to applicable employing agencies and fire service providers for distribution to eligible officers and firefighters. Such method should prioritize distributing bonus payments to eligible officers and firefighters in the most efficient and quickest manner possible.

(f) The estimated cost to the department associated with developing and administering the program and distributing bonus payment funds.

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(g) The method by which an officer or a firefighter must reimburse the state if he or she received a bonus payment under the program, but failed to maintain continuous employment for the required 2-year period. Reimbursement may ~~shall~~ not be required if an officer or a firefighter is discharged by his or her employing agency or fire service provider for a reason other than misconduct as designated on the affidavit of separation completed by the employing agency or fire service provider and maintained by the commission.

The department may establish other criteria deemed necessary to determine bonus payment eligibility and distribution.

(5) The department shall consult quarterly with the commission and the Division of State Fire Marshal to verify the certification of newly employed officers and newly employed firefighters and affidavits of separation submitted to the commission and Division of State Fire Marshal which detail officer or firefighter misconduct. The Division of State Fire Marshal shall define by rule firefighter misconduct.

(6) The department shall submit the plan to the Executive Office of the Governor's Office of Policy and Budget, the chair of the Senate Appropriations Committee, and the chair of the House Appropriations Committee by October 1 of each year. The department is authorized to submit budget amendments pursuant to chapter 216 as necessary to release appropriated funds for distribution to applicable employing agencies and fire service providers under this program.

(7) The funding allocation for the bonus payments must be used solely to comply with the requirements of this section, but

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175 applicable collective bargaining units are not otherwise  
 176 precluded from wage negotiation.

177 (8) The department shall adopt rules to implement this  
 178 section.

179 (9) This section expires July 1, 2028 2026.

180 Section 2. Section 633.134, Florida Statutes, is amended to  
 181 read:

182 633.134 Gifts and grants; grant review panel.-

183 (1) The division may accept for any of its purposes and  
 184 functions any donations of property and grants of money from any  
 185 governmental unit, public agency, institution, person, firm, or  
 186 corporation. Such moneys shall be deposited, disbursed, and  
 187 administered in a trust fund as provided by law.

188 (2) (a) The Chief Financial Officer may appoint review  
 189 panels to assist in the grant review process. A review panel  
 190 must consist of five members from the fire service industry or  
 191 other professions that involve the specific industry or program  
 192 for which the panel has been appointed. Each member of a review  
 193 panel is appointed to a 1-year term.

194 (b) Each review panel must review and score grant  
 195 applications and recommend to the department which applicants  
 196 should be awarded a grant. Each panel must submit to the  
 197 department a list of eligible applicants by score.

198 (c) Each review panel must hold a forum for public comment  
 199 before recommending a grant application.

200 (d) Each review panel must review the lists of eligible  
 201 applicants for a grant and create two lists, one of which must  
 202 consist of recommendations for eligible applicants for general  
 203 program support grants and one of which must consist of

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204 recommendations for eligible applicants for specific fire  
 205 project grants, and submit the lists to the Chief Financial  
 206 Officer.

207 (e) A general program support grant or a specific fire  
 208 program grant includes, but is not limited to, all of the  
 209 following:

210 1. Grants for the purchase, replacement, or maintenance of  
 211 operational equipment and resources, including, but not limited  
 212 to, fire apparatuses, personal protective equipment,  
 213 communication systems, rescue tools, and other essential  
 214 firefighting and emergency response equipment.

215 2. Grants pertaining to fixed capital outlay, grants and  
 216 aids, and grants and aids to local governments and nonstate  
 217 entities-fixed capital outlay, as those terms are defined in s.  
 218 216.011(1), and the construction or remodel of fire departments.

219 3. Grants to support state-coordinated outreach programs  
 220 such as mobile fire safety exhibits, educational tours, and  
 221 statewide fire awareness campaigns. An outreach program must  
 222 prioritize grant funds to Florida-based fire departments, safety  
 223 educators, and emergency personnel and promote best practices in  
 224 fire prevention, public safety, and emergency preparedness.

225 4. Grants or stipends for individual firefighters or fire  
 226 service instructors selected through a competitive process based  
 227 on merit, leadership, or innovation in fire safety. Grant funds  
 228 may support training, research, or professional exchange  
 229 opportunities that advance public safety practices in this  
 230 state.

231 5. Grants for programs or projects that advance the mission  
 232 of fire prevention and emergency response, including, but not

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233 limited to, firefighter health and wellness initiatives,  
 234 emergency planning and coordination systems, public safety  
 235 communications upgrades, or community preparedness efforts. A  
 236 program or project must clearly demonstrate alignment with the  
 237 goals of this subsection and provide measurable public safety  
 238 outcomes.

239 6. Grants for programs or projects that advance the mission  
 240 of arson prevention, arson investigation, juvenile arson  
 241 prevention, arson intervention programs, and police canine  
 242 programs. Eligible recipients include entities that investigate  
 243 or prevent arson. As used in this subparagraph, the term "police  
 244 canine" has the same meaning as in s. 401.254(1).

245 (f) The Chief Financial Officer shall review the review  
 246 panel's recommendations and, beginning January 1, 2027, submit a  
 247 list of approved applicants to be included in the department's  
 248 legislative budget request. Projects from the Chief Financial  
 249 Officer's approved list must be funded by score until all  
 250 appropriated funds are depleted.

251 (g) The division shall adopt rules to implement and  
 252 administer this subsection, including rules establishing:

253 1. Eligibility criteria and the scoring rubric for the  
 254 awarding of grants.

255 2. Particular grant programs or projects, categories of  
 256 grants, and procedures necessary for the prudent administration  
 257 of the grant programs or projects.

258 Section 3. Section 633.1424, Florida Statutes, is created  
 259 to read:

260 633.1424 Institute for Posttraumatic Stress Disorder.—

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

Page 9 of 11

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

8-00909A-26 20261286

262 (a) "First responder" has the same meaning as in s.  
 263 125.01045(2).

264 (b) "Public safety agency" has the same meaning as in s.  
 265 365.172(3).

266 (2) Subject to appropriation, the Institute for  
 267 Posttraumatic Stress Disorder is established within the  
 268 Department of Financial Services to serve as a statewide center  
 269 for research, training, outreach, and program development in  
 270 support of first responder behavioral health. The purpose of the  
 271 institute is to strengthen the mental resilience and well-being  
 272 of the state's public safety workforce through coordination of  
 273 research, training initiatives, public outreach, and policy  
 274 guidance.

275 (3) The institute must do all of the following:

276 (a) Coordinate statewide research efforts on behavioral  
 277 health issues, including suicide prevention, burnout reduction,  
 278 and resilience-building, which affect first responders.

279 (b) Develop and disseminate evidence-informed best  
 280 practices and policy recommendations relating to first responder  
 281 behavioral health.

282 (c) Facilitate training programs and technical assistance  
 283 in behavioral health initiatives for public safety agencies.

284 (d) Serve as a central hub for public outreach and  
 285 awareness campaigns aimed at improving mental health outcomes  
 286 for first responders.

287 (e) Evaluate behavioral health programs and initiatives to  
 288 measure their effectiveness and their impact on first  
 289 responders.

290 (4) The initiative may collaborate with public and private

Page 10 of 11

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

8-00909A-26

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291 partners, including, but not limited to, Florida College System  
292 institutions, state universities, public safety agencies, mental  
293 health providers, and community organizations, to enhance  
294 program development and service delivery.

295 (5) The division shall adopt rules to implement this  
296 section.

297 Section 4. This act shall take effect upon becoming a law.



The Florida Senate

## Committee Agenda Request

**To:** Senator Joe Gruters, Chair  
Committee on Banking and Insurance

**Subject:** Committee Agenda Request

**Date:** January 21, 2026

---

I respectfully request that **Senate Bill 1286**, relating to First Responders, be placed on the:

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

Thank you for your consideration.

A handwritten signature in black ink that reads "Tom A. Wright".

---

Senator Tom A. Wright  
Florida Senate, District 8

11/28/26

Meeting Date

Banking & Insurance

Committee

Name Dahla McCooll

Phone 386 837 0025

Address 1585 Oldsmar Terr

Street

Email

Deltona

FL

32725

City

State

Zip

The Florida Senate

## APPEARANCE RECORD

SB 1286

Bill Number or Topic

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

Amendment Barcode (if applicable)

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. [2020-2022JointRules.pdf](#) (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate

01/28/20

Meeting Date

PANICING + INSURANCE

Committee

## APPEARANCE RECORD

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

SB 1286

Bill Number or Topic

Name HANNAH CHRISTIAN

Phone (857) 413-4938

Address 200 E GAINES ST

Email \_\_\_\_\_

Street

TALLAHASSEE

FL

32322

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:

CFO + STATE FIRE MARSHAL  
TSLAISE INGOGLIA

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. [2020-2022JointRules.pdf](#) (fisenate.gov)

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

S-001 (08/10/2021)

1/28/2026

The Florida Senate

## APPEARANCE RECORD

1286

Meeting Date

Banking and Insurance

Committee

Name **Sam Wagoner**

Phone **850-701-3603**

Address **300 S Bronough St, Suite 300**

Email **swagoner@flcities.com**

Street

**TLH**

**FL**

**32301**

City

State

Zip

Speaking:  For  Against  Information

**OR**

Waive Speaking:  In Support  Against

PLEASE CHECK ONE OF THE FOLLOWING:		
<input type="checkbox"/> I am appearing without compensation or sponsorship.	<input checked="" type="checkbox"/> I am a registered lobbyist, representing: <b>Florida League of Cities</b>	<input type="checkbox"/> 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. [2020-2022JointRules.pdf](https://flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)*

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

S-001 (08/10/2021)

## The Florida Senate

1-28-26

Meeting Date

## APPEARANCE RECORD

SB1286

Bill Number or Topic

Banking &amp; Insurance

Committee

Name Chief Jim Milligan

Phone 722 526 5650

Address 4360-55 AV N

Street

ST.Pk

A

33714

City

State

Zip

Florida fire chiefs A.J.C.

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. [2020-2022JointRules.pdf](https://www.flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 1286  
**Final Action:** Favorable

**Tab #:** 7  
**Sponsor:** Wright  
**Subject:** First Responders

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

**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 Banking and Insurance

BILL: CS/SB 1440

INTRODUCER: Banking and Insurance and Senator Martin

SUBJECT: Public Records/Office of Financial Regulation/Cybersecurity Event

DATE: January 29, 2026      REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Moody	Knudson	BI	Fav/CS
2. _____	_____	AEG	_____
3. _____	_____	RC	_____

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

## **I. Summary:**

CS/SB 1440, which is linked to the passage of SB 540, makes confidential and exempt from public records disclosure requirements certain information held by the Office of Financial Regulation (the “Office”) related to mortgage businesses, money services businesses, and financial institutions such as information relating to the cybersecurity requirements proposed in SB 540, investigations conducted by the Office or a law enforcement agency (the “cybersecurity exemptions”), and information contained in a credit union’s application for formation (the “credit union exemption”).

The bill provides statements of public necessity as required by the state constitution.

Because the bill creates a new public records exemption, it requires a two-thirds vote of the membership of both houses of the Legislature for final passage.

The public records exemptions in the bill are subject to the Open Government Sunset Review Act. The cybersecurity exemptions will be repealed on October 2, 2031, unless the statutes are reviewed and reenacted by the Legislature before that date. The credit union exemption will be repealed on October 2, 2029, unless the statute is reviewed and reenacted by the Legislature before that date. While the repeal date is typically 5 years from enactment of an exemption, the repeal date for the credit union exemption is 3 years, so that it remains consistent with the repeal dates of other exemptions currently in s. 655.057(5), F.S.

There is no anticipated fiscal impact on state or local governments. See Section V. Fiscal Impact Statement.

The bill is effective on the same date that SB 540 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

## II. Present Situation:

### Florida Public Records Law

The State Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.<sup>1</sup> 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.<sup>2</sup>

Chapter 119, F.S., known as the Public Records Act, constitutes the main body of public records laws.<sup>3</sup> The Public Records Act states that:

[i]t is the policy of this state that all state, county, and municipal records are open for personal inspection and copying by any person. Providing access to public records is a duty of each agency.<sup>4</sup>

The Public Records Act typically contains general exemptions that apply across agencies. Agency- or program-specific exemptions often are placed in the substantive statutes relating to that particular agency or program.

The Public Records Act does not apply to legislative or judicial records.<sup>5</sup> Legislative records are public pursuant to s. 11.0431, F.S. Public records exemptions for the Legislature are codified primarily in s. 11.0431(2)-(3), F.S., and adopted in the rules of each house of the legislature.

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 connection with the transaction of official business by any agency.

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<sup>1</sup> FLA. CONST., art. I, s. 24(a).

<sup>2</sup> *Id.*

<sup>3</sup> Public records laws are found throughout the Florida Statutes.

<sup>4</sup> Section 119.01(1), F.S.

<sup>5</sup> *Locke v. Hawkes*, 595 So. 2d 32, 34 (Fla. 1992); *see also Times Pub. Co. v. Ake*, 660 So. 2d 255 (Fla. 1995).

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

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

Only the Legislature may create an exemption to public records requirements.<sup>9</sup> An exemption must be created by general law and must specifically state the public necessity justifying the exemption.<sup>10</sup> Further, the exemption must be no broader than necessary to accomplish the stated purpose of the law. A bill enacting an exemption may not contain other substantive provisions<sup>11</sup> and must pass by a two-thirds vote of the members present and voting in each house of the Legislature.<sup>12</sup>

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*.<sup>13</sup> 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.<sup>14</sup> Records designated as “exempt” may be released at the discretion of the records custodian under certain circumstances.<sup>15</sup>

### **Open Government Sunset Review Act**

The Open Government Sunset Review Act<sup>16</sup> (the Act) prescribes a legislative review process for newly created or substantially amended<sup>17</sup> public records or open meetings exemptions, with specified exceptions.<sup>18</sup> It requires the automatic repeal of such exemption on October 2 of the fifth year after creation or substantial amendment, unless the Legislature reenacts the exemption.<sup>19</sup>

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

<sup>7</sup> Section 119.07(1)(a), F.S.

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

<sup>9</sup> FLA. CONST. art. I, s. 24(c).

<sup>10</sup> *Id.*

<sup>11</sup> The bill may, however, contain multiple exemptions that relate to one subject.

<sup>12</sup> FLA. CONST. art. I, s. 24(c)

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

<sup>14</sup> *Id.*

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

<sup>16</sup> Section 119.15, F.S.

<sup>17</sup> 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.

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

<sup>19</sup> Section 119.15(3), F.S.

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.<sup>20</sup> An exemption serves an identifiable public purpose if it meets one of the following purposes *and* the Legislature finds that the purpose of the exemption outweighs open government policy and cannot be accomplished without the exemption:

- It allows the state or its political subdivisions to effectively and efficiently administer a governmental program, which administration would be significantly impaired without the exemption;<sup>21</sup>
- 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;<sup>22</sup> or
- It protects information of a confidential nature concerning entities, such as trade or business secrets.<sup>23</sup>

The Act also requires specified questions to be considered during the review process.<sup>24</sup> In examining an exemption, the Act directs the Legislature to carefully 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 required.<sup>25</sup> 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 sunset, the previously exempt records will remain exempt unless provided for by law.<sup>26</sup>

## **Public Records Exemptions**

### ***Criminal Intelligence and Investigation Information***

The Public Records Act provides an exemption from public records disclosure requirements for active criminal intelligence and active criminal investigation information.<sup>27</sup> The exemption includes a request from a law enforcement agency to inspect or copy a public record that is in the custody of another agency, the custodian's response, and any information that would identify

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<sup>20</sup> Section 119.15(6)(b), F.S.

<sup>21</sup> Section 119.15(6)(b)1., F.S.

<sup>22</sup> Section 119.15(6)(b)2., F.S.

<sup>23</sup> Section 119.15(6)(b)3., F.S.

<sup>24</sup> 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?

<sup>25</sup> FLA. CONST. art. I, s. 24(c). *See generally* s. 119.15, F.S.

<sup>26</sup> Section 119.15(7), F.S.

<sup>27</sup> Section 119.071(2)(c)1., F.S.

whether a law enforcement agency has requested or received such public records. This exemption applies only during the period in which the information constitutes active criminal intelligence and investigation information.<sup>28</sup> The requesting law enforcement agency must give notice to the custodial agency when the criminal intelligence information or criminal investigative information is no longer active so the information may be made available to the public.<sup>29</sup>

## Financial Regulation

The office is responsible for regulating all activities of state-chartered banks, state-chartered credit unions, other financial institutions, finance companies, and the securities industry (together, the “financial services”).<sup>30</sup> The number of licensees or state-chartered institutions regulated by the office is summarized below:<sup>31</sup>

<u>Division</u>	<u>Number of Persons Regulated</u>
Division of Consumer Finance	122,530
Division of Financial Institutions	196
Division of Securities	403,627
Total Regulated Persons	<u>526,353</u>

### *Financial Institutions*

A financial institution must have a federal or state charter to accept deposits. Banks are chartered and regulated as national banks by the Office of the Comptroller of the Currency within the U.S. Department of the Treasury or as state banks by a state regulator.<sup>32</sup> The Florida Financial Institutions Codes apply to all state-authorized or state-chartered financial banks, trust companies, and related entities.<sup>33</sup> There are 196 financial institutions regulated by the office, including 57 banks and 67 credit unions.<sup>34</sup>

Federally-chartered banks, publicly or privately held, must comply with rigorous regulatory requirements to become chartered.<sup>35</sup> The office is required to make certain findings before approving an application to organize a bank or trust company.<sup>36</sup> An application for authority to organize a bank or trust company must be submitted on a form prescribed by the commission and

<sup>28</sup> Section 119.071(2)(c)2.a., F.S.

<sup>29</sup> Section 119.071(2)(c)2.b., F.S.

<sup>30</sup> Section 20.121(3)(a)2., F.S.

<sup>31</sup> Florida Office of Financial Regulation, *Fast Facts* (Jan. 2025 ed.), available at: [fast-facts.pdf](#) (last visited Jan. 7, 2026) (hereinafter cited as “2025 OFR Fast Facts”).

<sup>32</sup> Congressional Research Service, *Introduction to Financial Services: Banking*, 1, January 5, 2023, available at: <https://crsreports.congress.gov/product/pdf/IF/IF10035> (last visited Jan. 6, 2026).

<sup>33</sup> Section 655.005(1)(k), F.S., states that the Financial Institutions Codes includes: Ch. 655, financial institutions generally; Ch. 657, credit unions; Ch. 658, banks and trust companies; Ch. 660, trust business; Ch. 662, family trust companies; Ch. 663, international banking; Ch. 665, relating to associations; and Ch. 667, savings banks.

<sup>34</sup> 2025 OFR Fast Facts.

<sup>35</sup> See 12 CFR 16; Office of the Comptroller of the Currency, *Comptroller’s Licensing Manual Charters*, 4, December 2021, available at [charters.pdf](#) (last visited Jan. 6, 2026).

<sup>36</sup> Section 658.21, F.S.

must include certain information, such as detailed financial, business, and biographical information for each proposed director and executive officer, and information relating to initial share capital.<sup>37</sup> Organizers of credit unions must also submit an application on a form prescribed by the commission which contains specified information relating to the share value, board of directors, and information required to be submitted to the National Credit Union Administration.<sup>38</sup>

### ***Confidential and Exempt Records in the Financial Institutions Codes***

Florida law makes confidential and exempt from public disclosure certain information received by the Office of Financial Regulation (the “Office”) pursuant to an application for authority to organize a new state bank<sup>39</sup> or new state trust company<sup>40</sup> under ch. 658, F.S., including:

- Personal financial information;
- A driver license number, a passport number, a military identification number, or any other number or code issued on a government document used to verify identity;
- Books and records of a current or proposed financial institutions; and
- The proposed business plan and supporting documentation.<sup>41</sup>

Current law also makes exempt from public disclosure requirements personal identifying information of a proposed officer or director who is currently employed by, or actively participates in the affairs of, another financial institution received by the office pursuant to an application for authority to organize a new state bank or new state trust company under ch. 658, F.S., until the application is approved or the charter is issued. The term “personal identifying information” is defined as names, home addresses, e-mail addresses, telephone numbers, names of relatives, work experience, professional licensing and educational backgrounds, and photographs.<sup>42</sup> This will allow the office to disclose the personal identifying information to other governmental entities, e.g., the Florida Department of Law Enforcement or the Federal Bureau of Investigation to conduct a criminal background check in the course of its statutorily imposed duty to investigate these individuals.

Books and records of currently-chartered financial institutions are confidential and may be made available for inspection and examination only in limited circumstances, for instance:<sup>43</sup>

- To the office or its duly authorized representative;
- To any person duly authorized to act for the financial institution;
- To any federal or state instrumentality or agency authorized to inspect or examine the books and records of an insured financial institution;

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<sup>37</sup> Section 658.19, F.S.

<sup>38</sup> Section 657.005, F.S.

<sup>39</sup> Section 658.12(17), F.S., defines “state bank” as any bank which has a subsisting bank charter issued pursuant to the provisions of the financial institutions codes or the general banking laws of this state in effect prior to the enactment of the financial institutions codes.

<sup>40</sup> Section 658.12(19), F.S., defines “state trust company” as a corporation, other than a bank, which has a subsisting trust company charter issued pursuant to the provisions of the financial institutions codes or the applicable laws of the state in effect prior to the enactment of the financial institutions codes.

<sup>41</sup> Section 655.057(5)(a), F.S.

<sup>42</sup> Section 655.057(5)(b), F.S.

<sup>43</sup> Section 655.059(1), F.S.

- As compelled by a court of competent jurisdiction; and
- As compelled by legislative subpoena, as provided by law.

Florida law also contains several provisions which make confidential and exempt from the Public Records Act certain records or information of financial institutions relating to:

- Investigations conducted by the office;<sup>44</sup>
- Reports of examinations,<sup>45</sup> operations, or condition, including working papers,<sup>46</sup> or portions thereof, prepared by, or for the use of, the office or any state or federal agency responsible for the regulation or supervision of financial institutions<sup>47</sup> in Florida;<sup>48</sup>
- Informal enforcement actions;<sup>49,50</sup>
- Trade secrets<sup>51</sup> held by the office;<sup>52</sup>
- Any portion of a required shareholder list which reveals the shareholders' identities;<sup>53</sup> and
- Confidential documents supplied to the office or to employees of any financial institution by other state or federal governmental agencies.<sup>54</sup>

Any person who willfully discloses information made confidential commits a felony of the third degree.<sup>55</sup> There is no provision in the Financial Institutions Codes which makes confidential or exempts from the Public Records Act information received by the office in relation to an application for authority to organize a new credit union.<sup>56</sup> While some of the information submitted as part of an application may constitute a trade secret, protected under s. 655.057(4), F.S., other information, such as a driver's license number or passport number, are not specifically protected in that context. The exemptions do not prevent or restrict.<sup>57</sup>

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<sup>44</sup> Section 655.057(1), F.S.

<sup>45</sup> Section 655.057(13)(a), F.S., defines "examination report" as records submitted to or prepared by the office as part of the office's duties performed pursuant to s. 655.012, F.S., or s. 655.045(1), F.S.

<sup>46</sup> Section 655.057(13)(d), F.S., defines "working papers" as the records of the procedures followed, the tests performed, the information obtained, and the conclusions reached in an examination or investigation performed under s. 655.032, F.S., or s. 655.045, F.S. Working papers include planning documentation, work programs, analyses, memoranda, letters of confirmation and representation, abstracts of the books and records of a financial institution as defined in s. 655.005(1), F.S., and scheduled or commentaries prepared or obtained in the course of such examination or investigation.

<sup>47</sup> Section 655.005(1)(i), F.S., defines "financial institution" as a state or federal savings or thrift association, bank, savings bank, trust company, international bank agency, international banking corporation, international branch, international representative office, international administrative office, international trust entity, international trust company representative office, qualified limited service affiliate, credit union, or an agreement corporation operating pursuant to s. 25 of the Federal Reserve Act, 12 U.S.C. ss. 601 et seq. or Edge Act corporation organized pursuant to s. 25(a) of the Federal Reserve Act, 12 U.S.C. ss. 611 et seq. Section 655.005(1)(i), F.S.

<sup>48</sup> Section 655.057(2), F.S.

<sup>49</sup> Section 655.057(13)(b), F.S., defines "informal enforcement actions" as a board resolution, a document of resolution, or an agreement in writing between the office and a financial institution which meets certain criteria.

<sup>50</sup> Section 655.057(3), F.S.

<sup>51</sup> Section 688.002(4), F.S., defines "trade secrets" as information, including a formula, pattern, compilation, program, device, method, technique, or process that meets specified criteria. The trade secret must also comply with s. 655.0591, F.S.

<sup>52</sup> Section 655.057(4), F.S.

<sup>53</sup> Section 655.057(9), F.S.

<sup>54</sup> Section 655.057(10), F.S.

<sup>55</sup> Section 655.057(14), F.S. A third degree felony is punishable by up to five years imprisonment and up to a \$5,000 fine. Sections 775.082, 775.083, and 775.084, F.S.

<sup>56</sup> Section 657.002(4), F.S. defines "credit union" as any cooperative society organized pursuant to ch. 657, F.S.

<sup>57</sup> Section 655.057(6), F.S.

- Publishing certain reports that must be submitted to the office or that are required to be published by federal law or regulation;
- Providing records or information to any other state, federal, or foreign agency responsible for the regulation and supervision of financial institutions;
- Disclosing or publishing summaries of the economic condition or similar data of financial institutions;
- Reporting any suspicious criminal activity to appropriate law enforcement or prosecutorial agencies;
- Furnishing certain information requested by the Chief Financial Officer or specified agency of any financial institution that is, or has applied to be, designated as a qualified public depository; and
- Furnishing information to Federal Home Loan Banks regarding its member institutions.

Orders to produce confidential records or information issued by courts or administrative law judges must provide for inspection in camera by the court or administrative law judge. Other procedural safeguards are provided for in the Financial Institutions Codes to protect the confidentiality of the records or information, including provisions that an order directing the release of information is reviewable by the office.<sup>58</sup>

### ***Cybersecurity***

There are federal standards for protecting customer information and Florida consumer protection laws for data security; however, there are no cybersecurity regulations under the financial services provisions. The Department of Legal Affairs (DLA) is responsible for enforcing a violation and may disclose information to office relating to a covered entity's<sup>59</sup> violation of data security requirements of confidential personal information under consumer protection laws but the office has no regulatory authority to enforce any violation of the data security provisions in the consumer protection laws.<sup>60</sup>

### **Federal Standards for Safeguarding Customer Information**

Financial institutions<sup>61</sup> that are subject to the Federal Trade Commission's (FTC) jurisdiction are regulated under the Federal Standards for Safeguarding Customer Information (Safeguard Rules).<sup>62</sup> The Safeguard Rules do not apply to financial institutions that maintain customer

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<sup>58</sup> Section 655.057(7), F.S.

<sup>59</sup> Section 501.171(1)(b), F.S., defines "covered entity" as a sole proprietorship, partnership, corporation, trust, estate, cooperative, association, or other commercial entity that acquires, maintains, stores, or uses personal information. The term also includes governmental entities with respect to certain notice requirements.

<sup>60</sup> Section 501.171(9)(a), F.S.

<sup>61</sup> 16 C.F.R. 314.2 defines "financial institution" as any institution the business of which is engaging in activity that is financial in nature or incidental to such financial activities as described in section 4(k) of the Bank Holding Company Act of 1956, 12 U.S.C. 1843(k). An institution that is significantly engaged in financial activities, or significantly engaged in activities incidental to such financial activities, is a financial institution.

<sup>62</sup> 16 C.F.R. 314.1(b).

information<sup>63</sup> for fewer than 5,000 customers.<sup>64,65</sup> Financial institutions subject to the Safeguard Rules are required to develop, implement, and maintain a comprehensive written information security program<sup>66</sup> that must be tailored to the size and complexity of the institution's system and activities, and must meet other specified criteria and elements,<sup>67</sup> such as basing the system on a risk assessment that identifies certain factors, evaluating and adjusting the program following the testing and monitoring results, and establishing a written incident response plan.<sup>68</sup> A financial institution must notify the FTC of a notification event<sup>69</sup> that involves information of at least 5000 consumers.<sup>70</sup>

#### Florida Security of Confidential Personal Information

Section 501.171, F.S., provides covered entities, governmental entities, and third-party agents are required to take reasonable measures to protect and secure electronic data containing personal

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<sup>63</sup> 16 C.F.R. 314.2(d) defines “customer information” as any record containing nonpublic personal information about a customer of a financial institution, whether in paper, electronic, or other form, that is handled or maintained by or on behalf of a financial institution or a financial institution’s affiliates. 16 C.F.R. 314.2(l) defines (1) “nonpublic personal information” as (i) Personally identifiable financial information; and (ii) Any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable financial information that is not publicly available. (2) Nonpublic personal information does not include: (i) Publicly available information; or (ii) Any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived without using any personally identifiable financial information that is not publicly available. 16 C.F.R. 314.2(b)(1) defines “consumer” as an individual who obtains or has obtained a financial product or service from a financial institution that is to be used primarily for personal, family, or household purposes, or that individual’s legal representative.

<sup>64</sup> 16 C.F.R. 314.2(c) defines “customer” as a consumer who has a customer relationship with a financial institution. 16 C.F.R. 314.2(e)(1) defines “customer relationship” as a continuing relationship between a consumer and a financial institution under which the financial institution provides one or more financial products or services to the consumer that are to be used primarily for personal, family, or household purposes. 16 C.F.R. 314.2(g)(1) defines “financial product or service” as any product or service that a financial holding company could offer by engaging in a financial activity under section 4(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(k)).

<sup>65</sup> 16 C.F.R. 314.6.

<sup>66</sup> 16 C.F.R. 314.2(i) defines “information security program” as the administrative, technical, or physical safeguards a financial institution uses to access, collect, distribute, process, protect, store, use, transmit, dispose of, or otherwise handle customer information.

<sup>67</sup> 16 C.F.R. 314.3(a).

<sup>68</sup> 16 C.F.R. 314.4.

<sup>69</sup> 16 C.F.R. 314.2(m) defines “notification event” as acquisition of unencrypted customer information without the authorization of the individual to which the information pertains. Customer information is considered encrypted for this purpose if the encryption key was accessed by an unauthorized person. Unauthorized acquisition will be presumed to include unauthorized access to unencrypted customer information unless the financial institution has reliable evidence showing that there has not been, or could not reasonably have been, unauthorized acquisition of such information.

<sup>70</sup> 16 C.F.R. 314.4(j)(1).

information.<sup>71,72</sup> When the security of a data system is breached, a covered entity must provide notice to the DLA, affected individuals, and credit reporting agencies in certain circumstances.<sup>73</sup> A covered entity that fails to provide the required notices may face civil penalties.<sup>74</sup>

#### *Notice to the Department of Legal Affairs*

Covered entities must provide written notice of any breach of security that affects 500 or more Floridians to the DLA within 30 days after the determination of the breach or a reason to believe a breach occurred.<sup>75</sup> The notice may be delayed an additional 15 days for good cause, if certain conditions are met.<sup>76</sup> The notice must include specified information.<sup>77</sup> A covered entity must also provide certain information upon request of the DLA,<sup>78</sup> and may provide any other information regarding the breach to the DLA at any time to supplement the required information.<sup>79</sup>

#### *Notice to Individuals*

A covered entity must provide notice to each individual in Florida whose personal information was, or is reasonably believed to have been, accessed as a result of a breach. Notice must be provided as quickly as possible, taking into account the time needed to determine the scope of the breach of security, to identify affected individuals, and to restore reasonable integrity of the data system that was breached. However, notice must be provided within 30 days of

<sup>71</sup> Section 501.171(1)(g), F.S., defines 1. “personal information” as a. An individual’s first name or first initial and last name in combination with one of the following: (I) A social security number; (II) A driver license or identification card number, passport number, military identification number, or other number issued by a governmental entity used to verify identity; (III) A financial account number or credit or debit card number, in combination with any required security code, access code, or password needed to permit access to the financial account; (IV) An individual’s medical history, mental or physical condition, or medical treatment or diagnosis; (V) An individual’s health insurance policy number or subscriber identification number and any unique identifier used by a health insurer; (VI) An individual’s biometric data; or (VII) Any information regarding an individual’s geolocation. b. A user name or e-mail address, in combination with a password or security question and answer is also considered “personal information.” 2. Information that is publicly available from a federal, state, or local governmental entity or information that is encrypted, secured, or modified by a method or technology that removes personally identifiable information is not considered “personal information.” Section 501.702(4), F.S., defines “biometric data” as data generated by automatic measurements of an individual’s biological characteristics. The term includes fingerprints, voiceprints, eye retinas or irises, or other unique biological patterns or characteristics used to identify a specific individual. The term does not include physical or digital photographs; video or audio recordings or data generated from video or audio recordings; or information collected, used, or stored for health care treatment, payment, or operations under the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. ss. 1320d et seq.

<sup>72</sup> Section 501.171(2), F.S.

<sup>73</sup> Section 501.171(3) - (5), F.S.

<sup>74</sup> Section 501.171(9), F.S.

<sup>75</sup> Section 501.171(3)(a), F.S.

<sup>76</sup> *Id.*

<sup>77</sup> Section 501.171(3)(b), F.S. (providing the information that must be included is: 1. A synopsis of the events surrounding the breach at the time the notice is provided; 2. The number of individuals in this state who were or potentially have been affected by the breach; 3. Any services related to the breach being offered or scheduled to be offered by the covered entity to individuals, without charge, and instructions as to how to use such services; 4. A copy of the notice sent to individuals affected or potentially affected by the breach or an explanation of other actions being taken, such as a delay in notification at the request of law enforcement, a determination that the breach was unlikely to cause harm, or notice provided in compliance with federal law; and 5. The name, address, telephone number, and e-mail address of the employee of the covered entity from whom additional information may be obtained about the breach).

<sup>78</sup> Section 501.171(3)(c), F.S. (providing the information that must be provided is: 1. A police report, incident report, or computer forensics report; 2. A copy of the policies in place regarding breaches; and 3. Any steps taken by the covered entity to rectify the breach).

<sup>79</sup> Section 501.171(3)(d), F.S.

determination of the breach or reason to believe a breach occurred unless specified exceptions apply.<sup>80</sup> The notice must be sent to the individual's mailing address or e-mail address and must include specified information.<sup>81</sup>

This notice may be substituted in lieu of direct notice to the individual if the cost of providing notice will exceed \$250,000, the number of affected individuals exceeds 500,000, or the covered entity does not have an e-mail address or mailing address for the affected individuals.<sup>82</sup> The substitute notice must include a conspicuous notice on the Internet website of the covered entity, if the entity maintains a website, and notice in print and broadcast media, including major media in urban and rural areas where the affected individuals reside.<sup>83</sup>

#### *Notice to Credit Reporting Agencies*

If a breach requires more than 1,000 individuals to be notified at a single time, the covered entity must also notify all consumer reporting agencies that compile and maintain files on a nationwide basis of the timing, distribution, and content of the notices.<sup>84</sup>

#### **Committee Substitute for Senate Bill 540**

Committee Substitute for Senate Bill 540 (2026) regulates information security programs and cybersecurity event investigations of mortgage brokers and lenders, and money services businesses substantially similar to the Safeguard Rules. The bill provides that covered entities are not relieved from complying with Florida Security of Confidential Personal Information under consumer protection laws in s. 501.171, F.S., and any licensee that is a covered entity under that chapter remains subject to the requirements of that section. The bill authorizes the Financial Services Commission (the "commission") to adopt rules to that allow a licensee that is in full compliance with the Safeguard Rules to be deemed in compliance with information security program requirements.

Committee Substitute for Senate Bill 540 (2026) requires each financial institution to take reasonable measures to protect and secure data that are in electronic form and that contain personal information. The legislation is substantially similar to the Florida Security of Confidential Personal Information in ch. 501, F.S., consumer protection laws.

### **III. Effect of Proposed Changes:**

SB 1440, which is linked to the passage of SB 540, makes confidential and exempt from public records disclosure certain information related to mortgage businesses, money services businesses, and financial institutions. The bill provides the public records exemptions are subject

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<sup>80</sup> Section 501.171(4)(a), F.S.

<sup>81</sup> Section 501.171(4)(d) and (e), F.S. (providing the notice must include: 1. The date, estimated date, or estimated date range of the breach of security; 2. A description of the personal information that was accessed or reasonably believed to have been accessed as a part of the breach of security; and 3. Information that the individual can use to contact the covered entity about the breach of security and the individual's personal information maintained by the covered entity).

<sup>82</sup> Section 501.171(4)(f), F.S.

<sup>83</sup> *Id.*

<sup>84</sup> Section 501.171(5), F.S.

to the required Act and are repealed unless reviewed and reenacted by the Legislature. Public necessity statements for each public records exemption are included in the bill.

**Section 1** of the bill makes confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution (together, the “public record disclosure requirements”) all mortgage broker information received by the office regarding information security as required in ch. 560, F.S., and established in SB 540 (2026), or received by the office as result of an investigation by the office or a law enforcement agency of a cybersecurity event, until such time as the investigation is completed or ceases to be active. The public records exemption of the information received by the office must be construed in conformity with the public records exemption for criminal intelligence and investigation information in the Public Records Act.<sup>85</sup> The exemption is subject to the Open Government Sunset Review Act and is repealed on October 2, 2031, unless reviewed and reenacted by the Legislature before that date.

**Section 2** of the bill provides the following public necessity statement for the public records exemption in section 1:

The Legislature finds that it is a public necessity that information on cybersecurity events submitted to or obtained by the Office of Financial Regulation [as required in ch. 494, F.S., and established in SB 540 (2026),] or as a result of an investigation by the office which involve information security programs of loan originators, mortgage brokers, and mortgage lenders and nonpublic personal data of customers of such loan originators, mortgage brokers, and mortgage lenders be made confidential and exempt [from public records disclosure requirements.]

Premature or unrestricted release of information on cybersecurity events<sup>86</sup>...could compromise ongoing investigations, expose system vulnerabilities, and hinder the office’s ability to protect consumers and regulate financial institutions effectively. Disclosure of such information could also place affected individuals at heightened risk of identity theft and financial fraud while revealing trade secrets, proprietary data, and technical safeguards that could be exploited by malicious actors.

Protecting information on cybersecurity events ensures that entities cooperate fully with regulators, encourages accurate reporting of security incidents, and maintains the overall integrity of the financial and cybersecurity infrastructure of this state.

It is therefore a public necessity that all information received by the office pursuant to s. 494.00123, Florida Statutes,<sup>87</sup> or through an investigation by the office or a law enforcement agency of a cybersecurity event pursuant to

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<sup>85</sup> Section 119.071(2)(c), F.S.; *See supra* notes 27 through 29.

<sup>86</sup> Section 494.00123(1)(c), F.S., created in SB 540 (2026), defines “cybersecurity event” as an event resulting in unauthorized access to, or disruption or misuse of, an information system, information stored on such information system, or customer information held in physical form.

<sup>87</sup> Section 494.00123, F.S., is created in SB 540 (2026).

s. 494.00123, Florida Statutes, be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the Florida Constitution.

**Section 3** of the bill creates a public records exemption for all information received by the office as required in ch. 560, F.S., and established in SB 540 (2026), or as a result of an investigation by the office or a law enforcement agency is confidential and exempt from [public records disclosure requirements], until such time as the investigation is completed or ceases to be active. The public records exemption must be construed in conformity with the public records exemption for criminal intelligence and investigation information in the Public Records Act.<sup>88</sup> The exemption is subject to the Open Government Sunset Review Act and is repealed on October 2, 2031, unless reviewed and reenacted by the Legislature before that date.

**Section 4** of the bill provides for the following public necessity statement for the public records exemption in section 3:

The Legislature finds that it is a public necessity that information related to cybersecurity incidents, data breaches, and information security programs submitted to or obtained by the Office of Financial Regulation be made confidential and exempt from public disclosure. Premature or unrestricted release of such information could compromise ongoing investigations, expose system vulnerabilities, and hinder the office's ability to protect consumers and regulate money services businesses effectively. Disclosure could also place affected individuals at heightened risk of identity theft and financial fraud while revealing trade secrets, proprietary data, and technical safeguards that could be exploited by malicious actors. Protecting this information ensures that entities cooperate fully with regulators, encourages accurate reporting of security incidents, and maintains the overall integrity of this state's financial and cybersecurity infrastructure.

**Section 5** of the bill makes confidential and exempt from public records disclosure requirements all information received by the office as required in ch. 655, F.S., and established in SB 540 (2026), or received by the office pursuant to an investigation by the office or a law enforcement agency as provided in ch. 655, F.S., and established in SB 540 (2026), is confidential and exempt from [public records disclosure requirements] until such time as the investigation is completed or ceases to be active. This exemption shall be construed in conformity with the public records exemption for criminal intelligence and investigation information in the Public Records Act.<sup>89</sup>

During an active investigation, information made confidential and exempt in section 5 of the bill may be disclosed by the office:

- In the furtherance of its official duties and responsibilities;
- For print, publication, or broadcast if the office determines that such release would assist in notifying the public or locating or identifying a person that the office believes to be a victim of a data breach or improper disposal of customer records, except for information made

<sup>88</sup> Section 119.071(2)(c), F.S.; *See supra* notes 27 - 29.

<sup>89</sup> Section 119.071(2)(c), F.S.; *See supra* notes 27 through 29.

- confidential and exempt even after the investigation is completed or ceases to be active as provided in section 5 of the bill; or
- To another governmental entity in the furtherance of its official duties and responsibilities.

The following information received by the office remains confidential and exempt from public records disclosure requirements upon completion of an investigation or once an investigation ceases to be active:

- All information to which another public records exemption applies.
- Personal information.
- A computer forensic report.
- Information that would otherwise reveal weaknesses in a financial institution's data security.
- Information that would disclose a financial institution's proprietary information.

The bill defines "proprietary information" in this section to mean information that:

- Is owned or controlled by the financial institution.
- Is intended to be private and is treated by the financial institution as private because disclosure would harm the financial institution or its business operations.
- 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.
- Is not publicly available or otherwise readily ascertainable through proper means from another source in the same configuration as received by the office.

The term "proprietary information" includes trade secrets,<sup>90</sup> and competitive interests, the disclosure of which would impair the competitive business of the financial institution that is the subject of the information.

The bill defines "customer records" in this section to mean any material, regardless of the physical form, on which personal information is recorded or preserved by any means, such as written or spoken words, graphically depicted, printed, or electromagnetically transmitted which are provided by an individual in this state to a financial institution for the purpose of purchasing or leasing a product or obtaining a service.

Section 5 of the bill is subject to the Open Government Sunset Review and is repealed on October 2, 2031, unless reviewed and reenacted by the Legislature before that date.

**Section 6** of the bill provides for the following public necessity statement for the public records exemption in section 5:

The Legislature finds that it is a public necessity that all information received by the Office of Financial Regulation pursuant to a notification of a violation of s. 655.0171, Florida Statutes [as established in SB 540], or received by the Department of Legal Affairs pursuant to an investigation by the department or a law enforcement agency relating to a violation of s. 655.0171, Florida Statutes, be made confidential and exempt from public records disclosure requirements for the following reasons:

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<sup>90</sup> *Supra* note 42.

A notification of a violation of s. 655.0171, Florida Statutes, is likely to result in an investigation. The premature release of such information could frustrate or thwart the investigation and impair the ability of the office to effectively and efficiently administer s. 655.0171, Florida Statutes. In addition, release of such information before completion of an active investigation could jeopardize the ongoing investigation.

The Legislature finds that it is a public necessity to continue to protect from public disclosure all information to which another public record exemption applies once an investigation is completed or ceases to be active. Release of such information by the office would undo the specific statutory exemption protecting that information.

An investigation of a data breach or improper disposal of customer records is likely to result in the gathering of sensitive personal information, including social security numbers, identification numbers, and personal financial information of customers of financial institutions. Such information could be used for the purpose of identity theft, and release of such information could subject possible victims of the data breach or improper disposal of customer records to further financial harm.

Release of a computer forensic report or other information that would otherwise reveal weaknesses in a covered financial institution's data security could compromise the future security of that financial institution, or other financial institutions, if such information were available upon conclusion of an investigation or once an investigation ceased to be active. The release of such report or information could compromise the security of current financial institutions and make those financial institutions susceptible to future data breaches. Release of such report or information could result in the identification of vulnerabilities and further breaches of that system.

Notices received by the office and information received during an investigation of a data breach are likely to contain proprietary information, including trade secrets, about the security of the breached system. The release of the proprietary information could result in the identification of vulnerabilities and further breaches of that system. In addition, a trade secret derives independent, economic value, actual or potential, from being generally unknown to, and not readily ascertainable by, other persons. Allowing public access to proprietary information, including a trade secret, through a public records request could destroy the value of the proprietary information and cause a financial loss to the financial institution submitting the information. Release of such information could give business competitors an unfair advantage and weaken the position of the financial institution supplying the proprietary information in the marketplace.

**Section 7** of the bill provides the following information received by the office pursuant to an application for authority to organize a new state credit union (the “credit union exemption”) is confidential and exempt from public records disclosure requirements:

- Personal financial information.
- A driver license number, a passport number, a military identification number, or any other number or code issued on a government document used to verify identity.
- Books and records of a current or proposed financial institution.
- The proposed credit union’s proposed business plan.

The personal identifying information of a proposed officer or proposed director who is currently employed by, or actively participates in the affairs of, another financial institution received by the office in an application for authority to organize a new state credit union under chapter 667, F.S., is exempt from public records disclosure requirements until the application is approved and the charter is issued. The term “personal identifying information” includes names, home addresses, e-mail addresses, telephone numbers, names of relatives, work experience, professional licensing and educational backgrounds, and photographs.

Section 7 of the bill is subject to the Open Government Sunset Review Act and is repealed on October 2, 2029, unless reviewed and reenacted by the Legislature before that date. While the repeal date is typically 5 years from enactment of an exemption, the repeal date for the credit union exemption is 3 years, so that it remains consistent with the repeal dates of other exemptions currently in s. 655.057(5), F.S.

**Section 8** of the bill provides the following public necessity statement for the public records exemption in section 7:

The Legislature finds that it is a public necessity that information received by the Office of Financial Regulation pursuant to an application for authority to organize a new state credit union pursuant to the Financial Institutions Codes, chapters 655-667, Florida Statutes, be made confidential and exempt from [public records disclosure requirements] to the extent that disclosure would reveal:

- Personal financial information;
- A driver license number, a passport number, a military identification number, or any other number or code issued on a government document used to verify identity;
- Books and records of a current or proposed financial institution; or
- A proposed credit union’s business plan and any attached supporting documentation.

The Legislature further finds that it is a public necessity that the personal identifying information of a proposed officer or proposed director who is currently employed by, or actively participates in the affairs of, another financial institution be made confidential and exempt from [public records disclosure requirements] for the duration of the application process, until the application is approved and a charter is issued.

The office may receive sensitive personal, financial, and business information in conjunction with its duties related to the review of applications for the organization or establishment of new state credit union. The exemptions from public records requirements ... are necessary to ensure the office's ability to administer its regulatory duties while preventing unwarranted damage to the proposed new state credit union or certain proposed officers or proposed directors of new state credit unions in this state. The release of information that could lead to the identification of an individual involved in the potential establishment of a new state credit union may subject such individual to retribution and jeopardize his or her current employment with, or participation in the affairs of, another financial institution. Thus, the public availability of such information has a chilling effect on the establishment of new state credit union. Further, the public availability of the books and financial records of a current or proposed state credit union presents an unnecessary risk of harm to the business operations of such credit union. Finally, the public availability of a proposed state credit union's business plan may cause competitive harm to its future business operations and presents an unfair competitive advantage for existing state credit unions that are not required to release such information.

**Section 9** of the bill provides an effective date on the same date that SB 540 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

Not applicable. The mandate restrictions do not apply because the bill does not require counties and municipalities to spend funds, reduce counties' or municipalities' ability to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

##### **B. Public Records/Open Meetings Issues:**

###### ***Vote Requirement***

Article I, s. 24(c) of the Florida 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. SB 1440 enacts a new exemption for specified public records relating to mortgage businesses, money services businesses, and financial institutions such as information relating to the cybersecurity requirements proposed in SB 540, investigations conducted by office, and information contained in a credit union's application for formation. Therefore, the bill will require two-thirds vote to be enacted.

***Public Necessity Statement***

Article I, s. 24(c) of the Florida Constitution requires the law state with specificity the public necessity to justify a new or substantially amended exemption. Sections 2, 4, 6, and 8 of the bill contain statements of public necessity for the exemptions.

***Scope of Exemption***

Article I, s. 24(c) of the Florida Constitution requires an exemption to the public records requirements to be no broader than necessary to accomplish the stated purpose of the law. The exemptions in the bill relating to information security and cybersecurity investigations do not appear to be broader than necessary to accomplish the purpose of the law. The exemptions reduce potential interference with investigations, and the office's ability to protect consumers and regulate financial institutions. The exemptions safeguard against the risk of potential identity theft, financial fraud, and trade secret exploitation. The exemptions help ensure that entities cooperate with regulators, encourage accurate reporting, and maintain overall integrity of the financial and cybersecurity infrastructure.

The credit union exemption in the bill does not appear to be broader than necessary to accomplish the purpose of the law. The bill provides that specific information would be made confidential and exempt to prevent unwarranted damage or unnecessary risk of harm to the proposed new credit union, or the proposed officer or director.

**C. Trust Funds Restrictions:**

None.

**D. State Tax or Fee Increases:**

None.

**E. Other Constitutional Issues:**

None.

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

None.

**B. Private Sector Impact:**

The private sector will be subject to the cost, to the extent imposed, associated with redactions made in response to a public record request.

Those individuals or businesses that wish to protect trade secret information submitted to the office as part of their application to organize a new state credit union may no longer

be required to use court processes to declare the information trade secret, and thus exempt from production as a public record.<sup>91</sup> The submitter will be able to rely on the public record exemption for specific information instead.

**C. Government Sector Impact:**

The bill does not appear to have a fiscal impact on local government. Staff responsible for compliance with public record requests may require training related to the new public record exemptions. Additionally, the office may experience additional workload associated with the redaction of exempt information prior to the release of a record. However, this workload should be absorbed as part of the day-to-day agency responsibilities and offset by fees collected for the preparation and copying of public records.<sup>92</sup>

The office reports that “the lack of protection for this sensitive information in Florida may influence an applicant to choose a national charter over a state charter.” The new public records exemption may cause an increase in the number of applications for new state banks or state trust companies that the office receives.<sup>93</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 494.00125, 560.129, 655.0171, and 655.057.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

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

**CS by Banking and Insurance Committee on January 28, 2026:**

- Removes the new public records exemption for certain information in an application to organize a financial institution and instead expands an existing provision in current law that exempts such information for some financial institutions to apply to such information contained in an application to organize a new state credit union.
- Updates the public necessity statement to apply to new state credit unions.

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<sup>91</sup> See, s. 655.0591, F.S.

<sup>92</sup> Section 119.07(2) and (4), F.S.

<sup>93</sup> Florida Office of Financial Regulation, *SB 1014 Agency Analysis*, 4 (Jan. 21, 2026) (on file with the Senate Committee on Banking and Insurance).

**B. Amendments:**

None.

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

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
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The Committee on Banking and Insurance (Martin) recommended the following:

1                   **Senate Amendment (with title amendment)**

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3                   Delete lines 252 - 332

4 and insert:

5                   Section 7. Subsection (5) of section 655.057, Florida  
6 Statutes, is amended to read:

7                   655.057 Records; limited restrictions upon public access.—

8                   (5) (a) The following information received by the office  
9 pursuant to an application for authority to organize a new state  
10 bank or new state trust company under chapter 658, or pursuant



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11 to an application for authority to organize a new state credit  
12 union under chapter 657, is confidential and exempt from s.

13 119.07(1) and s. 24(a), Art. I of the State Constitution:

14 1. Personal financial information.

15 2. A driver license number, a passport number, a military  
16 identification number, or any other number or code issued on a  
17 government document used to verify identity.

18 3. Books and records of a current or proposed financial  
19 institution.

20 4. The proposed state bank's, ~~or~~ proposed state trust  
21 company's, or proposed state credit union's proposed business  
22 plan.

23 (b) The personal identifying information of a proposed  
24 officer or proposed director who is currently employed by, or  
25 actively participates in the affairs of, another financial  
26 institution received by the office pursuant to an application  
27 for authority to organize a new state bank or new state trust  
28 company under chapter 658, or pursuant to an application for  
29 authority to organize a new state credit union under chapter  
30 657, is exempt from s. 119.07(1) and s. 24(a), Art. I of the  
31 State Constitution until the application is approved and the  
32 charter is issued. As used in this paragraph, the term "personal  
33 identifying information" means names, home addresses, e-mail  
34 addresses, telephone numbers, names of relatives, work  
35 experience, professional licensing and educational backgrounds,  
36 and photographs.

37 (c) This subsection is subject to the Open Government  
38 Sunset Review Act in accordance with s. 119.15 and is repealed  
39 October 2, 2029, unless reviewed and saved from repeal through



40 reenactment by the Legislature.

41       Section 8. (1) (a) The Legislature finds that it is a  
42 public necessity that information received by the Office of  
43 Financial Regulation pursuant to an application for authority to  
44 organize a new state credit union under chapter 657, Florida  
45 Statutes, be made confidential and exempt from s. 119.07(1),  
46 Florida Statutes, and s. 24(a), Article I of the State  
47 Constitution to the extent that disclosure would reveal:

48       1. Personal financial information;

49       2. A driver license number, a passport number, a military  
50 identification number, or any other number or code issued on a  
51 government document used to verify identity;

52       3. Books and records of a current or proposed financial  
53 institution; or

54       4. A proposed new state credit union's business plan and  
55 any attached supporting documentation.

56       (b) The Legislature further finds that it is a public  
57 necessity that the personal identifying information of a  
58 proposed officer or proposed director who is currently employed  
59 by, or actively participates in the affairs of, another  
60 financial institution which is received by the office pursuant  
61 to an application for authority to organize a new state credit  
62 union under chapter 657, Florida Statutes, be made confidential  
63 and exempt from s. 119.07(1), Florida Statutes, and s. 24(a),  
64 Article I of the State Constitution for the duration of the  
65 application process, until the application is approved and a  
66 charter is issued.

67       (2) The office may receive sensitive personal, financial,  
68 and business information in conjunction with its duties related



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69 to the review of applications for the organization or  
70 establishment of new state credit unions. The exemptions from  
71 public records requirements provided under subsection (1) are  
72 necessary to ensure the office's ability to administer its  
73 regulatory duties while preventing unwarranted damage to the  
74 proposed state credit unions or certain proposed officers or  
75 proposed directors of new state credit unions in this state. The  
76 release of information that could lead to the identification of  
77 an individual involved in the potential establishment of a new  
78 state credit union may subject such individual to retribution  
79 and jeopardize his or her current employment with, or  
80 participation in the affairs of, another financial institution.  
81 Thus, the public availability of such information has a chilling  
82 effect on the establishment of new state credit unions. Further,  
83 the public availability of the books and financial records of a  
84 current or proposed state credit union presents an unnecessary  
85 risk of harm to the business operations of such credit union.  
86 Finally, the public availability of a proposed state credit  
87 union's business plan may cause competitive harm to its future  
88 business operations and presents an unfair competitive advantage  
89 for existing state credit unions that are not required to  
90 release such information.

91 ===== T I T L E A M E N D M E N T =====

93 And the title is amended as follows:

94 Delete lines 35 - 36

95 and insert:

96 to organize new state credit unions and for certain  
97 information relating to specified persons; providing

By Senator Martin

33-01811-26

20261440

1 A bill to be entitled  
 2 An act relating to public records; amending s.  
 3 494.00125, F.S.; providing an exemption from public  
 4 records requirements for information received by the  
 5 Office of Financial Regulation pursuant to certain  
 6 cybersecurity event provisions relating to information  
 7 systems and customer information of loan originators,  
 8 mortgage brokers, and mortgage lenders and for  
 9 information received by the office as a result of  
 10 investigations and examinations of such cybersecurity  
 11 events; providing for future legislative review and  
 12 repeal of the exemption; providing a statement of  
 13 public necessity; amending s. 560.129, F.S.; providing  
 14 an exemption from public records requirements for  
 15 information received by the office pursuant to certain  
 16 cybersecurity event provisions relating to information  
 17 systems and customer information of money services  
 18 businesses and for information received by the office  
 19 as a result of investigations and examinations of such  
 20 cybersecurity events; providing for future legislative  
 21 review and repeal of the exemption; providing a  
 22 statement of public necessity; amending s. 655.0171,  
 23 F.S.; providing an exemption from public records  
 24 requirements for customer personal information  
 25 received by the office relating to breaches of  
 26 security of financial institutions or received by the  
 27 office as a result of investigations of such breaches  
 28 under certain circumstances; providing exceptions;  
 29 providing definitions; providing for future

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30 legislative review and repeal of the exemption;  
 31 providing a statement of public necessity; amending s.  
 32 655.057, F.S.; providing an exemption from public  
 33 records requirements for certain information received  
 34 by the office pursuant to applications for authority  
 35 to organize new financial institutions and for certain  
 36 information relating to specified persons; providing  
 37 exceptions; defining the term "personal identifying  
 38 information"; providing for future legislative review  
 39 and repeal of the exemption; providing a statement of  
 40 public necessity; providing a contingent effective  
 41 date.  
 42  
 43 Be It Enacted by the Legislature of the State of Florida:  
 44  
 45 Section 1. Subsection (4) is added to section 494.00125,  
 46 Florida Statutes, to read:  
 47 494.00125 Public records exemptions.—  
 48 (4) INFORMATION SECURITY; CYBERSECURITY.—All information  
 49 received by the office pursuant to s. 494.00123, or received by  
 50 the office as result of an investigation by the office or a law  
 51 enforcement agency of a cybersecurity event pursuant to s.  
 52 494.00123, is confidential and exempt from s. 119.07(1) and s.  
 53 24(a), Art. I of the State Constitution, until such time as the  
 54 investigation is completed or ceases to be active. The public  
 55 records exemption of the information received by the office  
 56 under this subsection shall be construed in conformity with s.  
 57 119.071(2)(c). This subsection is subject to the Open Government  
 58 Sunset Review Act in accordance with s. 119.15 and shall stand

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59 repealed on October 2, 2031, unless reviewed and saved from  
 60 repeal through reenactment by the Legislature.

61 Section 2. (1) The Legislature finds that it is a public  
 62 necessity that information on cybersecurity events submitted to  
 63 or obtained by the Office of Financial Regulation pursuant to s.  
 64 494.00123, Florida Statutes, or as a result of an investigation  
 65 by the office which involve information security programs of  
 66 loan originators, mortgage brokers, and mortgage lenders and  
 67 nonpublic personal data of customers of such loan originators,  
 68 mortgage brokers, and mortgage lenders be made confidential and  
 69 exempt from public disclosure.

70 (2) (a) Premature or unrestricted release of information on  
 71 cybersecurity events, as defined in s. 494.00123(1), Florida  
 72 Statutes, could compromise ongoing investigations, expose system  
 73 vulnerabilities, and hinder the office's ability to protect  
 74 consumers and regulate financial institutions effectively.  
 75 Disclosure of such information could also place affected  
 76 individuals at heightened risk of identity theft and financial  
 77 fraud while revealing trade secrets, proprietary data, and  
 78 technical safeguards that could be exploited by malicious  
 79 actors.

80 (b) Protecting information on cybersecurity events ensures  
 81 that entities cooperate fully with regulators, encourages  
 82 accurate reporting of security incidents, and maintains the  
 83 overall integrity of the financial and cybersecurity  
 84 infrastructure of this state.

85 (3) It is therefore a public necessity that all information  
 86 received by the office pursuant to s. 494.00123, Florida  
 87 Statutes, or through an investigation by the office or a law

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88 enforcement agency of a cybersecurity event pursuant to s.  
 89 494.00123, Florida Statutes, be made confidential and exempt  
 90 from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of  
 91 the State Constitution.

92 Section 3. Subsection (7) of section 560.129, Florida  
 93 Statutes, is renumbered as subsection (8), and a new subsection  
 94 (7) is added to that section, to read:

95 560.129 Confidentiality.—

96 (7) All information received by the office pursuant to s.  
 97 560.1311 or as a result of an investigation by the office or a  
 98 law enforcement agency is confidential and exempt from s.

99 119.07(1) and s. 24(a), Art. I of the State Constitution, until  
 100 such time as the investigation is completed or ceases to be  
 101 active. This exemption shall be construed in conformity with s.  
 102 119.071(2)(c). This subsection is subject to the Open Government  
 103 Sunset Review Act in accordance with s. 119.15 and shall stand  
 104 repealed on October 2, 2031, unless reviewed and saved from  
 105 repeal through reenactment by the Legislature.

106 Section 4. The Legislature finds that it is a public  
 107 necessity that information related to cybersecurity incidents,  
 108 data breaches, and information security programs submitted to or  
 109 obtained by the Office of Financial Regulation be made  
 110 confidential and exempt from public disclosure. Premature or  
 111 unrestricted release of such information could compromise  
 112 ongoing investigations, expose system vulnerabilities, and  
 113 hinder the office's ability to protect consumers and regulate  
 114 money services businesses effectively. Disclosure could also  
 115 place affected individuals at heightened risk of identity theft  
 116 and financial fraud while revealing trade secrets, proprietary

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117 data, and technical safeguards that could be exploited by  
 118 malicious actors. Protecting this information ensures that  
 119 entities cooperate fully with regulators, encourages accurate  
 120 reporting of security incidents, and maintains the overall  
 121 integrity of this state's financial and cybersecurity  
 122 infrastructure.

123 Section 5. Subsection (6) is added to section 655.0171,  
 124 Florida Statutes, as created by SB 540, 2026 Regular Session, to  
 125 read:

126 655.0171 Requirements for customer data security and for  
 127 notices of security breaches.-

128 (6) PUBLIC RECORDS EXEMPTION.-

129 (a) All information received by the office pursuant to a  
 130 notification required by this section, or received by the office  
 131 pursuant to an investigation by the office or a law enforcement  
 132 agency under this section, is confidential and exempt from s.  
 133 119.07(1) and s. 24(a), Art. I of the State Constitution, until  
 134 such time as the investigation is completed or ceases to be  
 135 active. This exemption shall be construed in conformity with s.  
 136 119.071(2)(c).

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

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

142 2. For print, publication, or broadcast if the office  
 143 determines that such release would assist in notifying the  
 144 public or locating or identifying a person that the office  
 145 believes to be a victim of a data breach or improper disposal of

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146 customer records, except that information made confidential and  
 147 exempt by paragraph (c) may not be released pursuant to this  
 148 subparagraph; or  
 149 3. To another governmental entity in the furtherance of its  
 150 official duties and responsibilities.

151 (c) Upon completion of an investigation or once an  
 152 investigation ceases to be active, the following information  
 153 received by the office remains confidential and exempt from s.  
 154 119.07(1) and s. 24(a), Art. I of the State Constitution:

155 1. All information to which another public records  
 156 exemption applies.

157 2. Personal information.

158 3. A computer forensic report.

159 4. Information that would otherwise reveal weaknesses in a  
 160 financial institution's data security.

161 5. Information that would disclose a financial  
 162 institution's proprietary information.

163 a. As used in this subparagraph, the term "proprietary  
 164 information" means information that:

165 (I) Is owned or controlled by the financial institution.

166 (II) Is intended to be private and is treated by the  
 167 financial institution as private because disclosure would harm  
 168 the financial institution or its business operations.

169 (III) Has not been disclosed except as required by law or a  
 170 private agreement that provides that the information will not be  
 171 released to the public.

172 (IV) Is not publicly available or otherwise readily  
 173 ascertainable through proper means from another source in the  
 174 same configuration as received by the office.

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175       b. The term includes:  
176        (I) Trade secrets as defined in s. 688.002.  
177        (II) Competitive interests, the disclosure of which would  
178 impair the competitive business of the financial institution  
179 that is the subject of the information.

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

192                   Section 6. The Legislature finds that it is a public  
193 necessity that all information received by the Office of  
194 Financial Regulation pursuant to a notification of a violation  
195 of s. 655.0171, Florida Statutes, or received by the Department  
196 of Legal Affairs pursuant to an investigation by the department  
197 or a law enforcement agency relating to a violation of s.  
198                   655.0171, Florida Statutes, be made confidential and exempt from  
199 s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the  
200 State Constitution for the following reasons:

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204 investigation and impair the ability of the office to  
205 effectively and efficiently administer s. 655.0171, Florida  
206 Statutes. In addition, release of such information before  
207 completion of an active investigation could jeopardize the  
208 ongoing investigation.

209       (2) The Legislature finds that it is a public necessity to  
210       continue to protect from public disclosure all information to  
211       which another public record exemption applies once an  
212       investigation is completed or ceases to be active. Release of  
213       such information by the office would undo the specific statutory  
214       exemption protecting that information.

215 (3) An investigation of a data breach or improper disposal  
216 of customer records is likely to result in the gathering of  
217 sensitive personal information, including social security  
218 numbers, identification numbers, and personal financial  
219 information of customers of financial institutions. Such  
220 information could be used for the purpose of identity theft, and  
221 release of such information could subject possible victims of  
222 the data breach or improper disposal of customer records to  
223 further financial harm

224 (4) Release of a computer forensic report or other  
225 information that would otherwise reveal weaknesses in a covered  
226 financial institution's data security could compromise the  
227 future security of that financial institution, or other  
228 financial institutions, if such information were available upon  
229 conclusion of an investigation or once an investigation ceased  
230 to be active. The release of such report or information could  
231 compromise the security of current financial institutions and  
232 make those financial institutions susceptible to future data

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233 ~~breaches. Release of such report or information could result in~~  
 234 ~~the identification of vulnerabilities and further breaches of~~  
 235 ~~that system.~~

236 ~~(5) Notices received by the office and information received~~  
 237 ~~during an investigation of a data breach are likely to contain~~  
 238 ~~proprietary information, including trade secrets, about the~~  
 239 ~~security of the breached system. The release of the proprietary~~  
 240 ~~information could result in the identification of~~  
 241 ~~vulnerabilities and further breaches of that system. In~~  
 242 ~~addition, a trade secret derives independent, economic value,~~  
 243 ~~actual or potential, from being generally unknown to, and not~~  
 244 ~~readily ascertainable by, other persons. Allowing public access~~  
 245 ~~to proprietary information, including a trade secret, through a~~  
 246 ~~public records request could destroy the value of the~~  
 247 ~~proprietary information and cause a financial loss to the~~  
 248 ~~financial institution submitting the information. Release of~~  
 249 ~~such information could give business competitors an unfair~~  
 250 ~~advantage and weaken the position of the financial institution~~  
 251 ~~supplying the proprietary information in the marketplace.~~

252 Section 7. Subsections (6) through (14) of section 655.057,  
 253 Florida Statutes, are renumbered as subsections (7) through  
 254 (15), respectively, and a new subsection (6) is added to that  
 255 section, to read:

256 655.057 Records; limited restrictions upon public access.—

257 ~~(6) (a) The following information received by the office~~  
 258 ~~pursuant to an application for authority to organize a new~~  
 259 ~~financial institution is confidential and exempt from s.~~  
 260 ~~119.07(1) and s. 24(a), Art. I of the State Constitution:~~

261 1. Personal financial information.

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262 ~~2. A driver license number, a passport number, a military~~  
 263 ~~identification number, or any other number or code issued on a~~  
 264 ~~government document used to verify identity.~~

265 ~~3. Books and records of a current or proposed financial~~  
 266 ~~institution.~~

267 ~~4. The proposed financial institution's proposed business~~  
 268 ~~plan.~~

269 ~~(b) The personal identifying information of a proposed~~  
 270 ~~officer or proposed director who is currently employed by, or~~  
 271 ~~actively participates in the affairs of, another financial~~  
 272 ~~institution received by the office pursuant to an application~~  
 273 ~~for authority to organize a new financial institution under~~  
 274 ~~chapters 655-667 is exempt from s. 119.07(1) and s. 24(a), Art.~~  
 275 ~~I of the State Constitution until the application is approved~~  
 276 ~~and the charter is issued. As used in this paragraph, the term~~  
 277 ~~"personal identifying information" means names, home addresses,~~  
 278 ~~e-mail addresses, telephone numbers, names of relatives, work~~  
 279 ~~experience, professional licensing and educational backgrounds,~~  
 280 ~~and photographs.~~

281 ~~(c) This subsection is subject to the Open Government~~  
 282 ~~Sunset Review Act in accordance with s. 119.15 and is repealed~~  
 283 ~~October 2, 2031, unless reviewed and saved from repeal through~~  
 284 ~~reenactment by the Legislature.~~

285 Section 8. ~~(1) (a) The Legislature finds that it is a~~  
 286 ~~public necessity that information received by the Office of~~  
 287 ~~Financial Regulation pursuant to an application for authority to~~  
 288 ~~organize a new financial institution pursuant to the Financial~~  
 289 ~~Institutions Codes, chapters 655-667, Florida Statutes, be made~~  
 290 ~~confidential and exempt from s. 119.07(1), Florida Statutes, and~~

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291     s. 24(a), Article I of the State Constitution to the extent that  
 292     disclosure would reveal:

293        1. Personal financial information;

294        2. A driver license number, a passport number, a military  
 295        identification number, or any other number or code issued on a  
 296        government document used to verify identity;

297        3. Books and records of a current or proposed financial  
 298        institution; or

299        4. A proposed financial institution's business plan and any  
 300        attached supporting documentation.

301        (b) The Legislature further finds that it is a public  
 302        necessity that the personal identifying information of a  
 303        proposed officer or proposed director who is currently employed  
 304        by, or actively participates in the affairs of, another  
 305        financial institution be made confidential and exempt from s.  
 306        119.07(1), Florida Statutes, and s. 24(a), Article I of the  
 307        State Constitution for the duration of the application process,  
 308        until the application is approved and a charter is issued.

309        (2) The office may receive sensitive personal, financial,  
 310        and business information in conjunction with its duties related  
 311        to the review of applications for the organization or  
 312        establishment of new financial institutions. The exemptions from  
 313        public records requirements provided under subsection (1) are  
 314        necessary to ensure the office's ability to administer its  
 315        regulatory duties while preventing unwarranted damage to the  
 316        proposed financial institution or certain proposed officers or  
 317        proposed directors of financial institutions in this state. The  
 318        release of information that could lead to the identification of  
 319        an individual involved in the potential establishment of a new

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320     financial institution may subject such individual to retribution  
 321     and jeopardize his or her current employment with, or  
 322     participation in the affairs of, another financial institution.  
 323     Thus, the public availability of such information has a chilling  
 324     effect on the establishment of new financial institutions.  
 325     Further, the public availability of the books and financial  
 326     records of a current or proposed financial institution in this  
 327     state presents an unnecessary risk of harm to the business  
 328     operations of such institution. Finally, the public availability  
 329     of a proposed financial institution's business plan may cause  
 330     competitive harm to its future business operations and presents  
 331     an unfair competitive advantage for existing financial  
 332     institutions that are not required to release such information.

333        Section 9. This act shall take effect on the same date that  
 334        SB 540 or similar legislation takes effect, if such legislation  
 335        is adopted in the same legislative session or an extension  
 336        thereof and becomes a law.

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## 2026 AGENCY LEGISLATIVE BILL ANALYSIS

### Florida Office of Financial Regulation

<u>BILL INFORMATION</u>	
<b>BILL NUMBER:</b>	SB 1440
<b>BILL TITLE:</b>	Public Records/Office of Financial Regulation/Cybersecurity Event
<b>BILL SPONSOR:</b>	Senator Martin
<b>EFFECTIVE DATE:</b>	Effective the same date that SB 540 or similar legislation takes effect

<u>COMMITTEES OF REFERENCE</u>	<u>CURRENT COMMITTEE</u>
1)	
2)	
3)	
4)	
5)	

<u>PREVIOUS LEGISLATION</u>	
<b>BILL NUMBER:</b>	
<b>SPONSOR:</b>	
<b>YEAR:</b>	
<b>LAST ACTION:</b>	

<u>IDENTICAL BILLS</u>	
<b>BILL NUMBER:</b>	HB 777
<b>SPONSOR:</b>	Representative Barnaby

<u>Is this bill part of an agency package?</u>
Yes

<u>BILL ANALYSIS INFORMATION</u>	
<b>DATE OF ANALYSIS:</b>	January 21, 2026
<b>LEAD AGENCY ANALYST:</b>	Ash Mason, Director of Legislative Affairs (850) 410-9789
<b>ADDITIONAL ANALYST(S):</b>	
<b>LEGAL ANALYST:</b>	Anthony Cammarata, General Counsel (850) 410-9601
<b>FISCAL ANALYST:</b>	Buckley Vernon, Budget Director (850) 410-9673



# 2026 AGENCY LEGISLATIVE BILL ANALYSIS

## Florida Office of Financial Regulation

### POLICY ANALYSIS

#### A. EXECUTIVE SUMMARY

SB 1440 provides exemptions from public record requirements for various records held by the Office of Financial Regulation (OFR) related to regulated entities cybersecurity programs and their reports of cybersecurity related events.

#### B. SUBSTANTIVE BILL ANALYSIS

##### 1. PRESENT SITUATION:

2026 bills SB 540 and HB 381 create requirements for mortgage lenders, brokers, and money service businesses to implement information security programs, incident response plans, and report breaches of these. It requires financial institutions to comply with information security measures and notify OFR of breaches of these measures. By regulating these provisions, the OFR will obtain documents that contain proprietary information about security systems that could result in the identification of vulnerabilities. There are not current exemptions from public records for these items. Release of these documents could jeopardize the security systems, risking the release of customers nonpublic personal data.

##### 2. EFFECT OF THE BILL:

SB 1440 amends section 494.00125, Florida Statutes. New section 494.00125(4), Florida Statutes, provides that all information received by OFR from loan originators, mortgage brokers, and mortgage lenders pursuant to section 494.00123, Florida Statutes, or received as the result of a cybersecurity investigation by OFR or a law enforcement agency would be confidential and exempt from public records until the investigation is complete or ceases to be active. The bill states that it is a public necessity that this information be made confidential and exempt from public disclosure.

The bill amends section 560.129, Florida Statutes, to add a provision that all information received by OFR from a money service business pursuant to section 560.1311 Florida statutes, or an investigation by the office or law enforcement agency is confidential and exempt from s. 119.07(1), Florida Statutes, until the investigation is complete or ceases to be active.

The bill creates section 655.0171(6), Florida Statutes, which states that information received by the OFR from a financial institution as a result of a notification by a financial institution of a data security breach or received pursuant to an investigation by the office or a law enforcement agency is confidential and exempt until the investigation is complete or ceases to be active. Information that is confidential may be released if the office determines that doing so would assist in notifying the public or locating or identifying a person believed to be a victim of a data breach or improper disposal of customer records or to another governmental entity in the furtherance of their duties. Once the investigation is complete or ceases to be active some information would remain confidential including a computer forensic report, information that reveal weaknesses in a



## 2026 AGENCY LEGISLATIVE BILL ANALYSIS

### Florida Office of Financial Regulation

financial institution's data security, and the institution's proprietary information. The bill finds that it is a public necessity to protect disclosure of this information.

Section 655.057, Florida Statutes, is amended to include provisions that specified information related to the authority to organize a new financial institution is confidential and exempt from section 119.071(1). The exemptions include books and records of a current or proposed financial institution, the proposed business plan, and the personal identifying information of a proposed officer or director who is employed or participates in the affairs of another financial institution. Personal identifying information is not defined in Chapter 655. It is defined in s. 501.171, Florida Statutes, the Consumer Protection Act, as being an individual's first name along with another item such as social security number or other government identification. Section 817.568, Florida Statutes defines personal identifying information as "any name or number that may be used, alone or in conjunction with any other information, to identify a specific person.."

These provisions will be repealed on October 2, 2031 unless reenacted by the Legislature.

**3. DOES THE LEGISLATION DIRECT OR ALLOW THE AGENCY/BOARD/COMMISSION/DEPARTMENT TO DEVELOP, ADOPT, OR ELIMINATE RULES, REGULATIONS, POLICIES, OR PROCEDURES? Y N**

If yes, explain:	Current section 560.105, Florida Statutes, allows the Financial Services Commission to adopt rules to administer Chapter 560.
Is the change consistent with the agency's core mission?	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Rule(s) impacted (provide references to F.A.C., etc.):	

**4. WHAT IS THE POSITION OF AFFECTED CITIZENS OR STAKEHOLDER GROUPS?**

Proponents and summary of position:	Unknown
Opponents and summary of position:	Unknown

**5. ARE THERE ANY REPORTS OR STUDIES REQUIRED BY THIS BILL?**

Y N

If yes, provide a description:	
Date Due:	
Bill Section Number(s):	



## 2026 AGENCY LEGISLATIVE BILL ANALYSIS

### Florida Office of Financial Regulation

**6. ARE THERE ANY NEW GUBERNATORIAL APPOINTMENTS OR CHANGES TO EXISTING BOARDS, TASK FORCES, COUNCILS, COMMISSIONS, ETC. REQUIRED BY THIS BILL?**

N☒

Board:	
Board Purpose:	
Who Appoints:	
Changes:	
Bill Section Number(s):	

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### FISCAL ANALYSIS

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**1. FISCAL IMPACT TO LOCAL GOVERNMENT**

N☒

Revenues:	
Expenditures:	
Does the legislation increase local taxes or fees? If yes, explain.	
If yes, does the legislation provide for a local referendum or local governing body public vote prior to implementation of the tax or fee increase?	

**2. FISCAL IMPACT TO STATE GOVERNMENT**

N☒

Revenues:	
Expenditures:	Staff responsible for compliance with public record requests may require training related to the new public record exemptions. Additionally, the OFR may experience additional workload associated with the redaction of exempt information prior to the release of a record. However, this workload should be absorbed as



## 2026 AGENCY LEGISLATIVE BILL ANALYSIS

### Florida Office of Financial Regulation

	part of the day-to-day agency responsibilities, and offset by fees collected for the preparation and copying of public records. <sup>48</sup> The OFR reports that “the lack of protection for this sensitive information in Florida may influence an applicant to choose a national charter over a state charter.” <sup>49</sup> The new public records exemption may cause an increase in the number of applications for new state banks or state trust companies that the OFR receives.
Does the legislation contain a State Government appropriation?	No
If yes, was this appropriated last year?	

### 3. FISCAL IMPACT TO THE PRIVATE SECTOR

Y  N

Revenues:	
Expenditures:	The private sector will be subject to the cost, to the extent imposed, associated with redactions made in response to a public record request. Those individuals or businesses that wish to protect trade secret information submitted to the OFR as part of their application to organize a new state bank or new state trust company under ch. 658, F.S., may no longer be required to use court processes to declare the information trade secret, and thus exempt from production as a public record. <sup>47</sup> The submitter will be able to rely on the public record exemption for specific information instead.
Other:	

### 4. DOES THE BILL INCREASE OR DECREASE TAXES, FEES, OR FINES?

Y  N

If yes, explain impact.	
Bill Section Number:	

### TECHNOLOGY IMPACT



## 2026 AGENCY LEGISLATIVE BILL ANALYSIS

### Florida Office of Financial Regulation

1. DOES THE BILL IMPACT THE AGENCY'S TECHNOLOGY SYSTEMS (I.E. IT SUPPORT, LICENSING SOFTWARE, DATA STORAGE, ETC.)?

Y  N

If yes, describe the anticipated impact to the agency including any fiscal impact.		
--	--	--

### FEDERAL IMPACT

1. DOES THE BILL HAVE A FEDERAL IMPACT (I.E. FEDERAL COMPLIANCE, FEDERAL FUNDING, FEDERAL AGENCY INVOLVEMENT, ETC.)?

Y  N

If yes, describe the anticipated impact including any fiscal impact.	
--	--

### ADDITIONAL COMMENTS

None.

### LEGAL - GENERAL COUNSEL'S OFFICE REVIEW

OGC has reviewed the agency's bill analysis, and it sufficiently details the possible effects of the bill and the areas of impact.

1-28-25

The Florida Senate

1440

B&I

Meeting Date

## APPEARANCE RECORD

Bill Number or Topic

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

Amendment Barcode (if applicable)

Name ASH Mason Phone \_\_\_\_\_

Address 200 E. Gaines St. Email ash.mason@flsenate.gov

Street

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:

Office of Financial Regulation

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. 2020-2022JointRules.pdf (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 1440  
**Final Action:** Favorable with Committee Sub

**Tab #:** 8  
**Sponsor:** Martin  
**Subject:** Public Records/Office of Financial  
Regulation/Cybersecurity Event

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

**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 Banking and Insurance

---

BILL: SB 1504

INTRODUCER: Banking and Insurance Committee and Senator Calatayud

SUBJECT: Insurance Customer Representative Licensing Qualifications

DATE: January 29, 2026      REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Knudson	Knudson	BI	Fav/CS
2. _____	_____	AEG	_____
3. _____	_____	RC	_____

---

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

---

### I. Summary:

CS/SB 1504 creates an alternative to the requirement under current law that a customer representative licensee must, within 4 years of applying for licensure, have either earned a degree from an accredited institution of higher learning that included at least 9 credit hours of insurance instruction or have earned one of various specified insurance-related designations issued by specified entities. The bill provides that an insurance customer representative licensee may instead have earned a diploma from a Florida high school which includes one-half credit hour in insurance and personal finance. The high school diploma must have been earned within 4 years preceding the date an application for licensure as a customer representative is filed with the Department of Financial Services (DFS).

The bill requires the Department of Education, in consultation with the Department of Financial Services, to develop a 0.5 credit course in insurance and personal finance which is available to school districts for use beginning with the 2027-2028 school year. The course must include a comprehensive analysis of basic property and casualty lines of insurance consistent with the instructional designations provided under s. 626.7351(3), F.S. for licensure as an insurance customer representative.

The bill's effective date is January 1, 2027.

## II. Present Situation:

### **Licensure of Insurance Agents and Agencies by the Department of Financial Services**

The Florida Insurance Code provides that “no person may be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person.” The DFS issues licenses for general lines agents, life and health insurance agents, title insurance agents, and bail bond agents. The general lines agent license has the broadest scope of the foregoing, as general lines agents are defined in statute as an agent that transacts one or more of the following: property insurance, casualty insurance, surety insurance, health insurance, or marine insurance. The DFS also licenses insurance agencies<sup>1</sup>, which are the business locations (other the business location of an insurer or adjuster) that house the activities of licensed insurance agents.<sup>2</sup>

### **Insurance Customer Representatives**

A customer representative is defined under the Florida Licensing Procedures Law as an individual appointed by a general lines agent or agency to assist that agent or agency in transacting the business of insurance from the office of the agent or agency.<sup>3</sup> A customer representative may take insurance applications, give quotes, interpret policies, explain procedures, give insurance advice, solicit new customers at the agent’s office or by phone from that office, and bind new or additional coverages.<sup>4</sup> A customer representative must work under the direct supervision of a licensed and appointed Florida resident general lines agent. All business transacted by a customer representative under his or her license must be in the name of the agent or agency by which he or she is appointed, and the agent or agency is responsible for all acts of the customer representative within the scope of such appointment.<sup>5</sup>

A customer representative may be employed by only one agent or agency and the agency must appoint one designated agent within the agency who will supervise the work of the applicant and his or her conduct in the insurance business.<sup>6</sup> A customer representative must be a salaried employee of the agent or agency and the customer representative’s salary may not be primarily based on commissions, the production of applications, insurance, or premiums. A customer representative may not transact insurance outside of the office of his or her supervising agent or agency.<sup>7</sup> A customer representative must be housed wholly and completely within the actual confines of the office of the agent or agency whom he or she represents.<sup>8</sup> A customer representative may not be employed from any location except where an agent licensed to write such lines spends his or her full time in charge of such location.

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<sup>1</sup> See s. 626.172, F.S.

<sup>2</sup> See s. 626.015(10), F.S.

<sup>3</sup> Section 626.015(6), F.S.

<sup>4</sup> Department of Financial Services, *Insurance Agent and Agency Services Compliance Information: General Linces Agents and Customer Representatives – Customer Representative Authority*,

<https://myfloridacfo.com/division/agents/compliance/general-lines-agents-customer-reps> (last accessed January 21, 2026).

<sup>5</sup> Section 626.7354(5), F.S.

<sup>6</sup> Section 626.7351(5), F.S.

<sup>7</sup> Section 626.7354(4), F.S.

<sup>8</sup> Section 626.7352, F.S.

## Customer Representative Licensure

A customer representative must be currently licensed by DFS and appointed by an appropriate appointing entity or person.<sup>9</sup> The customer representative's license is limited to the kinds of insurance for which the agent or agency by which he or she is employed is licensed and cannot include life insurance or any kind.<sup>10</sup> To obtain licensure from DFS as a customer representative, a prospective licensee must apply for licensure with DFS, meet the requirements for licensure, and pay all applicable fees.<sup>11</sup>

The license of a customer representative must cover all classes of insurance that his or her appointing general lines agent or agency is currently authorized to transact.<sup>12</sup> Section 626.7351, F.S., sets forth the following mandatory requirements for licensure as a customer representative:

- The applicant for licensure must be found by DFS to be trustworthy and competent to hold licensure and be a natural person at least 18 years of age.
- The applicant must be either a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and is a bona fide resident of this state and will actually reside in the state at least 6 months out of the year<sup>13</sup>, or a resident of another state sharing a common boundary with this state and has been employed in this state for a period of not less than six months by a Florida resident general lines agent licensed and appointed under this chapter.
- The applicant must meet all requirements in ch. 626, F.S., for licensure as a customer representative.
- The applicant will be employed by only one agent or agency and the agency must appoint one designated agent within the agency who will supervise the work of the applicant, and the applicant will spend all of his or her business time in the employment of the agent or agency and will be domiciled in the office of the appointing agent or agency.
- The applicant must satisfy an educational requirement within 4 years preceding applying for licensure. The education requirement is satisfied if the applicant earned a degree from an accredited institution of higher learning approved by DFS that includes at least 9 credit hours of insurance instruction including specific instruction in property, casualty, and inland marine insurance, or if the applicant has earned one of various designations related to being an insurance professional which are set forth in statute.<sup>14</sup>

<sup>9</sup> Section 626.112, F.S.

<sup>10</sup> Section 626.7354(2), F.S.

<sup>11</sup> Section 626.171, F.S.

<sup>12</sup> Section 626.311, F.S.

<sup>13</sup> An individual who is a bona fide resident of this state shall be deemed to meet the residence requirements of this subsection, notwithstanding the existence at the time of application for license of a license in his or her name on the records of another state as a resident licensee of the other state, if the applicant furnishes a letter of clearance satisfactory to the department that the resident licenses have been canceled or changed to a nonresident basis and that he or she is in good standing. See s. 627.7351(2)(a), F.S.

<sup>14</sup> Section 627.7351(3), F.S. The designations specified in statute are the designation of Accredited Advisor in Insurance (AAI), Associate in General Insurance (AINS), or Accredited Customer Service Representative (ACSR) from the Insurance Institute of America; the designation of Certified Insurance Counselor (CIC) from the Society of Certified Insurance Service Counselors; the designation of Certified Professional Service Representative (CPSR) from the National Foundation for CPSR; the designation of Certified Insurance Service Representative (CISR) from the Society of Certified Insurance Service Representatives; the designation of Certified Insurance Representative (CIR) from All-Lines Training; the designation of

- A customer representative licensee may not be a licensed agent or licensed service representative<sup>15</sup>.

## Florida Requirements for a Standard High School Diploma

Receipt of a standard high school diploma in Florida requires successful completion of 24 credits, which must include:

- Four credits in English Language Arts;
- Four credits in mathematics;
- Three credits in science;
- Three credits in social studies;
- One credit in fine or performing arts, speech and debate, or career and technical education;
- One credit in physical education;
- Seven and one-half credits in electives; and
- One-half credit in personal financial literacy.<sup>16</sup>

The credit requirement for personal financial literacy was established through the Dorothy L. Hukill Financial Literacy Act (Hukill Act), which requires that, beginning with students entering grade 9 in the 2023-2024 school year, students must earn one-half credit in personal financial literacy and money management in order to receive a standard high school diploma.<sup>17</sup> The purpose of the Hukill Act is to better prepare young people in Florida for adulthood by providing them with the requisite knowledge to achieve financial stability and independence. The one-half credit in personal financial literacy and money management must include discussion of or instruction in all the following:

- Types of bank accounts offered, opening and managing a bank account, and assessing the quality of a depository institution's services.
- Balancing a checkbook.
- Basic principles of money management, such as spending, credit, credit scores, and managing debt, including retail and credit card debt.
- Completing a loan application.
- Receiving an inheritance and related implications.
- Basic principles of personal insurance policies.
- Computing federal income taxes.
- Local tax assessments.
- Computing interest rates by various mechanisms.

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Chartered Customer Service Representative (CCSR) from American Insurance College; the designation of Professional Customer Service Representative (PCSR) from the Professional Career Institute; the designation of Insurance Customer Service Representative (ICSR) from Statewide Insurance Associates LLC; the designation of Registered Customer Service Representative (RCSR) from a regionally accredited postsecondary institution in the state whose curriculum is approved by the department and includes comprehensive analysis of basic property and casualty lines of insurance and testing which demonstrates mastery of the subject.

<sup>15</sup> Section 626.015(19), F.S., defines a “service representative” as an individual employed by an insurer or managing general agent for the purpose of assisting a general lines agent in negotiating and effecting insurance contracts (other than life insurance) when accompanied by a licensed general lines agent.

<sup>16</sup> Section 1003.4282, F.S.

<sup>17</sup> Chapter 2022-17, Laws of Florida.

- Simple contracts.
- Contesting an incorrect billing statement.
- Types of savings and investments.
- State and federal laws concerning finance.
- Costs of postsecondary education, including cost of attendance, completion of the Free Application for Federal Student Aid, scholarships and grants, and student loans.

### **High School Elective Courses**

Florida law requires school districts to develop and offer coordinated electives so that a student may develop knowledge and skills in his or her area of interest, such as electives with a STEM or liberal arts focus.<sup>18</sup> Such electives must include opportunities for students to earn college credit, including industry-certified career education programs or series of career-themed courses that result in industry certification or articulate into the award of college credit, or career education courses for which there is a statewide or local articulation agreement and which lead to college credit.

### **III. Effect of Proposed Changes:**

**Section 1** amends s. 626.7351, F.S., which sets forth the requirements DFS must follow when granting or issuing a license as a customer representative. Current law requires that a customer representative licensee must have within 4 years of applying for licensure either earned a degree from an accredited institution of higher learning that included at least 9 credit hours in certain insurance-related instruction or have earned one of various specified insurance-related designations issued by certain entities. The bill provides that an insurance customer representative licensee may instead have earned a diploma from a Florida high school which includes one-half credit hour in insurance and personal finance. The high school diploma must have been earned within 4 years preceding the date an application for licensure as a customer representative is filed with the Department of Financial Services (DFS).

**Section 2** creates s. 1003.4207, F.S., to require that no later than January 1, 2027, the Department of Education, in consultation with DFS, must develop a 0.5 credit course in insurance and personal finance which will be available to school districts for use beginning with the 2027-2028 school year. The course must include a comprehensive analysis of basic property and casualty lines of insurance consistent with the instructional designations for licensure as a customer representative provided under s. 626.7351(3), F.S.

**Section 3** provides that the act is effective January 1, 2027.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

---

<sup>18</sup> Section 1003.4282(3)(g), F.S.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**D. State Tax or Fee Increases:**

None.

**E. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Increasing opportunities for high school students to take elective courses related to insurance that meet statutory educational requirements for customer representatives should enhance job opportunities for those students in the insurance industry and create a larger pool of potential employees for insurers and insurance agencies.

**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: 626.7351

This bill creates the following sections of the Florida Statutes: 1003.4207

**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 Banking and Insurance Committee on January 28, 2026:**

- Provides that the alternative educational requirement for licensure as an insurance customer representative created by the bill is satisfied by a high school diploma that includes one-half credit hour in insurance and personal finance.
- Requires the Department of Education, in consultation with the Department of Financial Services, to develop a 0.5 credit course in insurance and personal finance which is available to school districts for use beginning with the 2027-2028 school year.

**B. Amendments:**

None.

---

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

---



LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/29/2026	.	
	.	
	.	
	.	

---

The Committee on Banking and Insurance (Calatayud) recommended the following:

1                   **Senate Amendment (with title amendment)**

2

3                   Delete lines 40 - 49

4 and insert:

5                   a diploma from a Florida high school in which the applicant  
6                   completed the insurance and personal finance course provided in  
7                   s. 1003.4207; or a degree from an accredited institution of  
8                   higher learning approved by the department when the degree  
9                   includes a minimum of 9 credit hours of insurance instruction,  
10                   including specific instruction in the areas of property,



11 casualty, and inland marine insurance. The department shall  
12 adopt rules establishing standards for the approval of  
13 curriculum.

14 Section 2. Section 1003.4207, Florida Statutes, is created  
15 to read:

16 1003.4207 Insurance and personal finance course.—No later  
17 than January 1, 2027, the Department of Education, in  
18 consultation with the Department of Financial Services, shall  
19 develop a 0.5 credit course in insurance and personal finance  
20 which is available to school districts for use beginning with  
21 the 2027-2028 school year. The course must include a  
22 comprehensive analysis of basic property and casualty lines of  
23 insurance consistent with the instructional designations  
24 provided under s. 626.7351(3).

25  
26 ===== T I T L E A M E N D M E N T =====  
27 And the title is amended as follows:

28 Between lines 5 and 6

29 insert:

30 creating s. 1003.4207, F.S.; requiring the Department  
31 of Education, in consultation with the Department of  
32 Financial Services, to develop a specified insurance  
33 and personal finance course no later than a specified  
34 date;

**By Senator Calatayud**

38-01130-26

20261504

A bill to be entitled

2 An act relating to insurance customer representative  
3 licensing qualifications; amending s. 626.7351, F.S.;  
4 revising the qualifications for applicants for a  
5 license as an insurance customer representative;  
6 providing an effective date.

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

10 Section 1. Subsection (3) of section 626.7351, Florida  
11 Statutes, is amended to read:

12       626.7351 Qualifications for customer representative's  
13 license.—The department shall not grant or issue a license as  
14 customer representative to any individual found by it to be  
15 untrustworthy or incompetent, or who does not meet each of the  
16 following qualifications:

17       (3) Within 4 years preceding the date that the application  
18 for license was filed with the department, the applicant has  
19 earned the designation of Accredited Advisor in Insurance (AAI),  
20 Associate in General Insurance (AINS), or Accredited Customer  
21 Service Representative (ACSR) from the Insurance Institute of  
22 America; the designation of Certified Insurance Counselor (CIC)  
23 from the Society of Certified Insurance Service Counselors; the  
24 designation of Certified Professional Service Representative  
25 (CPSR) from the National Foundation for CPSR; the designation of  
26 Certified Insurance Service Representative (CISR) from the  
27 Society of Certified Insurance Service Representatives; the  
28 designation of Certified Insurance Representative (CIR) from  
29 All-Lines Training; the designation of Chartered Customer

Page 1 of 2

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

38-01130-26

20261504

30 Service Representative (CCSR) from American Insurance College;  
31 the designation of Professional Customer Service Representative  
32 (PCSR) from the Professional Career Institute; the designation  
33 of Insurance Customer Service Representative (ICSR) from  
34 Statewide Insurance Associates LLC; the designation of  
35 Registered Customer Service Representative (RCSR) from a  
36 regionally accredited postsecondary institution in the state  
37 whose curriculum is approved by the department and includes  
38 comprehensive analysis of basic property and casualty lines of  
39 insurance and testing which demonstrates mastery of the subject;  
40 a diploma from a Florida high school which includes 0.5 credit  
41 hour in Personal Finance and Money Management, 0.5 credit hour  
42 in Economics and Personal Finance, and 0.5 credit hour in  
43 Insurance and Personal Finance; or a degree from an accredited  
44 institution of higher learning approved by the department when  
the degree includes a minimum of 9 credit hours of insurance  
45 instruction, including specific instruction in the areas of  
46 property, casualty, and inland marine insurance. The department  
47 shall adopt rules establishing standards for the approval of  
48 curriculum.

Section 2. This act shall take effect January 1, 2027.

Page 2 of 2

**CODING:** Words ~~strieken~~ are deletions; words underlined are additions.



The Florida Senate

## Committee Agenda Request

**To:** Senator Joe Gruters, Chair  
Committee on Banking and Insurance

**Subject:** Committee Agenda Request

**Date:** January 20, 2026

---

I respectfully request that **Senate Bill #1504**, relating to Insurance Customer Representative Licensing Qualifications, 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

1/28/26

Meeting Date

## Banking and Insurance

Committee

Name BG Murphy

Address 3195 Shamrock St. S.

Street

Tallahassee

FL

32309

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 Association of Insurance Agents**

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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://flsenate.gov/2020-2022JointRules.pdf)*

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

S-001 (08/10/2021)

The Florida Senate

## APPEARANCE RECORD

1/28/26

Meeting Date

BIS

Committee

Name Tim Meenan

Address 300 S. Div. 1

Street

Tall.

FL

Zip

1504

Bill Number or Topic

Amendment Barcode (if applicable)

(850) 284-9240

Phone

Email

Tim@meenanlafirm.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:

National Association of Insurance  
Financial Advisors

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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://flsenate.gov/2020-2022JointRules.pdf)

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

S-001 (08/10/2021)

01/28/26

Meeting Date

RANKIN + INSURANCE

Committee

The Florida Senate

## APPEARANCE RECORD

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

SB 1504

Bill Number or Topic

Amendment Barcode (if applicable)

Name HANNAH CHRISTIAN

Phone (850) 413-4938

Address 200 E GAMES ST

Email

Street

TRENTON

FL

32398

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:

CEO BLAISE INOBGLIA

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. [2020-2022JointRules.pdf](https://flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)

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

S-001 (08/10/2021)

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 1504  
**Final Action:** Favorable with Committee Sub

**Tab #:** 9  
**Sponsor:** Calatayud  
**Subject:** Insurance Customer Representative Licensing Qualifications

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

**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 Banking and Insurance

BILL: SB 1668

INTRODUCER: Senator Burton

SUBJECT: Florida Birth-Related Neurological Injury Compensation Association

DATE: January 27, 2026 REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Johnson	Knudson	BI	<b>Favorable</b>
2. _____	_____	AEG	_____
3. _____	_____	RC	_____

### I. Summary:

SB 1668 revises provisions relating to the Florida Birth-Related Neurological Injury Compensation Association (NICA). In 1988, the Legislature created the Florida Birth-Related Neurological Injury Compensation plan<sup>1</sup> (plan) to provide compensation, long-term medical care, and other services to individuals with birth-related neurological injuries.<sup>2</sup> If an infant suffers such an injury, and the physician participates in NICA and delivers obstetrical services in connection with the birth, then an administrative award for a compensable injury is the individual's sole and exclusive remedy for the injury, with exceptions.<sup>3</sup> Although the benefits paid under the plan are limited, the plan does not require the claimant to prove malpractice and provides a streamlined administrative hearing process to resolve the claim.<sup>4</sup> The primary, initial funding for the plan is provided through assessments on physicians and hospitals with exceptions.

SB 1668 revises the process for NICA and the Office of Insurance Regulation (OIR) to evaluate the actuarial soundness and adequacy of cash flows of the plan and to access additional revenue for the plan if OIR determines that the plan does not have adequate cash flows or is not actuarially sound. The bill:

- Defines the term, "actuarially sound," to mean the total plan assets available to fund future liabilities are equal to or greater than 90 percent of the present value of total estimated liabilities excluding any risk margin.
- Defines the term, "risk margin," to mean an additional, explicit allowance above the best-estimate reserve to reflect uncertainty in future claim payments, including variation in

<sup>1</sup> Section 766.303(1), F.S.

<sup>2</sup> Chapter 88-1, Laws of Fla., was enacted by the Legislature to stabilize and reduce malpractice insurance premiums for physicians practicing obstetrics. The intent of the Legislature is to provide compensation for birth-related neurological injuries, that result in unusually high costs for custodial care and rehabilitation. Section 766.301, F.S.

<sup>3</sup> Section 766.31(1), F.S.

<sup>4</sup> See *Florida Birth-Related Neurological Injury Compensation Ass'n v. McKaughan*, 668 So.2d 974, 977 (Fla. 1996).

claimant life expectancy and the number and cost of pending or unreported claims. The risk margin is not included in the reserve amount used to calculate the funding ratio.

- Revises the scope and process of OIR's actuarial valuation of the assets and liabilities of the plan. OIR must conduct such a valuation based on the assets and liabilities of the plan for the calendar year before the year in which the actuarial valuation is due. Further, the OIR must also determine whether:
  - The plan has adequate estimated cash flow for the following fiscal year;
  - The plan is actuarially sound, and if not, whether the plan is likely to return to actuarial soundness before the next biennial review.
- Increases the amount the OIR may transfer from the Insurance Regulatory Trust Fund to NICA for funding the plan, to up to \$50 million, if OIR determines that the plan lacks adequate cash flow for the following fiscal year. Currently, the OIR may transfer up to \$20 million from the trust fund to NICA if the annual hospital and provider assessments are insufficient to maintain the plan on an actuarially sound basis.
- Limits to 5 years the assessments OIR may impose on each casualty insurer writing liability, malpractice, and miscellaneous casualty insurance annually up to 0.25 percent of net direct premiums written to achieve actuarial soundness of the plan.
- Provides that, if OIR finds that the plan is not actuarially sound pursuant to its review, NICA must submit quarterly reports to that provide projections of the plan's financial condition and, if assessments were ordered by OIR, NICA must submit projected revenues for such assessments.
- Requires that, if NICA finds the plan is not actuarially sound and the remedies provided through assessments are insufficient to reestablish actuarial soundness, NICA must, within 60 days after such finding, notify the Governor, the President of the Senate, the Speaker of the House of Representatives, and OIR. Once NICA issues this notice, NICA may not accept any new claims without explicit authority from the Legislature. However, this does not preclude NICA from accepting any claim if the injury occurred 18 months or more before the effective date of this enrollment suspension. Under current law, for the 2025-2026 fiscal year, NICA is authorized to accept new claims during the fiscal year if the total current estimates exceed 100 percent of the funds on hand and the funds that will be available to NICA within the next 12 months.

The bill also:

- Updates the statutory provisions to replace the term, "child" with "participant." According to NICA, 40 percent of current NICA participants are adults.
- Requires family members to continuously maintain comprehensive major medical health coverage for a NICA participant or the participant must be covered by Medicaid.
- Specifies that NICA benefits include:
  - The costs of major medical health coverage for the participant, including the premium and out-of-pocket costs.
  - Reimbursement of Florida Medicaid fee-for-service and capitation rate paid claims for NICA participants.
  - Dental services for the participant.
  - Legal costs associated with establishing and maintaining guardianship for a participant.

- Revises the NICA plan of operation to include a fraud and overpayment prevention and detection program.

The effective date of the bill is July 1, 2026.

## II. Present Situation:

In 1988, the Legislature created the Florida Birth-Related Neurological Injury Compensation Association (NICA) to provide exclusive remedy, irrespective of fault, for infants who have sustained a birth-related neurological injury.<sup>5</sup> A “birth-related neurological injury” is an injury to the brain or spinal cord of a live infant who weighs at least 2,500 grams for a single gestation or, in the case of a multiple gestation, a live infant who weighs at least 2,000 grams at birth caused by oxygen deprivation or by mechanical injury occurring in the course of labor, delivery, or resuscitation in the immediate post-delivery period in a hospital.<sup>6</sup> Such an injury addressed by this statute renders the infant permanently and substantially mentally and physically impaired.<sup>7</sup> As of June 30, 2025, there were 253 NICA participants receiving ongoing benefits through the plan.<sup>8</sup>

NICA is governed by a board of directors appointed by the Chief Financial Officer.<sup>9</sup> Board meeting are subject to public meeting and record requirements of s. 286.011, F.S.<sup>10</sup>

### Filing a Claim for Benefits

A claim for compensation under the plan must be filed within five years of the birth of an infant alleged to be injured.<sup>11</sup> First, the parents or guardians of the infant must file a petition with the Division of Administrative Hearings (DOAH).<sup>12</sup> Then, the DOAH serves a copy of the petition upon NICA, the physician and hospital named in the petition, the Division of Medical Quality Assurance of the Department of Health, and the Agency for Health Care Administration (agency).<sup>13</sup> Within 10 days of filing the petition, the parents or guardian must provide to NICA all medical records, assessments, evaluations and prognoses, documentation of expenses, and documentation of any private or governmental source of services, or reimbursement relative to the impairments.<sup>14</sup>

Within 45 days from the date of service of a complete claim, NICA must file a response to the petition and submit relevant written information relating to the issue of whether the injury

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<sup>5</sup> Section 766.301, F.S.

<sup>6</sup> Section 766.302(2), F.S.

<sup>7</sup> *Id.*

<sup>8</sup> NICA, Report of the Florida Birth-Related Neurological Injury Compensation Association to the Governor, Legislature, and Chief Financial Officer (Nov. 2025), ([2025-Legislatively-Mandated-Report-Nov.pdf](https://www.floridahouse.gov/legislature/legislative-mandated-reports/2025-legislatively-mandated-report-nov.pdf)) (last visited Jan. 23, 2026).

<sup>9</sup> Section 766.315(1), F.S.

<sup>10</sup> Section 766.315(5), F.S.

<sup>11</sup> Section 766.313, F.S.

<sup>12</sup> Section 766.305, F.S.

<sup>13</sup> Section 766.305(2), F.S.

<sup>14</sup> Section 766.305(3), F.S.

alleged is a birth-related neurological injury.<sup>15</sup> An administrative law judge (ALJ) from DOAH will set a hearing on the claim to be conducted 60-120 days from the petition filing date.<sup>16</sup>

The issue of whether the claim for compensation is covered by the plan is determined exclusively in an administrative proceeding.<sup>17</sup> The ALJ presiding over the hearing makes the following determinations:

- Whether the injury claimed is a birth-related neurological injury;
- Whether obstetrical services were delivered by a participating physician;
- How much compensation, if any, is awardable under s. 766.31, F.S.; and
- Whether, if raised by the claimant or other party, the factual determination regarding the notice requirement in s. 766.316, F.S.<sup>18</sup>

If the ALJ determines that an injury meets the definition of a birth-related neurological injury, compensation from the Plan is the exclusive legal remedy.<sup>19</sup> If the ALJ determines that, the injury alleged is not a birth-related neurological injury or that a participating physician did not deliver the obstetrical services, the ALJ will enter an order to that effect.<sup>20</sup> The ALJ may also bifurcate the proceeding and address compensability and notice first, and address an award, if any, in a separate proceeding.<sup>21</sup> If any party chooses to appeal the ALJ's order under s. 766.309, F.S., the appeal must be filed in the District Court of Appeal.<sup>22</sup> **Benefits<sup>23</sup>**

The plan pays benefits, on behalf of a participant, including actual expenses for medically necessary and reasonable medical and hospital, rehabilitative and training, family residential or custodial care and service, professional residential, and custodial care and service, drugs, special equipment, facilities, and related travel.<sup>24</sup> At a minimum, the statutes require the plan to pay compensation for the following actual expenses:

- Annual psychotherapeutic services benefit of up to \$10,000 for immediate family members who reside with the plan participant.
- Transportation benefits, which includes providing parents or legal guardians with a reliable method of transportation for the care of the participant or reimbursing the cost of upgrading an existing vehicle to accommodate the participant's needs when it becomes medically necessary for wheelchair transportation. The plan must replace any vans purchased by the plan every 7 years or 150,000 miles, whichever comes first.
- Housing assistance of up to \$100,000 for the life of the participant, including home construction and modifications.

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<sup>15</sup> Section 766.305(4), F.S.

<sup>16</sup> Section 766.307(1), F.S.

<sup>17</sup> Section 766.301(1)(d), F.S.

<sup>18</sup> Section 766.309(1), F.S.

<sup>19</sup> Section 766.303(2), F.S., only allows a civil action in place of a claim under the plan where there is clear and convincing evidence of bad faith or malicious purpose or willful and wanton disregard of human rights, safety, or property.

<sup>20</sup> Section 766.309(2), F.S.

<sup>21</sup> Section 766.309(4), F.S.

<sup>22</sup> Section 766.311(1), F.S.

<sup>23</sup> Section 766.31, F.S.

<sup>24</sup> The plan excludes coverage for expenses that are compensable by state or federal governments, or by private insurers. Section 766.31(1)(a), F.S.

In addition, the plan must provide compensation for the following items:

- Periodic or lump-sum award to the parents or legal guardians, in an amount not to exceed \$250,000;<sup>25</sup>
- Death benefit in the amount of \$50,000 for the participant;<sup>26</sup> and
- Reasonable expenses for filing the claim under the plan, including attorney's fees.<sup>27</sup>

The plan does not reimburse or pay expenses that might otherwise be covered by insurance or any private or governmental programs, unless such exclusion is prohibited by state or federal law.<sup>28</sup>

## NICA Funding

The Florida Legislature appropriated \$20 million<sup>29</sup> to initially fund the plan at its inception and authorized annual assessments of physicians and hospitals thereafter.<sup>30</sup> A participating physician is required to pay a \$5,000 fee each year for coverage on a calendar year basis.<sup>31</sup> All licensed Florida physicians pay a mandatory fee of \$250, regardless of specialty.<sup>32</sup> Hospitals pay \$50 for each live birth during the previous calendar year. Certain exemptions apply to all of these categories, including resident physicians, retired physicians, government physicians, and facilities.<sup>33</sup> The amount of the physician and hospital assessments have remained unchanged since the plan's inception in 1988.<sup>34</sup> Section 755.314, F.S., also requires OIR to maintain an appropriation of \$20 million in the Insurance Regulatory Trust Fund for NICA.

Section 766.314, F.S., provide alternative funding mechanisms for the plan if the assessments collected by NICA "are insufficient to maintain the plan on an actuarially sound basis." The first remedy is to require OIR to transfer up to \$20 million from the Insurance Regulatory Trust Fund.<sup>35</sup> If the appropriation and assessments do not result in the plan being maintained on an actuarially sound basis, the OIR may assess casualty insurers up to 0.25 percent of net direct premiums written in proportion to the total amount of all net direct premiums written by casualty insurers.<sup>36</sup> Lastly, s. 766.314(7)(b), F.S., requires that, if OIR finds that the plan cannot be

<sup>25</sup> Section 766.31(1)(d), F.S. This amount is increased annually by three percent.

<sup>26</sup> Section 766.31(1)(d)2.a., F.S.

<sup>27</sup> Section 766.31(1)(e), F.S.

<sup>28</sup> Section 766.31(1)(a), F.S.

<sup>29</sup> Ch. 88-277, Laws of Fla.

<sup>30</sup> Section 766.314, F.S.

<sup>31</sup> *Id.*

<sup>32</sup> Section 766.314(4), F.S.

<sup>33</sup> *Id.*

<sup>34</sup> If the assessments amounts at June 30, 1988, were adjusted for inflation, as of June 30, 2024, the assessments would increase in the following manner: participating physicians \$5,000 would be \$13,312.50; participating nurse midwives \$2,500 would be \$6,656.26; hospital assessments \$50 would be \$133.12; and nonparticipating physician assessments of \$250 would be \$665.62. See NICA Report on Actuarial Soundness (Sep. 2024) [NICA-Report-on-Actuarial-Soundness—September-2024-Final.pdf](https://www.nica.org/Portals/0/2024%20NICA%20Report%20on%20Actuarial%20Soundness%20-%20September%202024%20Final.pdf) (last visited Jan. 26, 2026).

<sup>35</sup> Section 766.314(5)(b), F.S.

<sup>36</sup> Section 766.314(5)(c)1, F.S. provides that casualty insurance described in s. 624.605(b),(k), and (q) would be subject to this assessment, which would include liability insurance, malpractice insurance, and miscellaneous insurance (insurance against liability for any other kind of loss or damage to person or property, properly a subject of insurance and not within any other kind of insurance as defined in the Florida Insurance Code).

maintained on an actuarially sound basis based on the assessments and appropriations, OIR must increase the assessments on physicians and hospitals on a proportional basis as needed. The statutory provisions do not define the term, “actuarial soundness,” and while the OIR is required to biennially produce an actuarial valuation, that valuation does not opine on the actuarial soundness of the plan.

Within 60 days after a claim is filed, NICA must estimate the present value of the total cost of the claim, including the estimated amount to be paid to the claimant, the claimant’s attorney, the attorney’s fees of NICA incident to the claim, and any other expenses that are reasonably anticipated to be incurred by NICA in connection with the adjudication and payment of the claim.<sup>37</sup> Every quarter, NICA must update these estimates based upon the actual costs incurred and any additional information that becomes available to the NICA since the last review of this estimate.<sup>38</sup> The estimate must be reduced by any amounts paid by NICA that were included in the current estimate.

If the total of all current estimates equals or exceeds 100 percent of the funds on hand and the funds that will become available to the association within the next 12 months from all sources, including physician and provider assessments, funds from the Insurance Regulatory Trust Fund, and assessments on specified casualty insurance, NICA may not accept any new claims without express authority from the Legislature.<sup>39</sup> However, this does not preclude NICA from accepting any claim if the injury occurred 18 months or more before the effective date of this enrollment suspension.<sup>40</sup> Notwithstanding this requirement, NICA is authorized to accept new claims during the 2025-2026 fiscal year if the total of all current estimates exceeds the limits described above during that fiscal year.<sup>41</sup>

Within 30 days after the effective date of this enrollment suspension, NICA must notify the Governor, the Speaker of the House of Representatives, the President of the Senate, the Office of Insurance Regulation, the agency , and the Department of Health of this suspension.<sup>42</sup>

### ***Recent Financial Trends***

Since its inception and until recently, NICA has taken in more cash than it has spent, thus, there was never an issue about its actuarial soundness and none of the above remedies have ever initiated.<sup>43</sup> Because NICA is operating at an annual cash flow deficit while the number of participants and associated expenses are increasing, significant cash from investment income and other income must be used to fund operating expenses.

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<sup>37</sup> Section 766.314(9)(a), F.S.

<sup>38</sup> Section 766.314(9)(b), F.S.

<sup>39</sup> Section 766.314(9)(c)1., F.S.

<sup>40</sup> *Id.*

<sup>41</sup> This provision expires July 1, 2026.

<sup>42</sup> Section 766.314(9)(c)1.

<sup>43</sup> *Supra* NICA at 7.

For fiscal year 2023-2024, NICA collected approximately \$37.9 million in annual physician and hospital assessment revenue. However, total operating expenses<sup>44</sup> exceeded total revenues by about \$156 million, thereby requiring NICA to use about \$93 million in investment income and other income to fund the plan's operations.<sup>45</sup> Subsequently, for fiscal year 2024-2025, NICA collected about \$38 million in hospital and physician assessments. Although total operating expenses were significantly lower due to a decrease in claims incurred for this fiscal year; total operating expenses exceeded total revenues by about \$110 million, resulting in NICA using investment income and other income to fund operations.<sup>46</sup> The average claim size for an open active claim increased from \$3.68 million at June 30, 2020, to \$5.42 million at June 30, 2025, and the amount of total annual claims payments increased from \$19.8 million to \$51.7 million for the same period.<sup>47</sup>

In recent years, many factors have increased NICA's financial obligations and expenses. For example, in 2021, the Florida Legislature substantially revised benefits and the provision of benefits in response to concerns of family members of plan participants, which has increased the financial obligations of NICA.<sup>48</sup> Further, as the result of the Medicaid settlement,<sup>49</sup> NICA was required to pay approximately \$51 million to the federal government and Medicaid will no longer reimburse NICA participants for expenses, and instead NICA will be responsible for payment. (See discussion below.) Claim payments are expected to increase an additional \$12 million annually once the Medicaid reimbursement process begins.<sup>50</sup>

## **Federal Medicaid Settlement and Agreement with the Agency for Health Care Administration**

### ***Medicaid Program*<sup>51</sup>**

The Medicaid program provides medical assistance to certain low-income individuals and individuals with disabilities.<sup>52</sup> The federal government and states jointly fund and administer the Medicaid program. At the federal level, the Centers for Medicare and Medicaid Services (CMS) administers the program, and each state administers its Medicaid program according to a CMS

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<sup>44</sup> NICA Audited Financial Statements for years ended June 30, 2025 and 2024, (Sep. 9, 2025) [0625 Issued Financial Statement - NICA.pdf](#) (last visited Jan. 20, 2026). Operating expenses for fiscal year 2023-2024 were comprised of claims incurred (\$189 million) and other operating expenses (\$4.6 million). For fiscal year 2024-2025, operating expenses were comprised of claims incurred of about \$143 million and other operating expenses of about \$4.9 million.

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

<sup>47</sup> NICA, Audited Financial Statements (NICA Audited Financial Statements for years ended June 30, 2025 and 2024 (Sep. 9, 2025) [0625 Issued Financial Statement - NICA.pdf](#) (last visited Jan. 20, 2026). Operating expenses for fiscal year 2023-2024 were comprised of claims incurred (\$189 million) and other operating expenses (\$4.6 million). For fiscal year 2024-2025, operating expenses were comprised of claims incurred of about \$143 million and other operating expenses of about \$4.9 million.

<sup>48</sup> Ch. 2021-134, Laws of Fla.

<sup>49</sup> U.S. Department of Justice and NICA Settlement (Nov. 14, 2022) [NICA-Settlement-Agreement-Executed.pdf](#) (last visited Jan. 20, 2026).

<sup>50</sup> *Id.*

<sup>51</sup> Department of Health and Human Services, Office of Inspector General, States face ongoing challenges in meeting third-party liability requirements for ensuring that Medicaid functions as the payer of last resort (Oct. 2023), <https://oig.hhs.gov/documents/audit/7897/A-05-21-00013-Complete%20Report.pdf> (last visited Jan. 20, 2026).

<sup>52</sup> 42 U.S.C. ss. 1396-1396w-5.

approved State plan that establishes which services the Medicaid program will cover. Although each state has considerable flexibility in designing and operating its Medicaid program, it must comply with federal requirements. The federal government pays its share of a state's medical assistance costs under the Medicaid program on the basis of the Federal medical assistance percentage (FMAP). In Florida, the Agency for Health Care Administration, the State Medicaid agency, is responsible for computing and reporting the federal share, which is based on the total computable amount multiplied by the FMAP.

### **Medicaid Third-Party Liability**

Federal law require states to take all reasonable measures to ascertain the legal liability of third parties to pay for care and services that are available under the Medicaid State plan.<sup>53</sup> The third party liability effectuates the payor of last resort policy. Specifically, states are required to: (1) identify Medicaid enrollees' third-party health coverage, (2) determine third party liability<sup>54</sup> for services, (3) avoid payment for services in most circumstances in which the state believes that a third party is liable, and (4) recover reimbursement from liable third parties after Medicaid payment if the state can reasonably expect to recover more than it paid to seek reimbursement.

Section 409.910, F.S., the “Medicaid Third-Party Liability Act,” which governs third party liability in Florida provides that “it is the intent of the Legislature that Medicaid be the payor last resort for medically necessary goods and services furnished to Medicaid recipients.” This provision is consistent with federal law, which provides that Medicaid pays for services only after other responsible third parties have met their burden of costs.<sup>55</sup> In “applying for or accepting medical assistance [Medicaid], an applicant, recipient, or legal representative automatically assigns to the agency any right, title, and interest such person has to any third-party benefit, excluding any Medicare benefit to the extent required to be excluded by federal law.” Section 409.910, F.S., also requires that “if benefits of a liable third party are discovered or become available after medical assistance has been provided by Medicaid, Medicaid be repaid in full and prior to any other person, program, or entity. Medicaid is to be repaid in full, from and to the extent of, any third-party benefits, regardless of whether a recipient is made whole or other creditors paid.”

### **2022 Medicaid Settlement**

On November 14, 2022, the plan and NICA, its administrator, agreed to pay \$51 million to resolve allegations that they violated the False Claims Act by causing NICA participants to submit their health care claims to Medicaid rather than NICA, in violation of Medicaid’s status as the payer of last resort under federal law.<sup>56</sup> The civil settlement resolves a lawsuit filed under

<sup>53</sup> Section 1902(a)(25) of the Social Security Act and 42 CFR part 433, subpart D. Federal regulations refer to amounts owed by non-Medicaid payers as third-party liability.

<sup>54</sup> 42 CFR part 433, subpart D.

<sup>55</sup> 42 U.S.C. s. 1396(a)(25). Third parties that may be liable to pay for services include private health insurance, Medicare, employer-sponsored health insurance, settlements from a liability insurer, workers' compensation, long-term care insurance, and other State and Federal programs (unless specifically excluded by Federal statute).

<sup>56</sup> Department of Justice, Florida Birth-Related Neurological Injury Compensation Plan and Association to Pay \$51 Million to Resolve False Claims Act Allegations (Nov. 14, 2022)

<https://www.justice.gov/archives/opa/pr/florida-birth-related-neurological-injury-compensation-plan-and-association-pay-51-million> (last visited Jan. 3, 2026).

the whistleblower provisions of the False Claims Act, which permits a private party to file a lawsuit on behalf of the United States and receive a portion of any recovery.<sup>57</sup> Incorporated in the settlement, NICA represented that it would, with respect to NICA participants who also qualified for Medicaid, set aside a financial reserve, effective August 31, 2021, to pay claims it will be responsible for as the primary payor but the agency would pay while a transition plan is developed by the agency and NICA.<sup>58</sup>

### ***NICA and Agency for Health Care Administration Agreement<sup>59</sup>***

The agency and NICA entered into an agreement to coordinate payment for services for individuals who are both enrolled in NICA and Florida Medicaid participant. The purpose of the agreement is to allow participants to receive services through the Medicaid delivery system while ensuring that NICA is the primary payor for these services. At the end of each quarter, the agency will calculate each participants' monthly plan capitation rate payments and any fee-for-service payments made. The agency will include the sum of these payments on an invoice and submit to NICA. NICA will reimburse the agency in accordance with F.S. 409.910 and the executed agreement.

In mid-December 2025, AHCA submitted a retroactive invoice to NICA for the collection of outstanding payments made by Medicaid on behalf of NICA participants. For this invoice, agency identified a little over 200 NICA members enrolled in Florida Medicaid. Pursuant to the agreement, NICA is required to provide the agency an updated member listing each month.

Time Period	Total Fee for Service Expenditures	Total Capitation Rate Expenditures	Total Expenditures
08/31/2021-06/30/2022	\$2,906,416.63	\$7,032,986.75	\$9,939,403.38
07/01/2022-06/30/2023	\$2,583,022.26	\$9,557,859.99	\$12,140,882.25
07/01/2023-06/30/2024	\$2,339,993.05	\$9,648,253.73	\$11,988,246.78
07/01/2024-06/30/2025	\$2,314,719.61	\$8,197,459.77	\$10,512,179.38
Total Expenditures 08/31/2021-06/30/2025			\$44,580,711.79

### **Office of Insurance Regulation**

<sup>57</sup> *Supra*, NICA at 49.

<sup>58</sup> U.S. Department of Justice and NICA Settlement (Nov. 14, 2022) [NICA-Settlement-Agreement-Executed.pdf](#) (last visited Jan. 202, 2026). The Settlement Agreement is neither an admission of liability by NICA nor a concession by the United States that its claims are not well founded. NICA denies the allegations.

<sup>59</sup> Agency for Health Care Administration, email (Jan. 12, 2026). On file with Banking and Insurance Committee staff.

Florida's Office of Insurance Regulation (OIR)<sup>60</sup> is responsible for the regulation of all activities of insurers and other risk-bearing entities, including licensure, rates,<sup>61</sup> policy forms, market conduct, claims, solvency, administrative supervision, as provided under the Florida Insurance Code (code).<sup>62</sup> Insurance is classified into the following kinds of insurance: life, health, property, casualty, marine, and title.<sup>63</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 409.910, F.S., the “Medicaid Third Party Liability Act,” to authorize the Agency for Health Care Administration (agency) to recover the full amount of all medical assistance provided by Medicaid on behalf of recipients to the full extent of third-party benefits, including incurred costs of NICA plan participants pursuant to s. 766.31, F.S. The agency and NICA entered into an agreement to coordinate payment for services for individuals who are enrolled in NICA and Florida Medicaid. The purpose of the agreement is to allow participants to receive services through the Medicaid delivery system while ensuring that NICA is the “primary payor” for these services.

**Section 2** amends s. 766.302, to revise the definition of the term, “claimant,” to provide that the administrative law judge has exclusive jurisdiction to determine compensability and notice even if the claimant does not seek NICA compensation. Definitions for the following terms are created:

- “Actuarially sound” means that the total plan assets available to fund future liabilities are equal to or greater than 90 percent of the present value of total estimated liabilities excluding any risk margin. This term is used in the NICA provisions; however, it is undefined.
- “Participant” means the person who suffered a birth related neurological injury as an infant and who accepted compensation under the plan by final order entered by an administrative law judge pursuant to s. 766.309, F.S. According to NICA, about 40 percent of participants are adults.
- “Risk margin” means an additional, explicit allowance above the best-estimate reserve to reflect uncertainty in future claim payments, including variation in claimant life expectancy and the number and cost of pending or unreported claims. The risk margin is not included in the reserve amount used to calculate the funding ratio.

NICA adjusts claim reserves to provide for a risk margin in the event future contingent events and actual payments significantly exceed management's best estimate. The risk margin was approximately \$82 million as of June 30, 2025.<sup>64</sup>

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<sup>60</sup> The OIR is an office under the Financial Services Commission (commission), which is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture. The commission is not subject to control, supervision, or direction by the Department of Financial Services in any manner, including purchasing, transactions involving real or personal property, personnel, or budgetary matters. Section 20.121(3), F.S.

<sup>61</sup> Pursuant to s. 627.062(1), F.S., rates may not be excessive, inadequate, or unfairly discriminatory.

<sup>62</sup> Section 20.121(3)(a)1., F.S.

<sup>63</sup> Section 624.6011, F.S.

<sup>64</sup> *Supra*, NICA at 43.

**Section 3** amends s. 766.303, F.S., relating to the plan, to provide technical changes and clarify terms used. The term, “children,” as used in the context of participants of the plan is replaced with the term, “participant.”

**Section 4** amends s. 766.305, F.S., relating to the filing of claims, to provide technical conforming changes.

**Section 5** amends s. 766.309, F.S., to provide a technical, conforming cross reference.

**Section 6** amends s. 766.31, F.S., relating to awards for birth-related injuries, to revise the types of compensation of actual expenses for medically necessary care or services an administrative law judge may award and to provide technical changes. The bill provides the following changes in benefits:

- Codifies coverage of medically necessary dental services. Many participants require medically necessary sedation due to their birth injury. However, routine cleanings are not currently covered.
- Revises the current statutory benefit for psychotherapeutic services to provide access to these services for immediate family members who no longer live with the participant or do not live in Florida. The board of NICA extended the benefit to families whose children are deceased. Family members and relatives would be capped at \$10,000 annually during the participant’s lifetime and up to a total of \$20,000 subsequent to the participant’s death.
- Codifies coverage for legal costs associated with establishing and maintaining guardianship for a participant.
- Revises the current statutory benefit for transportation to provide family members, rather than only parents and guardians, with a reliable method of transporting the participant’s wheelchair and medically necessary equipment. The bill expands the type of vehicles covered to include vehicles rather than just vans.
- Clarifies the coverage of housing assistance benefit of up to \$100,000 for the life of the participant to include, but is not limited to, a down payment on a new home, and moving expenses. Currently, this benefit includes home construction and modification costs.
- Requires NICA to reimburse plan participants for the payment of major medical health insurance coverage, which includes the premium and any cost sharing incurred by the participant.
- Clarifies that NICA will not provide compensation for professional custodial care provided by a family member while such care is being provided by another person or entity or the family member is being compensated from another source of work during the same time for which compensation is sought from NICA. If the family member disputes that an overpayment has occurred, NICA is authorized to file a petition for division review of an overpayment for a determination of the amount, if any, to be recouped by NICA,
- Expands the list of individuals eligible to receive an award of up to \$250,000 to include family members instead of only parents or legal guardians.

The bill requires a family member to continuously maintain comprehensive major medical health coverage for the participant.<sup>65</sup> A family member must obtain insurance coverage within 60 days

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<sup>65</sup> [NICA-Benefit-Handbook-1-13-25.pdf](#) (last visited Jan. 21, 2026). The benefit manual provides that it is NICA’s expectation that health insurance is always maintained for participants. NICA reimburses families for the cost of the

after an administrative law judge enters a final order approving a claim for compensation or apply for Medicaid coverage within 30 days after entry of such order. If the participant is ineligible for Medicaid, the family member must obtain other coverage within 60 days after receipt of a Medicaid denial. A family member of an individual who is a participant on June 30, 2026, must obtain the required coverage for the participant by January 1, 2027.

The bill requires NICA to reimburse the agency for fee-for-service claims and capitation payments for participants enrolled in Medicaid, as well as for the payment of administrative and support costs associated with the provision of the Medicaid services. This provision codifies the agreement between the Agency and NICA.

**Section 7** amends s. 766.314, F.S., relating to assessments and plan of operation, to require NICA to include a fraud and overpayment prevention and detection program in the plan of operation that is subject to review and approval by the Office of Insurance Regulation (OIR).

The amount of the annual assessments paid by hospitals and physicians remain unchanged. Provisions relating to the assessment process are revised in the following manner:

- Requires NICA to submit updated claims estimates to OIR on a quarterly basis within 10 business days after completion.
- Requires NICA to calculate whether the plan is actuarially sound after the completion of its quarterly revisions of claims estimates. If NICA determines the plan is not actuarially sound, NICA must immediately notify OIR. Then, OIR must review NICA's calculations and, within 60 days after NICA's notification, determine whether to initiate an actuarial valuation, and notify NICA of its determination. The OIR must, at a minimum, make its determination based on the degree to which NICA's calculations indicate that the plan is not actuarially sound, the direction and consistency of recent trends in the calculations of the plan's actuarial soundness, and the length of time since the most recent actuarial analysis conducted by OIR and until the next biennial valuation. The OIR must initiate such actuarial valuation within 30 days after its determination there is a need for a valuation.
- Requires OIR to make an actuarial valuation to be made of the assets and liabilities of the plan at a minimum biennially on or before December 31 of even-numbered years and as provided upon calculation and notification by NICA that the plan is not actuarially sound. The valuation by the OIR must be based on the assets and liabilities of the plan for the calendar year before the year in which the actuarial valuation is due. Further, OIR must determine whether the plan has adequate estimated cash flows for the following fiscal year, whether, based on actuarial valuation, the plan is actuarially sound, and if not, whether the plan is likely to return to actuarial soundness before the next biennial review.
- Requires that, if OIR determines that the plan lacks adequate cash flow for the following fiscal year pursuant to its review, OIR must authorize a transfer of up to \$50 million from the Insurance Regulatory Trust Fund to NICA within 30 calendar days.

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participant's health insurance. For families with Medicaid, NICA reimburses the Agency for Health Care Administration for the cost of those premiums. For items such as therapy, equipment, and some supplies, NICA may request documentation of an insurance denial prior to authorizing a reimbursement request. If there is a lapse in insurance coverage and expenses are incurred that would have been covered by insurance, NICA will not reimburse for those items.

- Requires that, if OIR finds that the plan is not likely to return to actuarial soundness before the next biennial review, OIR must, within 60 calendar days after this finding, order one or more of the following actions:
  - Require each licensed casualty insurer writing specified coverage, as defined in s. 624.60(1)(b),(k), and (q) to pay into NICA an annual assessment that is calculated to generate a total amount no greater than the amount required to achieve actuarial soundness of the plan within 5 years after the date of the order.
    - Requires the assessment to be made on the basis of net direct premiums written for the business activity used as the basis for each such insurer's inclusion as a funding source for the plan in the state during the prior year ending December 31, as reported to OIR, and must be in proportion that the net direct written premium written for each insurer on account of the business activity forming the basis for its inclusion in the plan bears to the aggregate net direct premiums for all such business activity written in this state by all such insurers.
    - The annual assessment is capped at 0.25 percent of the insurer's net direct premiums written. An assessment may not extend five years after the date of the order. Insurers are authorized to recoup their assessments through a surcharge on future policies, a rate increase applicable prospectively, or a combination of the two.
  - Provide that, if the actuarial soundness cannot be achieved through the assessment on casualty insurers, OIR is authorized to increase the assessments on hospitals and physicians on a proportional basis to generate a total amount of revenue no greater than the amount required to maintain the plan on an actuarially sound basis.
- Requires that if NICA finds that the plan is not actuarially sound and the insurer assessments and hospital and physician assessments are insufficient to achieve actuarial soundness of the plan, NICA must within 60 days of such finding, notify the Governor, the President of the Senate, the Speaker of the House of Representatives, and OIR. If NICA issues the notice, it may not accept any new claims without express authority from the Legislature. However, this provision does not preclude NICA from accepting any claim if the injury occurred 18 months or more before the effective date of the claim suspension. Under current law, for the 2025-2026 fiscal year, NICA is authorized to accept new claims during the fiscal year if the total current estimates exceed 100 percent of the funds on hand and the funds that will be available to NICA within the next 12 months.

**Section 8** amends s. 766.315, F.S., to substitute the one board director representative for a parent or legal guardian of an injured infant with one family member of a participant.

**Section 9** provides the bill takes effect 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.

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

None.

**B. Private Sector Impact:**

SB 1668 revises benefits available to plan participants which will assist parents, other family members, and legal guardians in funding significant medical expenses and other necessary services and care of plan participants.

**C. Government Sector Impact:**

SB 1668 increases the amount of funds the Office of Insurance Regulation (OIR) is authorized to transfer from the Insurance Regulatory Trust Fund to NICA from \$20 million to \$50 million if OIR determines that the plan lacks adequate cash flows for the following fiscal year.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill amends sections 409.910, 766.302, 766.303, 766.305, 766.309, 766.31, 766.314, and 766.315 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.

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

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By Senator Burton

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30 include a provision for fraud; deleting obsolete  
31 provisions; revising provisions relating to an  
32 actuarial valuation of the plan; requiring the  
33 association to submit quarterly estimates; requiring  
34 the association to state whether the plan is  
35 actuarially sound; authorizing a transfer of funds to  
36 the association from the Insurance Regulatory Trust  
37 Fund if the plan is not actuarially sound; requiring  
38 the association to require each entity to issue  
39 casualty insurance and pay an annual assessment;  
40 providing requirements for annual assessments;  
41 requiring an increase in assessments after certain  
42 findings; requiring the association to determine  
43 whether the plan is actuarially sound after certain  
44 revisions; providing criteria for such determination;  
45 requiring notification to the Governor, Legislature,  
46 and Office of Insurance Regulation after certain  
47 findings; amending s. 766.315, F.S.; revising  
48 membership of the directors of the association;  
49 providing an effective date.

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

53 Section 1. Paragraph (a) of subsection (7) of section  
54 409.910, Florida Statutes, is amended to read:

55        409.910 Responsibility for payments on behalf of Medicaid-  
56 eligible persons when other parties are liable.-  
57        (7) The agency shall recover the full amount of all medical  
58 assistance provided by Medicaid on behalf of the recipient to

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59 the full extent of third-party benefits.

60 (a) Recovery of such benefits shall be collected directly  
61 from:

62 1. Any third party;

63 2. The recipient or legal representative, if he or she has  
64 received third-party benefits;

65 3. The provider of a recipient's medical services if third-  
66 party benefits have been recovered by the provider;  
67 notwithstanding any provision of this section, to the contrary,  
68 however, no provider shall be required to refund or pay to the  
69 agency any amount in excess of the actual third-party benefits  
70 received by the provider from a third-party payor for medical  
71 services provided to the recipient; ~~or~~

72 4. Any person who has received the third-party benefits; or

73 5. The Florida Birth-Related Neurological Injury  
74 Compensation Association for plan participant costs incurred  
75 under s. 766.31.

76 The provisions of this subsection do not apply to any proceeds  
77 received by the state, or any agency thereof, pursuant to a  
78 final order, judgment, or settlement agreement, in any matter in  
79 which the state asserts claims brought on its own behalf, and  
80 not as a subrogee of a recipient, or under other theories of  
81 liability. The provisions of this subsection do not apply to any  
82 proceeds received by the state, or an agency thereof, pursuant  
83 to a final order, judgment, or settlement agreement, in any  
84 matter in which the state asserted both claims as a subrogee and  
85 additional claims, except as to those sums specifically  
86 identified in the final order, judgment, or settlement agreement

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88 as reimbursements to the recipient as expenditures for the named  
89 recipient on the subrogation claim.

90 Section 2. Section 766.302, Florida Statutes, is reordered  
91 and amended to read:

92 766.302 Definitions; ss. 766.301-766.316.—As used in ss.

93 766.301-766.316, the term:

94 (1) "Actuarially sound" means that the total plan assets  
95 available to fund future liabilities are equal to or greater  
96 than 90 percent of the present value of total estimated  
97 liabilities excluding any risk margin.

98 (2) ~~(4)~~ "Administrative law judge" means an administrative  
99 law judge appointed by the division.

100 (3) ~~(1)~~ "Association" means the Florida Birth-Related  
101 Neurological Injury Compensation Association established in s.  
102 766.315 to administer the Florida Birth-Related Neurological  
103 Injury Compensation Plan and the plan of operation established  
104 in s. 766.314.

105 (4) ~~(2)~~ "Birth-related neurological injury" means injury to  
106 the brain or spinal cord of a live infant weighing at least  
107 2,500 grams for a single gestation or, in the case of a multiple  
108 gestation, a live infant weighing at least 2,000 grams at birth  
109 caused by oxygen deprivation or mechanical injury occurring in  
110 the course of labor, delivery, or resuscitation in the immediate  
111 postdelivery period in a hospital, which renders the infant  
112 permanently and substantially mentally and physically impaired.  
113 This definition shall apply to live births only and shall not  
114 include disability or death caused by genetic or congenital  
115 abnormality.

116 (5) ~~(3)~~ "Claimant" means any person who files a claim

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117 pursuant to s. 766.305 ~~for compensation~~ for a birth-related  
 118 neurological injury to an infant. Such a claim may be filed by  
 119 any legal representative on behalf of an injured infant; and, in  
 120 the case of a deceased infant, the claim may be filed by an  
 121 administrator, personal representative, or other legal  
 122 representative thereof.

123 (6)~~(5)~~ "Division" means the Division of Administrative  
 124 Hearings of the Department of Management Services.

125 (7)~~(9)~~ "Family member" means a father, mother, or legal  
 126 guardian.

127 (8)~~(10)~~ "Family residential or custodial care" means care  
 128 normally rendered by trained professional attendants which is  
 129 beyond the scope of child care duties, but which is provided by  
 130 family members. Family members who provide nonprofessional  
 131 residential or custodial care may not be compensated under this  
 132 act for care that falls within the scope of child care duties  
 133 and other services normally and gratuitously provided by family  
 134 members. Family residential or custodial care shall be performed  
 135 only at the direction and control of a physician when such care  
 136 is medically necessary. Reasonable charges for expenses for  
 137 family residential or custodial care provided by a family member  
 138 shall be determined as follows:

139 (a) If the family member is not employed, the per-hour  
 140 value equals the federal minimum hourly wage.

141 (b) If the family member is employed and elects to leave  
 142 that employment to provide such care, the per-hour value of that  
 143 care shall equal the rates established by Medicaid for private  
 144 duty services provided by a home health aide. A family member or  
 145 a combination of family members providing care in accordance

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146 with this definition may not be compensated for more than a  
 147 total of 10 hours per day. Family care is in lieu of  
 148 professional residential or custodial care, and no professional  
 149 residential or custodial care may be awarded for the period of  
 150 time during the day that family care is being provided.

151 (9)~~(6)~~ "Hospital" means any hospital licensed in Florida.

152 (10) "Participant" means the person who suffered a birth-  
 153 related neurological injury as an infant and who accepted  
 154 compensation under the plan by final order entered by an  
 155 administrative law judge pursuant to s. 766.309.

156 (11)~~(7)~~ "Participating physician" means a physician  
 157 licensed in Florida to practice medicine who practices  
 158 obstetrics or performs obstetrical services either full time or  
 159 part time and who had paid or was exempted from payment at the  
 160 time of the injury the assessment required for participation in  
 161 the birth-related neurological injury compensation plan for the  
 162 year in which the injury occurred. Such term shall not apply to  
 163 any physician who practices medicine as an officer, employee, or  
 164 agent of the Federal Government.

165 (12)~~(8)~~ "Plan" means the Florida Birth-Related Neurological  
 166 Injury Compensation Plan established under s. 766.303.

167 (13) "Risk margin" means an additional, explicit allowance  
 168 above the best-estimate reserve to reflect uncertainty in future  
 169 claim payments, including variation in claimant life expectancy  
 170 and the number and cost of pending or unreported claims. The  
 171 risk margin is not included in the reserve amount used to  
 172 calculate the funding ratio.

173 Section 3. Section 766.303, Florida Statutes, is amended to  
 174 read:

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175 766.303 Florida Birth-Related Neurological Injury  
176 Compensation Plan; exclusiveness of remedy.—  
177 (1) There is established the Florida Birth-Related  
178 Neurological Injury Compensation Plan for the purpose of  
179 providing compensation, irrespective of fault, for birth-related  
180 neurological injuries ~~injury claims~~. Such plan shall apply to  
181 births occurring on or after January 1, 1989, and shall be  
182 administered by the Florida Birth-Related Neurological Injury  
183 Compensation Association.  
184 (2) The rights and remedies granted by this plan on account  
185 of a birth-related neurological injury shall exclude all other  
186 rights and remedies of such infant, her or his personal  
187 representative, family members ~~parents~~, dependents, and next of  
188 kin, at common law or otherwise, against any person or entity  
189 directly involved with the labor, delivery, or immediate  
190 postdelivery resuscitation during which such injury occurs,  
191 arising out of or related to a medical negligence claim with  
192 respect to such injury; except that a civil action shall not be  
193 foreclosed where there is clear and convincing evidence of bad  
194 faith or malicious purpose or willful and wanton disregard of  
195 human rights, safety, or property, provided that such suit is  
196 filed prior to and in lieu of payment of an award under ss.  
197 766.301-766.316. Such suit shall be filed before the award of  
198 the division becomes conclusive and binding as provided for in  
199 s. 766.311.  
200 (3) Sovereign immunity is hereby waived on behalf of the  
201 Florida Birth-Related Neurological Injury Compensation  
202 Association solely to the extent necessary to assure payment of  
203 compensation as provided in s. 766.311.

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204 (4) The association shall administer the plan in a manner  
205 that promotes and protects the health and best interests of  
206 participants ~~children~~ with birth-related neurological injuries.  
207 Section 4. Subsections (1) and (3) of section 766.305,  
208 Florida Statutes, are amended to read:  
209 766.305 Filing of claims and responses; medical  
210 disciplinary review.—  
211 (1) All claims filed ~~for compensation~~ under the plan shall  
212 commence by the claimant filing with the division a petition  
213 ~~that seeking compensation~~. Such petition shall include the  
214 following information:  
215 (a) The name and address of the legal representative and  
216 the basis for her or his representation of the injured infant.  
217 (b) The name and address of the injured infant.  
218 (c) The name and address of any physician providing  
219 obstetrical services who was present at the birth and the name  
220 and address of the hospital at which the birth occurred.  
221 (d) A description of the disability for which the claim is  
222 made.  
223 (e) The time and place the injury occurred.  
224 (f) A brief statement of the facts and circumstances  
225 surrounding the injury and giving rise to the claim.  
226 (3) The claimant shall furnish to the Florida Birth-Related  
227 Neurological Injury Compensation association the following  
228 information, which must be filed with the association within 10  
229 days after the filing of the petition as set forth in subsection  
230 (1):  
231 (a) All available relevant medical records relating to the  
232 birth-related neurological injury and a list identifying any

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233 unavailable records known to the claimant and the reasons for  
 234 the records' unavailability.

235 (b) Appropriate assessments, evaluations, and prognoses and  
 236 such other records and documents as are reasonably necessary for  
 237 the determination of the amount of compensation to be paid to,  
 238 or on behalf of, the injured infant on account of the birth-  
 239 related neurological injury.

240 (c) Documentation of expenses and services incurred to date  
 241 which identifies any payment made for such expenses and services  
 242 and the payor.

243 (d) Documentation of any applicable private or governmental  
 244 source of services or reimbursement relative to the impairments.

245 The information required by paragraphs (a)-(d) shall remain  
 246 confidential and exempt under the provisions of s.  
 247 766.315(5)(b).

248 Section 5. Paragraph (a) of subsection (1) of section  
 249 766.309, Florida Statutes, is amended to read:

250 766.309 Determination of claims; presumption; findings of  
 251 administrative law judge binding on participants.—

252 (1) The administrative law judge shall make the following  
 253 determinations based upon all available evidence:

254 (a) Whether the injury claimed is a birth-related  
 255 neurological injury. If the claimant has demonstrated, to the  
 256 satisfaction of the administrative law judge, that the infant  
 257 has sustained a brain or spinal cord injury caused by oxygen  
 258 deprivation or mechanical injury and that the infant was thereby  
 259 rendered permanently and substantially mentally and physically  
 260 impaired, a rebuttable presumption shall arise that the injury

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262 is a birth-related neurological injury as defined in s. 766.302  
 263 ~~s. 766.302(2).~~

264 Section 6. Section 766.31, Florida Statutes, is amended to  
 265 read:

266 766.31 Administrative law judge awards for birth-related  
 267 neurological injuries; notice of award.—

268 (1) Upon determining that an infant has sustained a birth-  
 269 related neurological injury and that obstetrical services were  
 270 delivered by a participating physician at the birth, the  
 271 administrative law judge shall make an award providing  
 272 compensation for the following items relative to such injury:

273 (a) Actual expenses incurred since date of birth for  
 274 medically necessary and reasonable:

275 1. Medical and hospital care and services;  
 276 2. Habilitative services; and training;  
 277 3. Dental services;  
 278 4. Family residential or custodial care;  
 279 5. Professional residential care; and  
 280 6. Professional custodial care; and service;  
 281 7. ~~for medically necessary Drugs;~~  
 282 8. Special equipment; and facilities; and  
 283 9. ~~for~~ Related travel.

284 (b) At a minimum, compensation must be provided for the  
 285 following actual expenses:

286 1. Psychotherapeutic services for A total annual benefit of  
 287 ~~up to \$10,000 for immediate family members and other relatives~~  
 288 ~~who have resided reside with the participant, which are infant~~  
 289 ~~for psychotherapeutic services obtained from a psychiatrist~~  
 290 ~~licensed under chapter 458 or chapter 459, a provider providers~~

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291 licensed under chapter 490 or chapter 491, or a psychiatrist or  
 292 provider who has equivalent licensure by another jurisdiction.  
 293 This benefit for such family members and relatives shall be up  
 294 to a total of \$10,000 annually during the participant's lifetime  
 295 and up to a total of \$20,000 subsequent to the participant's  
 296 death.

297 2. For the life of the participant child, providing family  
 298 members parents or legal guardians with a reliable method of  
 299 transporting transportation for the care of the participant and  
 300 child or reimbursing the cost of upgrading an existing vehicle  
 301 to accommodate the participant's wheelchair and medically  
 302 necessary equipment child's needs when it becomes medically  
 303 necessary for wheelchair transportation. The mode of  
 304 transportation must take into account the special accommodations  
 305 required for the specific child. The plan may not limit such  
 306 transportation assistance based on the participant's child's age  
 307 or weight. The plan must replace any vehicle vans purchased by  
 308 the plan every 7 years or 150,000 miles, whichever comes first.

309 3. Housing assistance of up to \$100,000 for the life of the  
 310 participant child, including, but not limited to, a down payment  
 311 on a new home, moving expenses, and home construction and  
 312 modification costs.

313 4. Legal costs associated with establishing and maintaining  
 314 guardianship for a participant.

315 (c) The costs of major medical health coverage for the  
 316 participant obtained pursuant to subsection (3), including, but  
 317 not limited to, the premium and out-of-pocket costs. For  
 318 participants enrolled in Florida Medicaid, the plan must  
 319 reimburse fee-for-service paid claims and capitation payments,

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320 as applicable, for services to persons enrolled in the Medicaid  
 321 program for compensation pursuant to this section and for the  
 322 administrative and support costs associated with the provided  
 323 medical assistance. Such funds shall be credited to the Agency  
 324 for Health Care Administration Medical Care Trust Fund.

325 (d) (b) However, the following expenses are not subject to  
 326 compensation:

327 1. Expenses for items or services that the participant  
 328 infant has received, or is entitled to receive, under the laws  
 329 of any state or the Federal Government, except to the extent  
 330 such exclusion may be prohibited by federal law.

331 2. Expenses for items or services that the participant  
 332 infant has received, or is contractually entitled to receive,  
 333 from any prepaid health plan, health maintenance organization,  
 334 or other private insuring entity.

335 3. Expenses for which the participant infant has received  
 336 reimbursement, or for which the participant infant is entitled  
 337 to receive reimbursement, under the laws of any state or the  
 338 Federal Government, except to the extent such exclusion may be  
 339 prohibited by federal law.

340 4. Expenses for which the participant infant has received  
 341 reimbursement, or for which the participant infant is  
 342 contractually entitled to receive reimbursement, pursuant to the  
 343 provisions of any health or sickness insurance policy or other  
 344 private insurance program.

345 5. Expenses for professional custodial care provided by a  
 346 family member while:

347 a. Care and supervision of the participant is  
 348 simultaneously being provided by another person or entity; or

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349       b. The family member receives compensation from another  
 350       source for work performed during the same time for which  
 351       compensation is sought from the association.

352       (e) ~~(e)~~ Expenses included under paragraphs paragraph (a) and  
 353       (b) are limited to reasonable charges prevailing in the same  
 354       community for similar treatment of injured persons when such  
 355       treatment is paid for by the injured person.

356       (f) 1. A family member ~~The parents or legal guardians~~  
 357       receiving benefits under the plan may file a petition with the  
 358       division of Administrative Hearings to dispute the amount of  
 359       actual expenses reimbursed or a denial of reimbursement.

360       2. In the case of an alleged overpayment of an expense  
 361       reimbursement by the association to a family member, if the  
 362       family member does not agree that an overpayment has occurred,  
 363       the association may file a petition for division review of the  
 364       overpayment for a determination of the amount, if any, to be  
 365       recouped by the association.

366       (g) 1. ~~(d)~~ 1.a. Periodic payments of an award to the family  
 367       members parents or legal guardians of the participant ~~infant~~  
 368       found to have sustained a birth-related neurological injury,  
 369       which award may not exceed \$100,000. However, at the discretion  
 370       of the administrative law judge, such award may be made in a  
 371       lump sum. Beginning on January 1, 2021, the award may not exceed  
 372       \$250,000, and each January 1 thereafter, the maximum award  
 373       authorized under this paragraph shall increase by 3 percent.

374       b. ~~Parents or legal guardians who received an award~~  
 375       pursuant to this section before January 1, 2021, must receive a  
 376       retroactive payment in an amount sufficient to bring the total  
 377       award paid to the parents or legal guardians pursuant to sub-

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378       subparagraph a. to \$250,000. This additional payment may be made  
 379       in a lump sum or in periodic payments as designated by the  
 380       parents or legal guardians and must be paid by July 1, 2021.

381       2.a. Death benefit for the participant ~~infant~~ in an amount  
 382       of \$50,000.

383       b. ~~Parents or legal guardians who received an award~~  
 384       pursuant to this section, and whose child died since the  
 385       inception of the program, must receive a retroactive payment in  
 386       an amount sufficient to bring the total award paid to the  
 387       parents or legal guardians pursuant to sub-subparagraph a. to  
 388       \$50,000. This additional payment may be made in a lump sum or in  
 389       periodic payments as designated by the parents or legal  
 390       guardians and must be paid by July 1, 2021.

391       (h) ~~(e)~~ Reasonable expenses incurred in connection with the  
 392       filing of a claim under ss. 766.301-766.316, including  
 393       reasonable attorney attorney's fees, which shall be subject to  
 394       the approval and award of the administrative law judge. In  
 395       determining an award for attorney attorney's fees, the  
 396       administrative law judge shall consider the following factors:

397       1. The time and labor required, the novelty and difficulty  
 398       of the questions involved, and the skill requisite to perform  
 399       the legal services properly.

400       2. The fee customarily charged in the locality for similar  
 401       legal services.

402       3. The time limitations imposed by the claimant or the  
 403       circumstances.

404       4. The nature and length of the professional relationship  
 405       with the claimant.

406       5. The experience, reputation, and ability of the lawyer or

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407 lawyers performing services.

408 6. The contingency or certainty of a fee.

409

410 Should there be a final determination of compensability, and the  
411 claimants accept an award under this section, the claimants are  
412 not liable for any expenses, including attorney fees, incurred  
413 in connection with the filing of a claim under ss. 766.301-  
414 766.316 other than those expenses awarded under this section.

415 (2) The award shall require the immediate payment of  
416 expenses previously incurred and shall require that future  
417 expenses be paid as incurred.

418 (3) A family member must continuously maintain  
419 comprehensive major medical health coverage for the participant.

420 (a) If the participant does not have such coverage at the  
421 time of entry of a final order by an administrative law judge  
422 approving a claim for compensation, the family member must  
423 obtain coverage within 60 days after entry of such order or  
424 apply for Medicaid coverage within 30 days after entry of such  
425 order.

426 (b) If the participant is determined to be ineligible for  
427 Medicaid, the family member must obtain other coverage within 60  
428 days after receiving the Medicaid application denial.

429 (c) A family member of an individual who is a participant  
430 on June 30, 2026, must obtain the required coverage for the  
431 participant by January 1, 2027.

432 (4) (3) A copy of the award shall be sent immediately by  
433 registered or certified mail to each person served with a copy  
434 of the petition under s. 766.305(2).

435 Section 7. Section 766.314, Florida Statutes, is amended to

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436 read:

437 766.314 Assessments; plan of operation.—

438 (1) The assessments established pursuant to this section  
439 shall be used to finance the Florida Birth-Related Neurological  
440 Injury Compensation Plan.

441 (2) The assessments and appropriations dedicated to the  
442 plan shall be administered by the Florida Birth-Related  
443 Neurological Injury Compensation Association established in s.  
444 766.315, in accordance with the following requirements:

445 (a) ~~On or before July 1, 1988, The directors of the~~  
446 ~~association shall maintain submit to the Department of Insurance~~  
447 ~~for review a plan of operation which shall provide for the~~  
448 ~~efficient administration of the plan and for prompt processing~~  
449 ~~of claims against and awards made on behalf of the plan. The~~  
450 ~~plan of operation shall include provision for:~~

451 1. Establishment of necessary facilities;

452 2. Management of the funds collected on behalf of the plan;

453 3. Processing of claims against the plan;

454 4. Assessment of the persons and entities listed in  
455 subsections (4) and (7) ~~and~~ to pay awards and expenses, ~~which~~  
456 ~~assessments shall be on an actuarially sound basis subject to~~  
457 ~~the limits set forth in subsections (4) and (5);~~

458 5. A fraud and overpayment prevention and detection  
459 program; and

460 6.5. Any other matters necessary for the efficient  
461 operation of the birth-related neurological injury compensation  
462 plan.

463 (b) Amendments to the plan of operation may be made by the  
464 directors of the plan, subject to the approval of the office of

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~~Insurance Regulation of the Financial Services Commission.~~

465 (3) All assessments shall be deposited with the ~~Florida~~  
 466 ~~Birth-Related Neurological Injury Compensation~~ association. The  
 467 funds collected by the association and any income therefrom  
 468 shall be disbursed only for the payment of awards under ss.  
 469 766.301-766.316 and for the payment of the reasonable expenses  
 470 of administering the plan.

471 (4) The following persons and entities shall pay into the  
 472 association ~~assessments as follows~~ ~~an initial assessment in~~  
 473 ~~accordance with the plan of operation:~~

474 (a) 1. On or before October 1, 1988, Each hospital licensed  
 475 under chapter 395 shall pay an ~~initial~~ assessment of \$50 per  
 476 infant delivered in ~~that the hospital during the prior calendar~~  
 477 ~~year, as reported to the Agency for Health Care Administration;~~  
 478 provided, however, that a hospital owned or operated by the  
 479 state or a county, special taxing district, or other political  
 480 subdivision of the state shall not be required to pay ~~the~~  
 481 ~~initial assessment or any assessment required by this subsection~~  
 482 ~~or subsection (7) (5).~~ The term "infant delivered" includes live  
 483 births and not stillbirths, but the term does not include  
 484 infants delivered by employees or agents of the board of  
 485 trustees of a state university, those born in a teaching  
 486 hospital as defined in s. 408.07, or those born in a teaching  
 487 hospital as defined in s. 395.806 that have been deemed by the  
 488 association as being exempt from assessments since fiscal year  
 489 1997 to fiscal year 2001. The ~~initial~~ assessment and any  
 490 assessment imposed pursuant to subsection (7) (5) may not  
 491 include any infant born to a charity patient (as defined by rule  
 492 of the Agency for Health Care Administration) or born to a

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494 patient for whom the hospital receives Medicaid reimbursement,  
 495 if the sum of the annual charges for charity patients plus the  
 496 annual Medicaid contractuals of the hospital exceeds 10 percent  
 497 of the total annual gross operating revenues of the hospital.  
 498 The hospital is responsible for documenting, to the satisfaction  
 499 of the association, the exclusion of any birth from the  
 500 computation of the assessment. Upon demonstration of financial  
 501 need by a hospital, the association may provide for installment  
 502 payments of assessments.

503 2. Assessments shall be due, and hospitals shall pay, all  
 504 assessments required under this section by December 31 of the  
 505 calendar year immediately subsequent to the birth year.

506 (b) 1.a. On or before October 15, 1988, All physicians  
 507 licensed pursuant to chapter 458 or chapter 459 ~~as of October 1,~~  
 508 ~~1988, other than participating physicians, shall be assessed an~~  
 509 ~~annual initial assessment of \$250.~~

510 b. Payment for all assessments required under this  
 511 paragraph is due on or before December 31 of each year which  
 512 must be paid no later than December 1, 1988.

513 2. Any such physician who becomes licensed after September  
 514 30, 1988, and before January 1, 1989, shall pay into the  
 515 association an initial assessment of \$250 upon licensure.

516 3. Any such physician who becomes licensed on or after  
 517 January 1, 1989, shall pay an initial assessment equal to the  
 518 most recent assessment made pursuant to this paragraph,  
 519 paragraph (5)(a), or paragraph (7)(b).

520 2.4. However, if the physician is a physician specified in  
 521 this subparagraph, the assessment is not applicable:

522 a. A resident physician, assistant resident physician, or

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523 intern in an approved postgraduate training program, as defined  
 524 by the Board of Medicine or the Board of Osteopathic Medicine by  
 525 rule;

526 b. A retired physician who has withdrawn from the practice  
 527 of medicine but who maintains an active license as evidenced by  
 528 an affidavit filed with the Department of Health. Prior to  
 529 reentering the practice of medicine in this state, a retired  
 530 physician as herein defined must notify the Board of Medicine or  
 531 the Board of Osteopathic Medicine and pay the appropriate  
 532 assessments pursuant to this section;

533 c. A physician who holds a limited license pursuant to s.  
 534 458.317 and who is not being compensated for medical services;

535 d. A physician who is employed full time by the United  
 536 States Department of Veterans Affairs and whose practice is  
 537 confined to United States Department of Veterans Affairs  
 538 hospitals; or

539 e. A physician who is a member of the Armed Forces of the  
 540 United States and who meets the requirements of s. 456.024.

541 f. A physician who is employed full time by the State of  
 542 Florida and whose practice is confined to state-owned  
 543 correctional institutions, a county health department, or state-  
 544 owned mental health or developmental services facilities, or who  
 545 is employed full time by the Department of Health.

546 (c)1. ~~On or before December 1, 1988, Each physician~~  
 547 licensed pursuant to chapter 458 or chapter 459 who wishes to  
 548 participate in the Florida Birth-Related Neurological Injury  
 549 Compensation Plan and who otherwise qualifies as a participating  
 550 physician under ss. 766.301-766.316 shall pay an annual initial  
 551 assessment of \$5,000 and any assessment required under paragraph

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552 (7)(d), if assessed. However, if the physician is either a  
 553 resident physician, assistant resident physician, or intern in  
 554 an approved postgraduate training program, as defined by the  
 555 Board of Medicine or the Board of Osteopathic Medicine by rule,  
 556 and is supervised in accordance with program requirements  
 557 established by the Accreditation Council for Graduate Medical  
 558 Education or the American Osteopathic Association by a physician  
 559 who is participating in the plan, such resident physician,  
 560 assistant resident physician, or intern is deemed to be a  
 561 participating physician without the payment of the assessment.  
 562 Participating physicians also include any employee of the board  
 563 of trustees of a state university who has paid the assessment  
 564 required by this paragraph and, if assessed, paragraph (7)(d)  
 565 ~~(5)(a)~~, and any certified nurse midwife supervised by such  
 566 employee. Participating physicians include any certified nurse  
 567 midwife who has paid 50 percent of the physician assessment  
 568 required by this paragraph and, if assessed, paragraph (7)(d),  
 569 ~~(5)(a)~~ and who is supervised by a participating physician who  
 570 has paid the assessment required by this paragraph and, if  
 571 assessed, paragraph (7)(d) ~~(5)(a)~~. Supervision for nurse  
 572 midwives shall require that the supervising physician will be  
 573 easily available and have a prearranged plan of treatment for  
 574 specified patient problems which the supervised certified nurse  
 575 midwife may carry out in the absence of any complicating  
 576 features. ~~Any physician who elects to participate in such plan~~  
 577 ~~on or after January 1, 1989, who was not a participating~~  
 578 ~~physician at the time of such election to participate and who~~  
 579 ~~otherwise qualifies as a participating physician under ss.~~  
 580 ~~766.301-766.316 shall pay an additional initial assessment equal~~

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581 to the most recent assessment made pursuant to this paragraph,  
 582 paragraph (5)(a), or paragraph (7)(b).

583 2. Payment of assessments required by this paragraph is due  
 584 on or before December 31 of each year for qualification as a  
 585 participating physician during the next calendar year. If  
 586 payment of the assessments is received by the association on or  
 587 before January 31 of any calendar year, the physician shall  
 588 qualify as a participating physician for that entire calendar  
 589 year. If the payment is received after January 31, the physician  
 590 shall qualify as a participating physician for that calendar  
 591 year only from the date the payment was received by the  
 592 association.

593 (d) Any hospital located in a county with a population in  
 594 excess of 1.1 million as of January 1, 2003, as determined by  
 595 the Agency for Health Care Administration under the Health Care  
 596 Responsibility Act, may elect to pay the assessments required by  
 597 paragraph (c) fee for the participating physician and the  
 598 certified nurse midwife if the hospital first determines that  
 599 the primary motivating purpose for making such payment is to  
 600 ensure coverage for the hospital's patients under the provisions  
 601 of ss. 766.301-766.316; however, no hospital may restrict any  
 602 participating physician or nurse midwife, directly or  
 603 indirectly, from being on the staff of hospitals other than the  
 604 staff of the hospital making the payment. Each hospital shall  
 605 file with the association an affidavit setting forth  
 606 specifically the reasons why the hospital elected to make the  
 607 payment on behalf of each participating physician and certified  
 608 nurse midwife. The payments authorized under this paragraph  
 609 shall be in addition to the assessment set forth in paragraph

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610 ~~(5)(a).~~

611 ~~(5)(a) Beginning January 1, 1990, the persons and entities~~  
 612 ~~listed in paragraphs (4)(b) and (c), except those persons or~~  
 613 ~~entities who are specifically excluded from said provisions, as~~  
 614 ~~of the date determined in accordance with the plan of operation,~~  
 615 ~~taking into account persons licensed subsequent to the payment~~  
 616 ~~of the initial assessment, shall pay an annual assessment in the~~  
 617 ~~amount equal to the initial assessments provided in paragraphs~~  
 618 ~~(4)(b) and (c). If payment of the annual assessment by a~~  
 619 ~~physician is received by the association by January 31 of any~~  
 620 ~~calendar year, the physician shall qualify as a participating~~  
 621 ~~physician for that entire calendar year. If the payment is~~  
 622 ~~received after January 31 of any calendar year, the physician~~  
 623 ~~shall qualify as a participating physician for that calendar~~  
 624 ~~year only from the date the payment was received by the~~  
 625 ~~association. On January 1, 1991, and on each January 1~~  
 626 ~~thereafter, the association shall determine the amount of~~  
 627 ~~additional assessments necessary pursuant to subsection (7), in~~  
 628 ~~the manner required by the plan of operation, subject to any~~  
 629 ~~increase determined to be necessary by the Office of Insurance~~  
 630 ~~Regulation pursuant to paragraph (7)(b). On July 1, 1991, and on~~  
 631 ~~each July 1 thereafter, the persons and entities listed in~~  
 632 ~~paragraphs (4)(b) and (c), except those persons or entities who~~  
 633 ~~are specifically excluded from said provisions, shall pay the~~  
 634 ~~additional assessments which were determined on January 1.~~  
 635 ~~Beginning January 1, 1990, the entities listed in paragraph~~  
 636 ~~(4)(a), including those licensed on or after October 1, 1988,~~  
 637 ~~shall pay an annual assessment of \$50 per infant delivered~~  
 638 ~~during the prior calendar year. The additional assessments which~~

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639 ~~were determined on January 1, 1991, pursuant to the provisions~~  
 640 ~~of subsection (7) shall not be due and payable by the entities~~  
 641 ~~listed in paragraph (4)(a) until July 1.~~

642 ~~(b) If the assessments collected pursuant to subsection (4)~~  
 643 ~~and the appropriation of funds provided by s. 76, chapter 88-1,~~  
 644 ~~Laws of Florida, as amended by s. 41, chapter 88-277, Laws of~~  
 645 ~~Florida, to the plan from the Insurance Regulatory Trust Fund~~  
 646 ~~are insufficient to maintain the plan on an actuarially sound~~  
 647 ~~basis, there is hereby appropriated for transfer to the~~  
 648 ~~association from the Insurance Regulatory Trust Fund an~~  
 649 ~~additional amount of up to \$20 million.~~

650 ~~(c) 1. Taking into account the assessments collected~~  
 651 ~~pursuant to subsection (4) and appropriations from the Insurance~~  
 652 ~~Regulatory Trust Fund, if required to maintain the plan on an~~  
 653 ~~actuarially sound basis, the Office of Insurance Regulation~~  
 654 ~~shall require each entity licensed to issue casualty insurance~~  
 655 ~~as defined in s. 624.605(1)(b), (k), and (q) to pay into the~~  
 656 ~~association an annual assessment in an amount determined by the~~  
 657 ~~office pursuant to paragraph (7)(a), in the manner required by~~  
 658 ~~the plan of operation.~~

659 ~~2. All annual assessments shall be made on the basis of net~~  
 660 ~~direct premiums written for the business activity which forms~~  
 661 ~~the basis for each such entity's inclusion as a funding source~~  
 662 ~~for the plan in the state during the prior year ending December~~  
 663 ~~31, as reported to the Office of Insurance Regulation, and shall~~  
 664 ~~be in the proportion that the net direct premiums written by~~  
 665 ~~each carrier on account of the business activity forming the~~  
 666 ~~basis for its inclusion in the plan bears to the aggregate net~~  
 667 ~~direct premiums for all such business activity written in this~~

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668 ~~state by all such entities.~~

669 ~~3. No entity listed in this paragraph shall be individually~~  
 670 ~~liable for an annual assessment in excess of 0.25 percent of~~  
 671 ~~that entity's net direct premiums written.~~

672 ~~4. Casualty insurance carriers shall be entitled to recover~~  
 673 ~~their initial and annual assessments through a surcharge on~~  
 674 ~~future policies, a rate increase applicable prospectively, or a~~  
 675 ~~combination of the two.~~

676 ~~(5)(a)-(6)(a) The association shall make all assessments~~  
 677 ~~required by this section, except initial assessments of~~  
 678 ~~physicians newly licensed by the Department of Health, which~~  
 679 ~~assessments will be made by the Department of Health, and except~~  
 680 ~~assessments of casualty insurers pursuant to paragraph (7)(c)~~  
 681 ~~subparagraph (5)(e)1., which assessments will be made by the~~  
 682 ~~office of Insurance Regulation. The Department of Health shall~~  
 683 ~~provide the association, in an electronic format, with a monthly~~  
 684 ~~report of the names and license numbers of all physicians~~  
 685 ~~licensed under chapter 458 or chapter 459.~~

686 ~~(b) 1. The association may enforce collection of assessments~~  
 687 ~~required to be paid pursuant to ss. 766.301-766.316 by suit~~  
 688 ~~filed in county court, or in circuit court if the amount due~~  
 689 ~~could exceed the jurisdictional limits of county court. The~~  
 690 ~~association is entitled to an award of attorney fees, costs, and~~  
 691 ~~interest upon the entry of a judgment against a physician for~~  
 692 ~~failure to pay such assessment, with such interest accruing~~  
 693 ~~until paid. Notwithstanding chapters 47 and 48, the association~~  
 694 ~~may file such suit in either Leon County or the county of the~~  
 695 ~~residence of the defendant. The association shall notify the~~  
 696 ~~Department of Health and the applicable board of any unpaid~~

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 697 final judgment against a physician within 7 days after the entry  
 698 of final judgment.

699 2. The Department of Health, upon notification by the  
 700 association that an assessment has not been paid and that there  
 701 is an unsatisfied judgment against a physician, shall refuse to  
 702 renew any license issued to such physician under chapter 458 or  
 703 chapter 459 until the association notifies the Department of  
 704 Health that the judgment is satisfied in full.

705 (c) The Agency for Health Care Administration shall, upon  
 706 notification by the association that an assessment has not been  
 707 timely paid, enforce collection of such assessments required to  
 708 be paid by hospitals pursuant to ss. 766.301-766.316. Failure of  
 709 a hospital to pay such assessment is grounds for disciplinary  
 710 action pursuant to s. 395.1065 notwithstanding any law to the  
 711 contrary.

712 (7) (a) The office of Insurance Regulation shall undertake  
 713 an actuarial investigation of the requirements of the plan based  
 714 on the plan's experience in the first year of operation and any  
 715 additional relevant information, including without limitation  
 716 the assets and liabilities of the plan. Pursuant to such  
 717 investigation, the Office of Insurance Regulation shall  
 718 establish the rate of contribution of the entities listed in  
 719 paragraph (5) (c) for the tax year beginning January 1, 1990.  
 720 Following the initial valuation, the Office of Insurance  
 721 Regulation shall cause an actuarial valuation to be made of the  
 722 assets and liabilities of the plan no less frequently than  
 723 biennially. Pursuant to the results of such valuations, the  
 724 Office of Insurance Regulation shall prepare a statement as to  
 725 the contribution rate applicable to the entities listed in

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 726 ~~paragraph (5) (c). However, at no time shall the rate be greater~~  
 727 ~~than 0.25 percent of net direct premiums written.~~

728 ~~(b) If the office of Insurance Regulation finds that the~~  
 729 ~~plan cannot be maintained on an actuarially sound basis based on~~  
 730 ~~the assessments and appropriations listed in subsections (4) and~~  
 731 ~~(5), the office shall increase the assessments specified in~~  
 732 ~~subsection (4) on a proportional basis as needed.~~

733 ~~(8) The association shall report to the Legislature its~~  
 734 ~~determination as to the annual cost of maintaining the fund on~~  
 735 ~~an actuarially sound basis. In making its determination, the~~  
 736 ~~association shall consider the recommendations of all hospitals,~~  
 737 ~~physicians, casualty insurers, attorneys, consumers, and any~~  
 738 ~~associations representing any such person or entity.~~

739 ~~Notwithstanding the provisions of s. 395.3025, all hospitals,~~  
 740 ~~casualty insurers, departments, boards, commissions, and~~  
 741 ~~legislative committees shall provide the association with all~~  
 742 ~~relevant records and information upon request to assist the~~  
 743 ~~association in making its determination. All hospitals shall,~~  
 744 ~~upon request by the association, provide the association with~~  
 745 ~~information from their records regarding any live birth. Such~~  
 746 ~~information shall not include the name of any physician, the~~  
 747 ~~name of any hospital employee or agent, the name of the patient,~~  
 748 ~~or any other information which will identify the infant involved~~  
 749 ~~in the birth. Such information thereby obtained shall be~~  
 750 ~~utilized solely for the purpose of assisting the association and~~  
 751 ~~shall not subject the hospital to any civil or criminal~~  
 752 ~~liability for the release thereof. Such information shall~~  
 753 ~~otherwise be confidential and exempt from the provisions of s.~~  
 754 ~~119.07(1) and s. 24(a), Art. I of the State Constitution.~~

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755 (6) (a)-(9) (a) Within 60 days after a claim is filed, the  
 756 association shall estimate the present value of the total cost  
 757 of the claim, including the estimated amount to be paid to the  
 758 claimant, the claimant's attorney, the attorney attorney's fees  
 759 of the association incident to the claim, and any other expenses  
 760 that are reasonably anticipated to be incurred by the  
 761 association in connection with the adjudication and payment of  
 762 the claim. For purposes of this estimate, the association should  
 763 include the maximum benefits for noneconomic damages.

764 (b) The association shall revise these estimates quarterly  
 765 based upon the actual costs incurred and any additional  
 766 information that becomes available to the association since the  
 767 last review of this estimate. The estimate shall be reduced by  
 768 any amounts paid by the association that were included in the  
 769 current estimate. The association shall submit such quarterly  
 770 estimates to the office within 10 business days after  
completion.

771 (c) After the revisions of estimates required under  
 772 paragraph (b), each quarter, the association shall calculate  
 773 whether the plan is actuarially sound. If the association's  
 774 calculation indicates that the plan is not actuarially sound,  
 775 the association must immediately notify the office as described  
in subsection (7). The office shall review the association's  
 776 calculations and, within 60 days after the association's  
 777 notification, determine whether to initiate an actuarial  
 778 valuation as described in subsection (7), and notify the  
 779 association of its determination. At a minimum, the office shall  
 780 make its determination based on the degree to which the  
 781 association's calculations indicate that the plan is not

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784 actuarially sound, the direction and consistency of recent  
 785 trends in the calculations of the plan's actuarial soundness,  
 786 and the length of time since the most recent actuarial valuation  
 787 conducted by the office and until the next biennial valuation.  
 788 The office shall initiate such actuarial valuation within 30  
 789 days after its determination that there is a need for a  
 790 valuation.

791 1. If the total of all current estimates equals or exceeds  
 792 100 percent of the funds on hand and the funds that will become  
 793 available to the association within the next 12 months from all  
 794 sources described in subsection (4) and paragraph (5)(a), the  
 795 association may not accept any new claims without express  
 796 authority from the Legislature. This section does not preclude  
 797 the association from accepting any claim if the injury occurred  
 798 18 months or more before the effective date of this suspension.  
 799 Within 30 days after the effective date of this suspension, the  
 800 association shall notify the Governor, the Speaker of the House  
 801 of Representatives, the President of the Senate, the Office of  
 802 Insurance Regulation, the Agency for Health Care Administration,  
 803 and the Department of Health of this suspension.

804 2. Notwithstanding this paragraph, the association is  
 805 authorized to accept new claims during the 2025-2026 fiscal year  
 806 if the total of all current estimates exceeds the limits  
 807 described in subparagraph 1. during that fiscal year. This  
 808 subparagraph expires July 1, 2026.

809 (d) If any person is precluded from asserting a claim  
 810 against the association because of paragraph (c), the plan shall  
 811 not constitute the exclusive remedy for such person, his or her  
 812 personal representative, parents, dependents, or next of kin.

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813 (7) (a) The office shall cause an actuarial valuation to be  
 814 made of the assets and liabilities of the plan at a minimum  
 815 biennially on or before December 31 of even-numbered years and  
 816 as provided in subsection (6). Such valuation must be based on  
 817 the assets and liabilities of the plan for the calendar year  
 818 before the year in which the actuarial valuation is due. The  
 819 office shall also determine whether the plan has adequate  
 820 estimated cash flow for the following fiscal year, whether,  
 821 based on the actuarial valuation, the plan is actuarially sound,  
 822 and if not, whether the plan is likely to return to actuarial  
 823 soundness before the next biennial review.

824 (b) If the office determines that the plan lacks adequate  
 825 cash flow for the following fiscal year pursuant to the review  
 826 in paragraph (a), the office must authorize a transfer of up to  
 827 up to \$50 million from the Insurance Regulatory Trust Fund to  
 828 the association within 30 calendar days.

829 (c) If the office finds that the plan is not likely to  
 830 return to actuarial soundness before the next biennial review  
 831 pursuant to the review in paragraph (a), the office must, within  
 832 60 calendar days after this finding, order one or more of the  
 833 following actions:

834 1. Require each entity licensed to issue casualty insurance  
 835 as defined in s. 624.605(1)(b), (k), and (q) to pay into the  
 836 association an annual assessment that is calculated to generate  
 837 a total amount no greater than the amount required to achieve  
 838 actuarial soundness of the plan within 5 years after the date of  
 839 the order, subject to the limitations of this subparagraph.

840 a. These assessments shall be made on the basis of net  
 841 direct premiums written for the business activity which forms

Page 29 of 32

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

12-01354A-26 20261668

842 the basis for each such entity's inclusion as a funding source  
 843 for the plan in the state during the prior year ending December  
 844 31, as reported to the office, and shall be in the proportion  
 845 that the net direct premiums written by each carrier on account  
 846 of the business activity forming the basis for its inclusion in  
 847 the plan bears to the aggregate net direct premiums for all such  
 848 business activity written in this state by all such entities.

849 b. No entity shall be individually liable for an annual  
 850 assessment in excess of 0.25 percent of that entity's net direct  
 851 premiums written.

852 c. Casualty insurance carriers shall be entitled to recover  
 853 their assessments through a surcharge on future policies, a rate  
 854 increase applicable prospectively, or a combination of the two.

855 d. An assessment under this paragraph must not extend 5  
 856 years after the date of the order.

857 2. If actuarial soundness cannot be achieved after using  
 858 the remedy in subparagraph 1., increase the assessments  
 859 specified in subsection (4) on a proportional basis that is  
 860 calculated to generate a total amount no greater than the amount  
 861 required to maintain the plan on an actuarially sound basis.

862 (d) If the office finds that the plan is not actuarially  
 863 sound pursuant to the review in paragraph (a), the plan must  
 864 provide the office with quarterly reports projecting the plan's  
 865 financial health and, if assessments were ordered by the office  
 866 under this paragraph, projected revenues for such assessments.

867 (e) If the association finds that the plan is not  
 868 actuarially sound and the remedies provided under subsection (7)  
 869 are insufficient to reestablish the actuarial soundness of the  
 870 plan, the association must, within 60 days after such finding,

Page 30 of 32

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871 notify the Governor, the President of the Senate, the Speaker of  
872 the House of Representatives, and the office. If the plan issues  
873 the notice, the association may not accept any new claims  
874 without express authority from the Legislature. This paragraph  
875 does not preclude the association from accepting any claim if  
876 the injury occurred 18 months or more before the effective date  
877 of this suspension.

878 Section 8. Subsection (1) of section 766.315, Florida  
879 Statutes, is amended to read:

880 766.315 Florida Birth-Related Neurological Injury  
881 Compensation Association; board of directors; notice of  
882 meetings; report.—

883 (1) (a) The Florida Birth-Related Neurological Injury  
884 Compensation Plan shall be governed by a board of seven  
885 directors which shall be known as the Florida Birth-Related  
886 Neurological Injury Compensation Association. The association is  
887 not a state agency, board, or commission. Notwithstanding the  
888 provision of s. 15.03, the association is authorized to use the  
889 state seal.

890 (b) The directors shall be appointed for staggered terms of  
891 3 years or until their successors are appointed and have  
892 qualified; however, a director may not serve for more than 6  
893 consecutive years.

894 (c) The directors shall be appointed by the Chief Financial  
895 Officer as follows:

- 896 1. One citizen representative who is not affiliated with  
897 any of the groups identified in subparagraphs 2.-7.
- 898 2. One representative of participating physicians.
- 899 3. One representative of hospitals.

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900 4. One representative of casualty insurers.  
901 5. One representative of physicians other than  
902 participating physicians.  
903 6. One family member of a participant parent or legal  
904 guardian representative of an injured infant under the plan.  
905 7. One representative of an advocacy organization for  
906 children with disabilities.

907 Section 9. This act shall take effect July 1, 2026.

Page 32 of 32

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## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

**COMMITTEES:**  
Health Policy, *Chair*  
Judiciary, *Vice Chair*  
Appropriations Committee on Health  
and Human Services  
Banking and Insurance  
Fiscal Policy  
Rules

### SENATOR COLLEEN BURTON

12th District

January 20, 2026

The Honorable Joe Gruters  
413 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399

Chair Gruters,

I respectfully request SB 1668 Florida Birth-Related Neurological Injury Compensation Association be placed on the Banking and Insurance agenda at your earliest convenience.

Thank you for your consideration.

Regards,

A handwritten signature in blue ink that reads "Colleen Burton".

Colleen Burton  
State Senator, District 12

CC: James Knudson, Staff Director  
Lisa Johnson, Deputy Staff Director  
Amaura Canty, Committee Administrative Assistant

REPLY TO:

1375 Havendale Blvd., Winter Haven, FL 33881 (863) 413-1529  
408 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5012

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**BEN ALBRITTON**  
President of the Senate

**JASON BRODEUR**  
President Pro Tempore

1-28-26

Meeting Date

B&I

Committee

Name Laura Youmans

Address 1100 218 S. MONROE ST  
Street

TAC

PL

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 JUSTICE 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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022JointRules.pdf)

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

S-001 (08/10/2021)

The Florida Senate

1/28/26

Meeting Date

## APPEARANCE RECORD

SB 1668

Bill Number or Topic

Banking & Insurance  
Committee

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

Name Renee Oliver

Phone 386-527-3463

Amendment Barcode (if applicable)

Address 119 Casa Bella Blvd  
Street

Email ido5983@yahoo.com

DeLand FL 32724  
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. [2020-2022JointRules.pdf](https://flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)

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S-001 (08/10/2021)

28JAN2026

## APPEARANCE RECORD

JB1668

Meeting Date

Banking &amp; Insurance

Committee

Name Melissa Jaacks

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

Bill Number or Topic

Amendment Barcode (if applicable)

Address 811 Circle Dr

Phone

850.980.3210

Street

Tallahassee

State

32301

Email

mjaacks@mca.com

City

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. [2020-2022JointRules.pdf](#) (flsenate.gov)

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

S-001 (08/10/2021)

## The Florida Senate

11/28/2026

Meeting Date

## APPEARANCE RECORD

SB 1668

Bill Number or Topic

Bushings' Insurance  
CommitteeDeliver both copies of this form to  
Senate professional staff conducting the meeting

Amendment Barcode (if applicable)

Name Jim DeBeaugraine Phone 850 - 508 - 8908Address 1778 Vineyard Way Email jim-debeaugraine @  
Street comcast.netCity Tallahassee, FL State 32317  
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:

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. [2020-2022JointRules.pdf \(flsenate.gov\)](https://www.flsenate.gov/2020-2022JointRules.pdf)

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

S-001 (08/10/2021)

1/28/2026

Meeting Date

Banking & Insurance

Committee

Name Amy Young

Address 201 E Park Ave, 5th Floor

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:

American Congress of Obstetricians and Gynecologists, District XII

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. [2020-2022JointRules.pdf](https://www.flsenate.gov/2020-2022JointRules.pdf) (flsenate.gov)*

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

S-001 (08/10/2021)

The Florida Senate  
**COMMITTEE VOTE RECORD**

**Committee:** Banking and Insurance  
**Meeting Date:** Wednesday, January 28, 2026  
**Time:** 10:30 a.m.—12:30 p.m.  
**Place:** 412 Knott Building  
**Bill #:** SB 1668  
**Final Action:** Favorable

**Tab #:** 10  
**Sponsor:** Burton  
**Subject:** Florida Birth-Related Neurological Injury Compensation Association

CODES: FAV=Favorable  
UNF=Unfavorable  
-R=Reconsidered

RCS=Replaced by Committee Substitute  
RE=Replaced by Engrossed Amendment  
RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
VA=Vote After Roll Call  
VC=Vote Change After Roll Call

WD=Withdrawn  
OO=Out of Order  
AV=Abstain from Voting

# CourtSmart Tag Report

Room: KB 412

Case No.:

Type:

Caption: Senate Banking and Insurance Committee

Judge:

Started: 1/28/2026 10:31:43 AM

Ends: 1/28/2026 11:22:41 AM

Length: 00:50:59

10:31:45 AM Committee on Banking and Insurance begins  
10:31:56 AM roll call - quorum present  
10:32:23 AM SB 808 by Sen. Simon is TP'd  
10:32:33 AM tab 7 - SB 1286 by Sen. Wright  
10:34:25 AM no questions  
10:34:45 AM Chief Jim Millican w/ Fla. Fire Chiefs Assn. recognized  
10:34:51 AM Sam Wagoner w/ Fla. League of Cities waives in support  
10:34:54 AM Hannah Christian w/ CFO Ingoglia's office waives in support  
10:35:10 AM Dana McCool waives in support  
10:35:24 AM Comment by Sen. Osgood  
10:36:51 AM Sen. Boyd in debate  
10:37:27 AM Vice Chair Sharief in debate  
10:37:47 AM Sen. Wright closes on bill  
10:38:15 AM SB 1286 reported favorably  
10:38:28 AM tab 1 - SB 198 by Rouson  
10:39:05 AM Substitute amend. 959472 taken up  
10:40:37 AM no questions on sub. amend.  
10:40:51 AM no debate; sponsor closes on sub. amend.  
10:40:59 AM Rima Nathan w/ FSU Elder Law waives in support  
10:41:02 AM Greg Black w/ Satoshi Action Fund, waives in support  
10:41:26 AM Karen Civitate speaks in favor  
10:42:47 AM David Garner w/ Fla. Bankers Assn., speaks in favor  
10:43:10 AM Ethan McClelland speaks in favor  
10:45:04 AM Karen Murillo w/ AARP Fla., waives in support  
10:45:33 AM Christopher Hodge w/ Fla. Cred. Union Assn., speaks in favor  
10:45:38 AM Brian Jogerst (Elder Law Section/Fla. Bar AND Academy of Fla. Elder Law Attnys.), waives in support  
10:45:50 AM Sen. Osgood recognized to speak  
10:48:50 AM Vice Chair Sharief in questions  
10:49:26 AM Sen. Burton in debate  
10:50:45 AM Sen. Rouson addresses Vice Chair Sharief's issue & closes  
10:51:51 AM CS/SB 198 reported favorably  
10:52:06 AM tab 3 - SB 772 by Sen. Burgess  
10:52:31 AM SA amend. taken up  
10:53:12 AM amendment adopted  
10:53:38 AM Tim Meenan representing Asurion, waives in support  
10:53:50 AM sponsor closes on bill  
10:54:12 AM CS/SB 772 reported favorably  
10:54:48 AM Sen. Osgood recognized for an acknowledgment  
10:55:21 AM tab 9 - SB 1504 by Calatayud  
10:55:34 AM amendment taken up  
10:55:54 AM amendment adopted  
10:56:16 AM Hannah Christian w/ CFO Ingoglia's office, waives in support  
10:56:58 AM Tim Meenan representing Nat'l Assn. of Ins. & Financial Advisors, waives in support  
10:56:59 AM BG Murphy representing Fla. Assn. of Ins. Agents, waives in support  
10:57:05 AM WAS AN UNNECESSARY PLACE HOLDER  
10:57:12 AM WAS AN UNNECESSARY PLACE HOLDER  
10:57:28 AM sponsor waives close  
10:57:48 AM CS/SB 1504 reported favorably  
10:58:15 AM Sen. Osgood for another acknowledgment  
10:58:35 AM gavel moves to vice chair  
10:58:42 AM tab 5 - SB 1038 by Sen. Gruters  
10:59:03 AM SB 1038 explained by sponsor

**10:59:23 AM** amendment 152950 taken up  
**10:59:55 AM** amend. adopted  
**11:00:12 AM** Greg Black waives in support of bill as amended  
**11:00:25 AM** sponsor waives close  
**11:00:42 AM** CS/SB 1038 reported favorably  
**11:01:03 AM** tab 6 - SB 1040 by Sen. Gruters  
**11:01:26 AM** amend. 422262 taken up  
**11:01:54 AM** amendment adopted  
**11:02:13 AM** sponsor waives close  
**11:02:27 AM** CS/SB 1040 reported favorably  
**11:02:35 AM** gavel back to Chair  
**11:02:57 AM** tab 8 - SB 1440 by Sen. Martin  
**11:03:21 AM** amendment 960882 taken up  
**11:04:04 AM** amendment adopted  
**11:04:17 AM** Ash Mason w/ OFR waives in support  
**11:04:30 AM** sponsor waives close  
**11:04:44 AM** CS/SB 1440 reported favorably  
**11:04:49 AM** tab 10 - SB 1668 by Sen. Burton  
**11:05:08 AM** Sen. Burton explains bill  
**11:06:25 AM** Amy Young representing Am. Congress of Obstetricians & Gynecologists, waives in support  
**11:06:31 AM** Jim DeBeaugrine waives in support  
**11:06:37 AM** Melissa Jaacks waives in support  
**11:07:05 AM** Renee Oliver speaks in support  
**11:11:29 AM** Laura Youmans w/ Fla. Justice Assn., speaks for information  
**11:14:55 AM** Vice Chair Sharief in debate to ask Ms. Youmans questions  
**11:17:51 AM** Sen. Burton closes  
**11:18:12 AM** SB 1668 reported favorably  
**11:18:26 AM** tab 2 - SB 570 by Sen. Polksky  
**11:19:46 AM** amendment 286164 taken up  
**11:20:39 AM** Karen Murrillo w/ AARP Fla., waives in support  
**11:21:00 AM** Sen. Burton recognized in debate  
**11:21:29 AM** sponsor waives close  
**11:21:45 AM** CS/SB 570 reported favorably  
**11:22:05 AM** Sen. Burton moves for a favorable Vote After for SB 1286  
**11:22:15 AM** Sen. Passidomo moves for a favorable Vote After for tabs 3, 9, & 5  
**11:22:18 AM** no objection  
**11:22:31 AM** Vice Chair Sharief moves to adjourn