Tab 1	**SB 158** by **Jones;** Identical to H 00983 Pet Insurance

905418	A	S	BI, Jones	Delete L.14 - 64:	02/03 09:54 AM

Tab 2	**SB 314** by **Burton;** Identical to H 00175 Issuers of Digital Assets

663608	D	S	BI, Burton	Delete everything after	02/03 10:13 AM

Tab 3	**SB 618** by **Truenow;** Identical to H 01243 Workers' Compensation Insurance

536540	A	S	BI, Truenow	Delete L.41 - 45:	02/03 08:14 AM

Tab 4	**SB 684** by **McClain;** Similar to CS/H 00961 Electronic Signatures Associated with Total Loss Vehicles and Vessels

Tab 5	**CS/SB 838** by **CM, Yarborough;** Similar to H 00959 Electronic Payments of Retail Installment Contracts

Tab 6	**SB 990** by **Leek;** Identical to H 00883 Protected Cell Captive Insurance Companies

Tab 7	**SB 1000** by **Grall;** Identical to H 00893 Trust Fund Interest for Purposes Approved by the Supreme Court

Tab 8	**CS/SB 1082** by **HP, Grall (CO-INTRODUCERS) Gaetz;** Similar to H 01449 Statewide Provider and Health Plan Claim Dispute Resolution Program

715760	A	S	BI, Grall	btw L.43 - 44:	02/03 08:50 AM

Tab 9	**SB 1452** by **Truenow;** Identical to H 01221 Department of Financial Services

466478	A	S	L	BI, Truenow	Delete L.889 - 1280:	02/03 01:46 PM

Tab 10	**SB 1494** by **Davis;** Compare to H 00137 Insurance Coverage for Breast Cancer Screening

Tab 11	**SB 1500** by **Bradley;** Similar to CS/H 01337 Estates

227952	A	S	BI, Bradley	Delete L.52:	02/03 10:11 AM

Tab 12	**SB 1568** by **DiCeglie;** Similar to H 01415 Florida Stablecoin Pilot Program

652444	D	S	BI, DiCeglie	Delete everything after	02/03 10:05 AM

Tab 13	**SB 1706** by **Pizzo;** Similar to CS/H 01497 My Safe Florida Condominium Pilot Program

The Florida Senate

COMMITTEE MEETING EXPANDED AGENDA

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

MEETING DATE: Wednesday, February 4, 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	**SB 158** Jones (Identical H 983)	Pet Insurance; Requiring licensees who sell pet insurance to complete specified continuing education; revising requirements for disclosures from a pet insurer to a policyholder; requiring pet insurers to file annually a specified report with the Office of Insurance Regulation, etc. BI 02/04/2026 AEG RC	
2	**SB 314** Burton (Identical H 175)	Issuers of Digital Assets; Providing requirements for persons to qualify as recognized payment stablecoin issuers; providing that recognized payment stablecoin issuers are not required to obtain specified separate licenses or registrations for certain purposes; providing that the Office of Financial Regulation of the Financial Services Commission has jurisdiction to determine certain compliance, etc. BI 02/04/2026 AEG RC	
3	**SB 618** Truenow (Identical H 1243)	Workers' Compensation Insurance; Specifying that an insurer may use excess rates only under certain circumstances; revising the composition of the board of directors of the Florida Workers' Compensation Insurance Guaranty Association, etc. BI 02/04/2026 AEG FP	
4	**SB 684** McClain (Similar CS/H 961)	Electronic Signatures Associated with Total Loss Vehicles and Vessels; Requiring insurance companies to implement certain control processes and procedures for certain electronic signatures; deleting a requirement that electronic signatures on odometer disclosures submitted through insurance companies be executed in a specified manner, etc. TR 01/20/2026 Favorable BI 02/04/2026 RC	

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
5	**CS/SB 838** Commerce and Tourism / Yarborough (Similar H 959)	Electronic Payments of Retail Installment Contracts; Defining the term “electronic payment”; authorizing a holder of a retail installment contract, or its agent, to collect a fee for processing a retail buyer’s electronic payment only if certain conditions are met, etc. CM 01/13/2026 Fav/CS BI 02/04/2026 RC	
6	**SB 990** Leek (Identical H 883)	Protected Cell Captive Insurance Companies; Specifying that a protected cell captive insurance company may only insure certain risks; revising the unimpaired paid-in capital requirements for captive insurance companies; authorizing one or more sponsors to form a protected cell captive insurance company; requiring applicant protected cell captive insurance companies to file certain information with the Office of Insurance Regulation; authorizing protected cell captive insurance companies to establish and maintain certain protected cells, subject to certain approvals granted by the office, etc. BI 02/04/2026 AEG RC	
7	**SB 1000** Grall (Identical H 893)	Trust Fund Interest for Purposes Approved by the Supreme Court; Authorizing financial institutions to hold funds in specified trust accounts used for specified purposes expressly authorized by Supreme Court rule; requiring certain entities to use interest and dividends for specified purposes; requiring certain financial institutions to pay specified interest or dividends, etc. JU 01/27/2026 Favorable BI 02/04/2026 RC	
8	**CS/SB 1082** Health Policy / Grall (Similar H 1449)	Statewide Provider and Health Plan Claim Dispute Resolution Program; Specifying additional circumstances under which a disputed claim is not subject to review under the statewide provider and health plan claim dispute resolution program, etc. HP 01/26/2026 Fav/CS BI 02/04/2026 RC	

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
9	**SB 1452** Truenow (Identical H 1221)	Department of Financial Services; Revising the Chief Financial Officer's rulemaking authority; revising eligibility requirements for a hurricane mitigation inspection under the My Safe Florida Home Program; authorizing the department to determine what property insurance coverage is necessary; revising the timeframe in which health care providers must petition the department to resolve utilization and reimbursement disputes; revising the timelines and conditions under which stock, other equity interests, or debt of a business association is considered abandoned, etc. BI 02/04/2026 AEG RC	
10	**SB 1494** Davis (Compare H 137)	Insurance Coverage for Breast Cancer Screening; Requiring that certain health insurance policies issued, amended, delivered, or renewed on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; requiring that certain health insurance policies issued, amended, delivered, or renewed on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; requiring that certain health benefit plans issued on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; requiring that certain health maintenance contracts issued or renewed on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis, etc. BI 02/04/2026 AEG AP	
11	**SB 1500** Bradley (Identical H 1337)	Estates; Revising the issues a court may resolve for a personal representative; requiring the court to award taxable costs and attorney fees in certain proceedings; authorizing the court to direct such payment from certain persons; revising when summary administration proceedings may commence for either a resident or nonresident decedent's estate; revising the sum for funds certain financial institutions may make payable to a decedent's family member, etc. JU 01/27/2026 Favorable BI 02/04/2026 RC	

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
12	**SB 1568** DiCeglie (Similar H 1415)	Florida Stablecoin Pilot Program; Establishing the Florida Stablecoin Pilot Program within the Department of Financial Services; authorizing the department to accept eligible payment stablecoins for the payment of certain fees; authorizing the department to send eligible payment stablecoins for refunds, reimbursements, or other disbursements to participants who elect to receive such payments in the form of eligible payment stablecoins; authorizing the department to accept, hold, or create eligible payment stablecoins for use in the pilot program, etc. BI 02/04/2026 AEG RC	
13	**SB 1706** Pizzo (Similar CS/H 1497)	My Safe Florida Condominium Pilot Program; Revising eligibility requirements for participation in the My Safe Florida Condominium Pilot Program; requiring the Department of Financial Services to adopt rules to verify household income; specifying that condominium property with mixed-income occupancies is eligible to participate in the pilot program under certain circumstances; limiting the award of grant funds, etc. BI 02/04/2026 RI AP	
	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:	SB 158
INTRODUCER:	Senator Jones
SUBJECT:	Pet Insurance
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			RC	

I. Summary:

SB 158 revises statutory provisions relating to pet insurance and wellness programs. Although pet insurance is considered a kind of property insurance, it is essentially a health insurance policy for a pet that covers accidents and illnesses. Pet insurance is currently sold by General and Personal Lines agents. The Department of Financial Services regulates insurance agents, and the Office of Insurance Regulation is responsible for regulating insurers and other risk-bearing entities.

SB 158 requires insurance agents who transact pet insurance to complete two hours of continuing education related to pet insurance every two years. SB 158 adds additional information that an insurer must include in the written disclosure provided to a policyholder when the policy is issued or delivered. The written disclosures must include a summary of the key policy features, written in plain language and on a form adopted by rule, including, at a minimum, coverage limits and deductibles, waiting periods, exclusions, preexisting condition rules, and whether the policy includes wellness benefits.

Further, SB 158 requires insurers transacting pet insurance to submit an annual report by March 1 of each year for the preceding calendar year to the Office of Insurance Regulation that includes:

- The number of pet insurance policies issued, renewed, and canceled.
- Aggregate premium and claims data.
- Data on policy denials and rescissions, including the reason for each denial or rescission.
- Information on waiting periods, exclusions, and wellness program offerings.
- Any other information required by rule of the Financial Services Commission.

The bill takes effect July 1, 2026.

II. Present Situation:

Regulation of Insurance in Florida

Chapters 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S., constitute the Florida Insurance Code (code). Part III of ch. 624, F.S., prescribes the requirements for an entity to obtain a certificate of authority and be authorized as an insurer by the Office of Insurance Regulation (OIR). Part I of ch. 627, F.S., known as the "Rating Law," provides that a purpose of this part is to promote the public welfare by regulating insurance rates to ensure that they may not be excessive, inadequate, or unfairly discriminatory. Part X of ch. 627, F.S., regulates property insurance.

The Unfair Insurance Trade Practices Act (Act)[1] regulates trade practice relating to the business of insurance, including activities of insurers and agents. The Department of Financial Services (DFS) and the Office of Insurance Regulation (OIR) are authorized to impose fines and take other actions against any agent or insurer, respectively, who violates provision of this Act.[2]

Department of Financial Services

The powers and duties of DFS, relating to part I of ch. 626, F.S., are specified in s. 626.016, F.S., known as the "The Licensing Procedures Law,[3] applies only with respect to insurance agents, insurance agencies, managing general agents, insurance adjusters, reinsurance intermediaries, viatical settlement brokers, customer representatives, service representatives, and agencies.

Licensure of Insurance Agents

Section 626.112, F.S., 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 DFS and appointed by an appropriate appointing entity or person. An agent is a general lines agent, life agent, health agent, or title agent, or all such agents, as indicated by context.[4] Part II of ch. 626, F.S., regulates general lines agents. A general lines agent is an agent transacting any of the following kinds of insurance:

- Property insurance;
- Casualty insurance;
- Surety insurance;
- Health insurance; and
- Marine insurance.[5]

As a condition of transacting insurance in this state, agents must comply with consumer protection laws, including the following:[6]

[1] Part IX, ch. 626, F.S.
[2] *Id.*
[3] Section 626.011, F.S.
[4] Section 626.015(3), F.S.
[5] Section 626.015(5), F.S.,
[6] Section 626.025, F.S.

- Fingerprinting requirements for resident and nonresident agents, as required under ss. 626.171, 626.202, F.S., and 626.601, F.S;
- The submission of credit and character reports, as required by s. 626.171, F.S.;
- Qualifications for licensure as an agent in ss. 626.731, 626.741, 626.785, 626.792, 626.831, or 626.835, F.S.;
- Examination requirements in ss. 626.221, 626.741, 626.792, or 626.835, F.S.;
- Required licensure or registration of insurance agencies under s. 626.112, F.S.;
- Requirements for licensure of resident and nonresident agents in ss. 626.112, 626.321, 626.731,626.741, 626.785, 626.792, 626.831, 626.835, or 626.927, F.S.;
- Countersignature of insurance policies, as required under ss. 624.425, 624.426, or 626.741, F.S.;
- Continuing education (CE) requirements for resident and nonresident agents, as required in s. 626.2815, F.S.; and
- Any other licensing requirement, restriction, or prohibition designated a consumer protection by the Chief Financial Officer, but not inconsistent with the requirements of Subtitle C of the federal Gramm-Leach-Bliley Act.

Required CE courses are established in s. 626.2815, F.S. Each licensed agent must complete a four-hour law and ethics update course specific to their license type every two years.[7] A licensed agent must also complete 20 hours of elective CE every two years with exceptions.[8] Course providers have 21 days to report completion of CE courses to DFS.[9]

The Office of Insurance Regulation[10]

The Office of Insurance Regulation (OIR) is responsible for regulating all activities concerning insurers and other risk bearing entities, including licensing, rates, policy forms, market conduct, claims, issuance of certificates of authority, solvency, viatical settlements, premium financing, and administrative supervision, as provided under the code. The head of the OIR is the Commissioner.

The Financial Services Commission (commission) is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture. The Office of Insurance Regulation and the Office of Financial Regulation are offices within the commission. Commission members serve as agency head of the Financial Services Commission. Commission members serve as the agency head for purposes of rulemaking by the commission. The commission is not subject to control, supervision, or direction by DFS in any manner, including purchasing, transactions involving real or personal property, personnel, or budgetary matters.

National Association of Insurance Commissioners

[7] Section 626.2815(3), F.S.
[8] *Id.*
[9] Section 626.2815(8), F.S.
[10] Section 20.121(3), F.S.

The OIR is a member of the National Association of Insurance Commissioners (NAIC), an organization consisting of state insurance regulators.[11] As a member of the NAIC, the OIR is required to participate in the organization's accreditation program.[12] The NAIC accreditation is a certification that a state insurance department is fulfilling legal, regulatory, and organizational oversight standards and practices. Once accredited, a member state is subject to a full accreditation review every five years. The NAIC also periodically reviews its solvency standards as set forth in its model acts and revises accreditation requirements to adapt to evolving industry standards.[13]

Pet Insurance Model Act

In 2022, the NAIC adopted the Pet Insurance Model Act, also known as the "Pet Insurance Act" (act).[14] The purpose of this act is to promote the public welfare by creating a comprehensive legal framework within which pet insurance may be sold. The elements of the act include definitions, disclosures, policy conditions, sales practices for wellness programs, agent training, rulemaking, and violations. The NAIC reports 16 states[15] have adopted the most recent version of the act in a substantially similar manner.[16]

Florida's Pet Insurance Act

In 2025, the Florida Legislature enacted legislation that created a regulatory framework for the oversight of pet insurance and wellness programs by OIR that is based on the NAIC's Pet Insurance Model Act.[17] Although pet insurance is considered a kind of property insurance, it is essentially a health insurance policy that covers accidents and illnesses for a pet. The law provides consumer protections, including policy disclosures regarding the benefits and exclusions, and a right to rescind a policy within 30 days of issuance. Pursuant to s. 626.2815, F.S., pet insurance is currently sold by General and Personal Lines agents, and DFS tracks continuing education of agents by agent license type.

Unfair Methods of Competition and Unfair or Deceptive Acts

The law provides that the following sales acts or practices for pet wellness programs by pet insurance agents are unfair methods of competition and unfair or deceptive acts:

---

[11] The NAIC provides expertise, data, and analysis for insurance commissioners to effectively regulate the industry and protect consumers. Founded in 1871, the U.S. standard-setting organization is governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories to coordinate regulation of multistate insurers. National Association of Insurance Commissioners, (NAIC), About, *Our Story*, https://content.naic.org/about#:~:text=The%20National%20Association%20of%20Insurance,the%20industry%20and%20protect%20consumers. (last visited Jan. 19, 2026).

[12] NAIC, Financial Regulation Standards and Accreditation Program (Jan. 2024) . Accreditation booklet-4/95 (last visited Jan.19, 2026).

[13] NAIC, Resource Center, *Model Laws*, https://content.naic.org/model-laws (last visited Jan. 16, 2025).

[14] NAIC Pet Insurance Model Law_11921Clean (soutronglobal.net), Model 633 (Aug. 2022) (last visited Jan.18, 2026).

[15] NAIC Model Laws, Regulations, *Guidelines and Other Resources – Summer 2025, Pet Insurance Model Act* (ST-633-1) ST880. (Summer 2025). These states include California, Delaware; Florida, Hawaii, Louisiana; Maine; Maryland, Mississippi; Montana, Nebraska; New Hampshire; Ohio; Pennsylvania, Rhode Island, Vermont; and Washington..

[16] *Id*.

[17] Ch. 2025-11, Laws of Fla.

- Marketing a wellness program as pet insurance;
- Requiring the purchase of a wellness program as a prerequisite to the purchase of pet insurance;
- Failing to provide wellness program costs that are separate and identifiable from any pet insurance policy sold by the pet insurance agent;
- Failing to provide wellness program terms and conditions that are separate from any pet insurance policy sold by the pet insurance agent;
- Offering wellness program products or coverages that duplicate products or coverages available through the pet insurance policy; and
- Misleading advertising of the wellness program.

Policy Contract Language

The law requires that pet insurance contracts that use certain terms must use statutory definitions of those terms created by the law. The defined terms subject to this requirement are chronic condition, congenital anomaly or disorder, hereditary disorder, orthopedic conditions, pet insurance, pet insurance policy, policy, preexisting condition, renewal, veterinarian, waiting period, and wellness program.

Disclosures

The law requires a pet insurer offering or selling pet insurance to provide the following written disclosures to pet insurance applicants and policyholders:

- Whether the policy excludes coverage due to a chronic condition, a congenital anomaly or disorder, a hereditary disorder, or a preexisting condition.
- If the policy includes any other policy exclusions not listed above.
- Any policy provision that limits coverage through a waiting period, deductible, coinsurance, or an annual or lifetime policy limit. Waiting periods and applicable requirements must be clearly and prominently disclosed to consumers before purchase.
- Whether the pet insurer reduces coverage or increases premiums based on the policyholder's claim history, the age of the covered pet, or a change in the geographic location of the policyholder.
- Whether the underwriting company differs from the brand name used to market and sell the product. Before issuing a pet insurance policy, a pet insurer is required to publish on its website a summary description of the basis or formula for the pet insurer's determination of claim payments under the policy.

Waiting Periods and Preexisting Conditions

The law authorizes a pet insurer to issue a policy that:

- Excludes coverage on the basis of one or more preexisting conditions with appropriate written disclosure to the applicant or policyholder. The pet insurer has the burden of proving whether a preexisting condition exclusion is applicable to a claim.
- Imposes waiting periods upon effectuation of the policy which do not exceed 30 days for illnesses, diseases or orthopedic conditions not resulting from an accident. A pet insurer may not issue policies that impose waiting periods for accidents.

- A pet insurer imposing an authorized waiting period must waive the waiting period upon completion of a medical examination.

Agent Training

The Act provides that pet insurers must ensure that their agents are appropriately trained on the terms and conditions of their pet insurance products. Such training must include the following topics:

- Preexisting conditions and waiting periods.
- The differences between pet insurance and noninsurance wellness programs.
- Hereditary disorders, congenital anomalies or disorders, chronic conditions, and the way pet insurance policies address those conditions or disorders.
- Rating, underwriting, renewal, and other related administrative topics

III. Effect of Proposed Changes:

Section 1 amends s. 626.2815, F.S., relating to agent continuing education, to require a licensed insurance agent who sells pet insurance to complete at least two hours of continuing education relating to pet insurance during each biennial compliance period. Section 627.71545(10), F.S, provides that a pet insurer must ensure that its agents are trained on specified topics and that its agents have appropriately trained on the coverages and conditions of its pet insurance products. Under current law, insurance agents must complete a continuing education requirement every two years, consisting of a four-hour Law & Ethics Update course and remaining electives, which can be any continuing education approved by DFS.

Section 2 amends s. 627.71545, F.S., relating to pet insurance and noninsurance wellness programs, to expand the written disclosures a pet insurer must provide, at the time a pet insurance policy is issued or delivered, to a policyholder. The bill requires that the disclosures must include a summary of the key policy features, written in plain language and on a form adopted by the commission by rule, including, at a minimum, coverage limits and deductibles, waiting periods, exclusions, preexisting condition rules, and whether the policy includes wellness benefits.

Further, the bill requires each pet insurer authorized to transact pet insurance pursuant to s. 627.7145, F.S., to file with the Office of Insurance Regulation a report by March 1 of each year for the preceding calendar year that contains the following information:

- The number of pet insurance policies issued, renewed, and canceled.
- Aggregate premium and claims data.
- Data on policy denials and rescissions, including the reason for each denial or rescission.
- Information on waiting periods, exclusions, and wellness program offerings.
- Any other information required by rule of the commission.

Section 3 provides that act 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:

The pet insurance continuing education requirement will assist insurance agents in understanding the benefits and exclusions of the pet insurance coverage and the wellness benefits.

Insurers who transact pet insurance must provide an annual report to the Office of Insurance Regulation regarding the number of pet insurance policies issued, renewed, or cancelled, premium and claims data, data on policy denials and recissions, waiting periods, exclusions, wellness program offerings; and other information prescribed by rule.

C. Government Sector Impact:

Because pet insurance is not a license type, insurers would need to provide the Department of Financial Services (DFS) with a list of all agents selling pet insurance to ensure proper compliance with the continuing education requirements. Because this type of reporting and tracking currently does not exist for other types of products sold by a licensed or appointed agent, DFS would be required to make costly modifications to the licensing, appointment, and continuing education tracking systems.

VI. Technical Deficiencies:

The bill tracks agents transacting pet insurance. Pursuant to s. 626.2815, F.S., the Department of Financial Services (DFS) tracks agents by license type, not line sold. Pet insurance is currently sold by General and Personal Lines agents for property & casualty insurers. Because pet insurance is not a specific license or appointment type, there is not a method to identify insurance agents that transact pet insurance, as DFS tracks continuing education by license types, not type of insurance sold.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 626.2815 and 627.71545

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.

905418

LEGISLATIVE ACTION

Senate . House

. . . . .

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

Senate Amendment (with title amendment)

Delete lines 14 - 64
and insert:
Section 1. Present subsection (11) of section 627.71545, Florida Statutes, is redesignated as subsection (12), a new subsection (11) is added to that section, and paragraph (e) of subsection (6) and paragraph (a) of subsection (10) of that section are amended, to read:
627.71545 Pet insurance; noninsurance wellness programs.—

905418

(6)

(e) At the time a pet insurance policy is issued or delivered to a policyholder, the pet insurer shall provide the policyholder with a copy of the Insurer Disclosure of Important Policy Provisions document required under paragraph (d), in at least 12-point type. At such time, the pet insurer shall also include a written disclosure with all of the following:

1. Contact information for the Division of Consumer Services of the department, including a link and toll-free telephone number, for consumers to submit inquiries and complaints relating to pet insurance products regulated by the department or office.

2. The address and customer service telephone number of the pet insurance agent.

3. A summary of the key policy features, written in plain language and on a form adopted by the commission by rule, including, at a minimum, coverage limits and deductibles, waiting periods, exclusions, preexisting condition rules, and whether the policy includes wellness benefits.

(10)(a)1. An agent may not solicit the sale of a pet insurance policy or a pet wellness product unless the agent has adequate knowledge of the policy or product, is in compliance with the insurer's standards applicable to the sale of the policy or product, and completes a biennial 2-hour training course on the topics specified in paragraph (b). An agent may rely on insurer-provided, policy, or product-specific training standards and materials to comply with this subsection.

2. The insurer-provided, policy, or product-provided training standards specified in subparagraph 1. are not part of

905418

an agent's continuing education requirement in s. 626.2815; however, if a course provider submits and receives approval from the department, the course is eligible for continuing education credit pursuant to s. 626.2815 ~~A pet insurer must ensure that its agents are trained on the topics specified in paragraph (b) and that its agents have been appropriately trained on the coverages and conditions of its pet insurance products~~.

(11) Each pet insurer authorized to transact pet insurance

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

And the title is amended as follows:

Delete lines 3 - 6

and insert:

627.71545, F.S.; revising requirements for disclosures from a pet insurer to a policyholder; prohibiting agents from soliciting the sale of pet insurance policies or pet wellness products under certain circumstances; authorizing agents to rely on certain standards and materials; specifying that certain training standards are not part of certain continuing education requirements; providing that certain courses are eligible for certain continuing education credit; deleting a requirement that insurers ensure their agents are trained in a specified manner;

By Senator Jones

34-00429-26 2026158__

A bill to be entitled

An act relating to pet insurance; amending s. 626.2815, F.S.; requiring licensees who sell pet insurance to complete specified continuing education; amending s. 627.71545, F.S.; revising requirements for disclosures from a pet insurer to a policyholder; requiring pet insurers to file annually a specified report with the Office of Insurance Regulation; specifying the requirements of such report; providing an effective date.

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

Section 1. Paragraph (k) is added to subsection (3) of section 626.2815, Florida Statutes, to read:

626.2815 Continuing education requirements.—

(3) Each licensee except a title insurance agent must complete a 4-hour update course every 2 years which is specific to the license held by the licensee. The course must be developed and offered by providers and approved by the department. The content of the course must address all lines of insurance for which examination and licensure are required and include the following subject areas: insurance law updates, ethics for insurance professionals, disciplinary trends and case studies, industry trends, premium discounts, determining suitability of products and services, and other similar insurance-related topics the department determines are relevant to legally and ethically carrying out the responsibilities of the license granted. A licensee who holds multiple insurance

34-00429-26 2026158__

licenses must complete an update course that is specific to at least one of the licenses held. Except as otherwise specified, any remaining required hours of continuing education are elective and may consist of any continuing education course approved by the department under this section.

(k) For a licensee who sells pet insurance, the continuing education required under this section must include 2 hours of continuing education relating to pet insurance during each biennial compliance period.

Section 2. Present subsections (10) and (11) of section 627.71545, Florida Statutes, are redesignated as subsections (11) and (12), respectively, a new subsection (10) is added to that section, and paragraph (e) of subsection (6) of that section is amended, to read:

627.71545 Pet insurance; noninsurance wellness programs.—

(6)

(e) At the time a pet insurance policy is issued or delivered to a policyholder, the pet insurer shall provide the policyholder with a copy of the Insurer Disclosure of Important Policy Provisions document required under paragraph (d), in at least 12-point type. At such time, the pet insurer shall also include a written disclosure with all of the following:

1. Contact information for the Division of Consumer Services of the department, including a link and toll-free telephone number, for consumers to submit inquiries and complaints relating to pet insurance products regulated by the department or office.

2. The address and customer service telephone number of the pet insurance agent.

3. A summary of the key policy features, written in plain language and on a form adopted by the commission by rule, including, at a minimum, coverage limits and deductibles, waiting periods, exclusions, preexisting condition rules, and whether the policy includes wellness benefits.

(10) Each pet insurer authorized to transact pet insurance under this section shall file with the office by March 1 of each year a report containing all of the following information for the preceding calendar year:

(a) The number of pet insurance policies issued, renewed, and canceled.

(b) Aggregate premium and claims data.

(c) Data on policy denials and rescissions, including the reason for each denial or rescission.

(d) Information on waiting periods, exclusions, and wellness program offerings.

(e) Any other information required by rule of the commission.

Section 3. 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:	SB 314
INTRODUCER:	Senator Burton
SUBJECT:	Issuers of Digital Assets
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			RC	

I. Summary:

SB 314 establishes a regulatory framework related to issuers of digital assets which creates requirements for a recognized payment stablecoin issuer and provides that such issuers are not required to obtain a separate license or registration solely to issue or redeem payment stablecoins. The framework:

- Recognizes a person that meets specified requirements as a payment stablecoin issuer.
- Provides a person who knowingly represents itself as a payment stablecoin issuer without meeting the specified requirements is deemed to violate ch. 560, F.S., relating to money services businesses, and is subject to disciplinary action.
- Authorizes the Office of Financial Regulation (OFR) to determine compliance and bring enforcement actions for any violations of the act.
- Defines relevant terms in the regulatory framework.

The bill has an indeterminate fiscal impact. See Section V. Fiscal Impact.

The bill is effective July 1, 2026.

II. Present Situation:

There are approximately 300 stablecoins issued[1] with a market cap of over $300 billion.[2] Stablecoin transaction volume in August 2025 totaled $969.9 billion.[3] Tether and USDC are the

[1] Kemmerer, D., *Stablecoin Market Share and Transaction Volume – [September 2025 Data]*, CoinLedger, Dec. 8, 2025, available at: Stablecoin Market Share and Transaction Volume - [September 2025 Data] | CoinLedger (last visited Jan. 4, 2026) (hereinafter cited as "Stablecoin Market Share and Transaction Volume Article").
[2] Forbes, *Top Stablecoins Coins Today by Market Cap*, available at: Top Stablecoins Coins By Market Cap | Forbes (last visited Jan. 4, 2026).
[3] Stablecoin Market Share and Transaction Volume Article.

top two stablecoin issuers based on their market cap of $187.03 billion and $75.43 billion, respectively.[4]

Stablecoins are a type of digital asset that maintain a stable value relative to a referenced asset, such as the United States dollar or another fiat currency, or a commodity like gold.[5] Such value usually tracks the referenced assets on a one-for-one basis and may use different methods to maintain a stable value, such as holding the referenced asset in reserves or applying algorithms that "increase or decrease the supply of stablecoins in response to demand."[6]

A stablecoin is created in the form of a digital token and logged on a shared digital ledger.[7] Some reported benefits of stablecoins include: fast transactions, transparency, programmability, unrestricted availability, minimal cost, global access, and flexibility in models.[8] Some risks or challenges include: liquidity gaps, technology and integration challenges, regulatory uncertainty, trustworthiness of issuers and custodians, market risks, a lack of understanding about stablecoins, and costs to convert from fiat currencies to stablecoins.[9]

Stablecoin Regulation

Last year, the Guiding and Establishing National Innovation for U.S. Stablecoins Act (the "GENIUS Act")[10] was passed to regulate stablecoins. Prior to the GENIUS Act, New York passed comprehensive legislation relating to virtual currencies, including stablecoins. Several states attempted to pass legislation in 2025, and some states have pending legislation now to regulate the industry.

Federal Law

GENIUS Act

The GENIUS Act was signed into law on July 18, 2025, and is effective January 2027 or 120 days after final regulations implementing the Act are issued, whichever is earlier. The GENIUS Act establishes a framework for the regulation of payment stablecoin issuers, and restricts the

[4] *Id.*
[5] The Securities and Exchange Commission, *Stablecoins*, Apr. 4, 2025, available at: SEC.gov | Statement on Stablecoins (last visited Jan. 4, 2026).
[6] *Id.*
[7] Association for Financial Professionals, *Stablecoins*, available at: Stablecoins | Benefits and Risks for Treasury and Payments Teams (last visited Jan. 4, 2026) (hereinafter cited as "AFP Stablecoins Article").
[8] *Id.*; Forbes, *What Are Stablecoins and How Can One Use Them for Payments?*, Oct. 13, 2024, available at: What Are Stablecoins And How Can One Use Them For Payments in October 2025? (last visited Jan. 4, 2026).
[9] AFP Stablecoins Article.
[10] Guiding and Establishing National Innovation for U.S. Stablecoin Act, Pub. L. 119-27 (July 18, 2025).

issuance, offer, or sale of a payment stablecoin[11] to permitted payment stablecoin issuers,[12,13] which must comply with several requirements, such as:[14]

- Maintain identifiable reserves backing the outstanding payment stablecoins on at least a one-to-one basis[15] comprising on specified types of reserves, such as U.S. coin and currency.
- Publicly disclose the issuer's redemption policy that meets certain criteria.
- Publish the monthly composition of the issuer's reserve on its website containing specified information.

A permitted payment stablecoin issuer must have monthly reports examined by a registered public accounting firm.[16] The GENIUS Act requires the primary federal payment stablecoin regulator (the "federal regulator"),[17] or the state payment stablecoin regulator (the "state regulator") for a state payment stablecoin regulatory regime, to issue regulations implementing:

- Capital requirements that meet certain criteria;
- Liquidity standards;
- Reserve asset diversification and interest rate risk management standards; and

[11] 12 U.S.C. s. 5901(22) defines "payment stablecoin" as (A) a digital asset – (A) that is, or is designed to be, used as a means of payment or settlement; and (ii) the issuer of which – (I) is obligated to convert, redeem, or repurchase for a fixed amount of monetary value, not including a digital asset denominated in a fixed amount of monetary value; and (II) represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value; and (B) does not include a digital asset that – (i) is a national currency; (ii) is a deposit (as defined in section 1813 of Title 12), including a deposit recorded using distributed ledger technology; or (iii) is a security, as defined in section 77b of title 15, section 78c of title 15, ,or section 80a-2 of title 15, except that, for the avoidance of doubt, no bond, note, evidence of indebtedness, or investment contract that was issued by a permitted payment stablecoin issuer shall qualify as a security solely by virtue of its satisfying the conditions described in subparagraph (A), consistent with section 17 of this Act.

[12] 12 U.S.C. s. 5901(23) defines "permitted payment stablecoin issuer" as a person formed in the United States that is – (A) a subsidiary of an insured depository institution that has been approved to issue payment stablecoins under section 5904 of title 12; (B) a federal qualified payment stablecoins issuer; or (C) a state qualified payment stablecoin issuer. 12 U.S.C. s. 5901(11) defines "federal qualified payment stablecoin issuer" as (A) a nonbank entity, other than a state qualified payment stablecoin issuer, approved by the Comptroller, pursuant to section 5904 of title 12, to issue payment stablecoins; (B) an uninsured national bank – (i) that is chartered by the Comptroller, pursuant to title LXII of the Revised Statutes; and (ii) that is approved by the Comptroller, pursuant to section 5904 of this title, to issue payment stablecoins; and (C) a federal branch that is approved by the Comptroller, pursuant to section 5904 of this title, to issue payment stablecoins. 12 U.S.C. s. 5901(31) defines "state qualified payment stablecoin issuer" as an entity that – (A) is legally established under the laws of a state and approved to issue payment stablecoins by a state payment stablecoin regulator; and (B) is not an uninsured national bank chartered by the Comptroller pursuant to title LXII of the Revised Statutes, a Federal branch, an insured depository institution, or a subsidiary of such national bank, Federal branch, or insured depository institution.

[13] 12 U.S.C. s. 5902(a).

[14] 12 U.S.C. s. 5903(a)(1).

[15] 12 U.S.C. s. 5903(a)(2) prohibits the required reserves from being pledged, rehypothecated, or reused by the permitted payment stablecoin issuer except for specified bases provided in the Act.

[16] 12 U.S.C. s. 5903(a)(3). 12 U.S.C. s. 5901(26) provides the term "registered public accounting firm" has the same meaning as the term is given under section 7201 of title 15. 15 U.S.C. s. 7201 defines "registered public accounting firm" as a public accounting firm registered with the Public Company Accounting Oversight Board in accordance with Public Company Accounting Reform and Corporate Responsibility Act.

[17] 12 U.S.C. s. 5901(25) defines "primary federal payment stablecoin regulator" to mean – (A) with respect to a subsidiary of an insured depository institution (other than an insured credit union), the appropriate federal banking agency of such insured depository institution; (B) with respect to an insured credit union or a subsidiary of an insured credit union, the National Credit Union Administration; (C) with respect to a State chartered depository institution not specified under subparagraph (A), the Federal Deposit Insurance Corporation, the Office of the Comptroller (the "Comptroller"), or the Board of Governors of the Federal Reserve System (the "Board"); and (D) with respect to a federal qualified payment stablecoin issuer, the Comptroller.

- Appropriate operational, compliance and information technology risk management principles-based requirements and standards.[18]

The GENIUS Act creates a tiered oversight model between federal and state authorities. A state regulator has authority to supervisor, examine, and enforcement all state qualified payment stablecoin issuers (the "state issuers"),[19] and may enter into a memorandum of understanding with the Board to allow the Board to participate in the supervision, examination, and enforcement of GENIUS Act regulations with respect to state issuers.[20] A state issuer that has consolidated total outstanding issuance of less than $10 billion may choose to be regulated under a state-level regulatory regime provided such regime is "substantially similar" to the GENIUS Act regulatory framework.[21]

A state issuer that reaches the $10 billion threshold must either comply with a specified transition to the federal regulatory framework or cease issuing new payment stablecoins until the consolidated total outstanding issuance is below $10 billion.[22] The federal regulator may issue a waiver to allow a state issuer who exceeds the $10 billion threshold to remain supervised solely by the state regulator. If a state complies with certain requirements, such as establishing a prudential regulatory regime for the supervision of digital assets or payment stablecoins before the 90-day period ending on the date of the enactment of the Act, then the state issuer is presumptively approved for a waiver.[23]

Other Federal Regulation

Digital Asset Market Clarity Act of 2025 (the "CLARITY Act")[24] establishes a regulatory framework for digital commodities[25] that are defined as digital assets[26] and rely upon blockchain[27] for their value.[28] The CLARITY Act requires a digital commodity broker, dealer, or exchange to register with the Commodity Futures Trading Commission unless an exemption applies,[29] and requires a digital commodities transaction to meet specified requirements

[18] 12 U.S.C. s. 5903(a)(4).
[19] 12 U.S.C. s. 5906(a).
[20] 12 U.S.C. s. 5906(b).
[21] 12 U.S.C. s. 5903(c).
[22] 12 U.S.C. s. 5903(d).
[23] *Id.*
[24] *The CLARITY Act*, H.R. 3633 – 119th Congress (2025), available at: H.R.3633 - 119th Congress (2025-2026): Digital Asset Market Clarity Act of 2025 | Congress.gov | Library of Congress (last visited Jan. 5, 2026) (hereinafter cited as "The CLARITY Act").
[25] The CLARITY Act defines "digital commodity" as having the given that term under section 1a of the Commodity Exchange Act (7 U.S.C. 1a).
[26] *Id.* defines "digital asset" as any digital representation of value which is recorded on a cryptographically-secured distributed ledger or similar technology.
[27] *Id.* defines "blockchain" as (A) any technology – (i) where data is – (I) shared across a network to create a distributed ledger of independently verifiable transactions or information among network participants; (II) linked using cryptography to maintain the integrity of the distributed ledger and to execute other functions; and (III) propagated among network participants to reach consensus on the state of the distributed ledger and any other function; and (ii) composed of source code that is publicly available; and (B) any similar technology to the technology described in (A)."
[28] Congress.Gov, *Summary: H.R. 3633 – 119th Congress (2025-2026)*, available at: H.R.3633 - 119th Congress (2025-2026): Digital Asset Market Clarity Act of 2025 | Congress.gov | Library of Congress (last visited Jan. 5, 2025).
[29] *Id.*

including qualifications to trade on an exchange.[30] While the CLARITY Act is consistent with the GENIUS Act in that it does not authorize interest or yield on stablecoins, there has been some discussion and negotiation about allowing interest, yield, or activity-based rewards.[31] The CLARITY Act has passed the House and is currently in the Senate – Banking, Housing, and Urban Affairs Committee.[32]

Florida Regulation

Florida law does not specifically address the regulation of payment stablecoin issuers. Entities engaging in the issuance or redemption of payment stablecoins may fall within the scope of ch. 560, F.S., relating to money services businesses, as payment instrument sellers. The OFR reports that if Florida does not enact a state framework for payment stablecoins then the state's oversight would be limited to violations of the Florida Deceptive and Unfair Trade Act and related laws. Stablecoin issuers operating in Florida would be required to obtain licensure in another state or at the federal level.[33]

Other State Regulation

In 2015, New York passed legislation[34] relating to the conduct of virtual currency,[35] which includes stablecoins.[36] In 2022, the New York Department of Financial Services (NY DFS) issued guidance regarding the regulation of stablecoins and specified several requirements that

---

[30] The CLARITY Act.

[31] *See* Holtz-Eakin, D., *Some Clarity on GENIUS?* American Action Forum, Jan. 7, 2026, available at: Some Clarity on GENIUS? - AAF; Schwartz, L., *Landmark Crypto Bill on Knife's Edge as Coinbase CEO Pulls Support Ahead of Key Senate Vote*, Fortune, Jan. 14, 2026, available at: Landmark crypto bill on knife's edge as Coinbase CEO pulls support ahead of key Senate vote | Fortune; Shen, T. and Wynn, S., *Senate Unveils Updated Market Structure Bill Limiting Stablecoin Rewards on Idle Holdings*, available at: Senate unveils updated market structure bill limiting stablecoin rewards on idle holdings | The Block (all sites last visited Jan. 31, 2026).

[32] Congress.Gov, *H.R.3633 – Digital Asset Market Clarity Act of 2025*, available at: H.R.3633 - 119th Congress (2025-2026): Digital Asset Market Clarity Act of 2025 | Congress.gov | Library of Congress (last visited Jan. 5, 2026).

[33] The OFR, *2026 Agency Legislative Bill Analysis, Florida Office of Financial Regulation*, p. 4, Oct. 30, 2025 (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as "2026 OFR Agency Analysis for SB 314).

[34] N.Y. Comp. Codes R. & Regs. Tit. 23 s. 200.1.

[35] N.Y. Comp. Codes R. & Regs. Tit. 23 s. 200.2(p) defines "virtual currency" as any type of digital unit that is used as a medium of exchange or a form of digitally stored value. Virtual currency shall be broadly construed to include digital units of exchange that: (i) have a centralized repository or administrator; (ii) are decentralized and have no centralized repository or administrator; or (iii) may be created or obtained by computing or manufacturing effort. Virtual currency shall not be construed to include any of the following: (1) digital units that (i) are used solely within online gaming platforms, (ii) have no market or application outside of those gaming platforms, (iii) cannot be converted into, or redeemed for, fiat currency or virtual currency, and (iv) may or may not be redeemable for real-world goods, services, discounts, or purchases; (2) digital units that can be redeemed for goods, services, discounts, or purchases as part of a customer affinity or rewards program with the issuer and/or other designated merchants or can be redeemed for digital units in another customer affinity or rewards program, but cannot be converted into, or redeemed for, fiat currency or virtual currency; or (3) digital units used as part of prepaid cards. N.Y. Comp. Codes R. & Regs. Tit. 23 s. 200.2(e) defines "fiat currency" as government-issued currency that is designated as legal tender in its country of issuance through government decree, regulation, or law. N.Y. Comp. Codes R. & Regs. Tit. 23 s. 200.2(j) defines "prepaid cards" as an electronic payment device that: (i) is usable at a single merchant or an affiliated group of merchants that share the same name, mark, or logo, or is usable at multiple, unaffiliated merchants or service providers; (ii) is issued in and for a specified amount of fiat currency; (iii) can be reloaded in and for only fiat currency, if at all; (iv) is issued and/or reloaded on a prepaid basis for the future purchase or delivery of goods or services; (v) is honored upon presentation; and (vi) can be redeemed in and for only fiat currency, if at all.

[36] New York Department of Financial Services, *Virtual Currency Guidance*, Jun. 8, 2022, available at: Industry Letter - June 8, 2022: Guidance on the Issuance of U.S. Dollar-Backed Stablecoins | Department of Financial Services (last visited Jan. 5, 2026).

must be met for NY DFS-regulated virtual currency entities, such as backing and redeemability, reserves, and attestations relating to stablecoins.[37]

In 2023, California passed the Digital Financial Assets Law creating a regulatory framework for certain crypto activities allowing stablecoins to be exchanged, transferred, or stored only if the issuer of the stablecoin:

- Is an applicant, is licensed, or is a bank, trust company, or national association authorized under federal law to engage in a trust banking business; and
- Owns eligible securities having an aggregate market value of not less than the aggregate amount of all of its outstanding stablecoins issued or sold.[38]

In 2023, Texas passed the Money Services Modernization Act that defines "money " or "monetary value" that includes stablecoin that:

- Is pegged to a sovereign currency;
- Is fully backed by assets held in reserve; and
- Grants a holder of the stablecoin the right to redeem the stablecoin for sovereign currency from the issuer.[39]

Wyoming passed a few bills relating to stablecoins before the GENUIS Act, one of which authorized special purpose depository institutions to accept deposits, including stablecoins.[40]

California,[41] Missouri,[42] and Texas[43] have pending legislation regulating the business activity of stablecoins but do not explicitly refer to the regulatory requirements under the GENIIUS Act. Several states have not convened regular session for 2026 so additional legislation regulating stablecoins could be forthcoming in 2026. Other states filed legislation last session[44] or have legislation that is pending[45] this session relating to investment in stablecoins or other stablecoin regulation.[46]

---

[37] *Id.*

[38] Cal. Fin. Code s. 3601 (Division 1.25, Chapter 6 – Stablecoins); California Department of Financial Protection and Innovation, *Digital Financial Assets Law Frequently Asked Questions: Overview*, available at: Digital Financial Assets Law Frequently Asked Questions - DFPI (last visited Jan. 5, 2026).

[39] Tex. Fin. Code s. 152.003(19).

[40] W.S. s. 13-12-101 et seq.

[41] CA SB 97 (2025-2026).

[42] MO SB 1177 (2026).

[43] TX SB 2922 (2025-2026).

[44] Utah (HB 230 (2025)) passed legislation authorizing the state treasurer to invest public funds in digital assets, including stablecoins. Iowa (HB 246 (2025-2026)), Massachusetts (SB 1967 (2025-2026)), Montana (HB 429 (2025)), Oregon (HB 2071 (2025)), and Oklahoma (HB 1203 (2025)) attempted to pass legislation to allow public funds to be invested in stablecoins but the bills did not pass.

[45] Indiana (HB 1042 (2026)), North Carolina (H 92 (2025-2026)), North Dakota (HB 1184 (2025-2026)), and Ohio (HB 18 (2025-2026)) currently have pending legislation that would allow state funds to be invested in stablecoins.

[46] MI HB 4511 (2025-2026) (restricting prohibitions on specified activities relating to digital assets, such as prohibiting the state from requiring a permit or license for holding digital assets); SC SB 163 (2025-2026) (regulating digital currency use, zoning, mining, taxation, and consumer protections); WY HB 308 (2025) (requiring the state attorney general to investigate certain activity related to stablecoins).

Money Services Businesses

The Office of Financial Regulation (OFR) regulates money services businesses (MSB) under ch. 560, F.S. A "money service business" is defined as any person located in or doing business in this state, from this state, or into this state from locations outside this state or country who acts as a payment instrument seller, foreign currency exchanger, check casher, or money transmitter. [47] The OFR is responsible for enforcing regulations and imposing disciplinary actions against MSBs.[48]

Disciplinary Actions

The OFR has authority to implement several disciplinary actions against a MSB for specified actions, such as failing to comply with the provisions of ch. 560, F.S., certain fraud or misrepresentation conduct, and refusing to allow the examination or inspection of books or files.[49] Section 560.114, F.S., provides for the following disciplinary actions:

- Issuing a cease and desist order;
- Issuing a removal order; or
- Denying, suspending, or revoking a license.[50]

Enforcement Provisions

The OFR has authority to engage in enforcement actions against a MSB that violates ch. 560, F.S., including proceedings for any of the following:

- A restraining order;
- An injunction;
- The appointment of a receiver or administrator;
- A restitution order; or
- Any other remedies provided under ch. 560, F.S.[51]

III. Effect of Proposed Changes:

SB 314 establishes a framework for regulating payment stablecoin issuers as authorized under the GENIUS Act. The bill provides requirements that must be complied with and authorizes the OFR to impose disciplinary action and to engage in enforcement actions.

Section 2 of the bill provides the regulation of payment stablecoin issuers. A recognized payment stablecoin issuer is not required to obtain a separate license or registration solely to issue or redeem payment stablecoins. A person is a recognized payment stablecoin issuer in this state if the person meets the following requirements:

- Maintains reserve assets described in the definition of "payment stablecoin" in an amount equal to or greater than the aggregate outstanding payment stablecoins.
- Redeems payment stablecoins at par value upon demand by a holder.

[47] Section 560.103(23), F.S.
[48] Section 560.114(1), F.S.
[49] *Id.*
[50] *Id.*
[51] Section 560.113, F.S.

- Prohibits the lending, pledging, or encumbrance of reserve assets.
- Publicly discloses, at least monthly, the composition and value of reserve assets. Each disclosure must be published in a report that has been examined by a registered public accounting firm and certified by the issuer's chief executive officer and chief financial officer, consistent with the requirements of the federal GENIUS Act of 2025.

A person that knowingly represents itself as a recognized payment stablecoin issuer without meeting these requirements violates ch. 560, F.S., and is subject to the disciplinary and enforcement provisions of part I of such chapter. The office has jurisdiction to determine compliance with the regulatory framework created in the bill and may bring an action under the enforcement provisions of ch. 560, F.S.

Section 1 of the bill defines the following terms:

- "Payment stablecoin" means a stablecoin that meets the following requirements:
  - Is fully backed by:
    - Reserve assets limited to United States currency;
    - Demand deposits at insured depository institutions;
    - United States Treasury bills having a remaining maturity of 90 days or less; or
    - Reverse repurchase agreements collateralized by such treasury bills.
  - Is redeemable by the issuer or its agent at all times at a one-to-one ratio for United States dollars.
  - Does not pay interest or dividends to holders.
  - Meets any additional criteria for a permitted payment stablecoin under federal law, including the GENIUS Act of 2025.
  - The term does not include:
    - A central bank digital currency issued directly or indirectly by a central bank, monetary authority, or other governmental agency, whether foreign or domestic.
    - A security.[52]
  - "Stablecoin" means a digital asset designed, through collateralization, algorithmic mechanisms, or both, to maintain a stable value relative to one or more fiat currencies, commodities, or other reference assets. The bill defines "digital asset" as:
    - A controllable electronic record[53] capable of being held or transferred electronically and representing economic, proprietary, or access rights.

[52] Section 517.021(33), F.S., defines "security" to include any of the following: (a) a note; (b) a stock; (c) a treasury stock;(d) a bond; (e) a debenture; (f) an evidence of indebtedness; (g) a certificate of deposit; (h) a certificate of deposit for a security; (i) a certificate of interest or participation; (j) a whiskey warehouse receipt or other commodity warehouse receipt; (k) a certificate of interest in a profit-sharing agreement and the right to participate therein; (l) a certificate of interest in an oil, gas, petroleum, mineral, or mining title or lease or the right to participate therein; (m) a collateral trust certificate; (n) a reorganization certificate; (o) a preorganization subscription; (p) a transferrable share; (q) an investment contract; (r) a beneficial interest in title to property, profits, or earnings; (s) an interest in or under a profit-sharing or participation agreement or scheme; (t) an option contract that entitles the holder to purchase or sell a given amount of the underlying security at a fixed price within a specified period of time; (u) any other instrument commonly known as a security, including an interim or temporary bond, debenture, note, or certificate; (v) a receipt for a security, or for subscription to a security, or a right to subscribe to or purchase any security; and (w) a viatical settlement investment.

[53] Section 669.102(1)(b), F.S., defines "controllable electronic record" as a record in an electronic medium, subject to control under s. 669.105, F.S., The term does not include a central bank digital currency, a controllable account, a controllable payment intangible, a deposit account, an electronic chattel paper, an electronic document of title, electronic money, investment property, or a transferrable record.

  - Includes virtual currency,[54] digital commodities, digital asset securities, and non-fungible tokens. The bill defines "non-fungible token" as a digital asset that represents unique ownership rights to a particular item or content and is not interchangeable on a one-for-one basis with other tokens of the same type.
- "Recognized payment stablecoin issuer" means a person that meets the requirements of s. 560.2053, F.S.

Section 3 of the bill provides an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

[5454] Section 560.103(36), F.S., defines "virtual currency" 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: (a) 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 (b) Used exclusively as part of a consumer affinity or rewards program and can be applied solely as payment for purchases with the issuer or other designated merchants but cannot be converted into or redeemed for currency or another medium of exchange.

C. Government Sector Impact:

The OFR reports "[t]he fiscal impact for enforcement is indeterminate because the [OFR] does not know how many entities will become registered stablecoin issuers."[55]

VI. Technical Deficiencies:

The bill does not amend the definition of money services businesses to include payment stablecoin issuers. As a result, none of the provisions in ch. 560, F.S., that apply to money services businesses will apply to payment stablecoin issuers except those explicitly provided for in section 2 of the bill relating to disciplinary and enforcement actions.

The GENIUS Act requires state regulators to adopt rules to implement the state regulatory regime. However, SB 314 does not provide the Financial Services Commission (FSC) authority to develop rules to implement regulatory framework. Current law authorizes the FSC to adopt rules to administer ch. 560, F.S.;[56] however, the bill lacks authorization to adopt specific rules relating to provisions in SB 314.

VII. Related Issues:

The GENIUS Act requires that a state act be substantially similar. SB 314 may not be considered substantially similar to the Genius Act because, amongst other things, the GENIUS Act requires approval and permitting of a stablecoin issuer while SB 314 provides only for recognition of such an issuer. Further, the GENIUS Act provides payment stablecoin issuers to comply with several requirements which are not specified in SB 314.

Administrative rules promulgated under the GENIUS Act may require amendments to SB 314 or its implementing rules. Further, if the CLARITY Act is enacted, the GENIUS Act and SB 314 may need to be amended. Additional federal legislation and rulemaking related to digital assets remains under consideration which may also require amendments.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 560.103
This bill creates the following sections of the Florida Statutes: 560.2053

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.

[55] 2026 OFR Agency Analysis for SB 314.
[56] Section 560.105, F.S.

663608

LEGISLATIVE ACTION

Senate . House

. . . . .

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

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Present subsections (33), (34), and (35) and (36) through (39) of section 560.103, Florida Statutes, as amended by chapter 2025-100, Laws of Florida, are redesignated as subsections (34), (35), and (36) and (38) through (41), respectively, new subsections (33) and (37) are added to that section, and subsection (25) of that section is amended, to

663608

read:

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

(25) "Money services business" means any person located in or doing business in this state, from this state, or into this state from locations outside this state or country who acts as a payment instrument seller, foreign currency exchanger, check casher, ~~or~~ money transmitter, or qualified payment stablecoin issuer.

(33) "Payment stablecoin" means a digital asset that meets all of the following requirements:

(a)1. Is, or is designed to be, used as a means of payment or settlement; and

2. The issuer of which:

a. Is obligated to convert, redeem, or repurchase the digital asset for a fixed amount of monetary value, not including a digital asset denominated in a fixed amount of monetary value.

b. Represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value.

(b) The term does not include a digital asset that is any of the following:

1. A national currency. For purposes of this subparagraph, the term "national currency" means each of the following:

a. A Federal Reserve note as the term is used in the first undesignated paragraph of s. 16 of the Federal Reserve Act, 12 U.S.C. s. 411.

b. Money standing to the credit of an account with a Federal Reserve Bank.

663608

c. Money issued by a foreign central bank.

d. Money issued by an intergovernmental organization pursuant to an agreement by two or more governments.

2. A deposit as defined in s. 3 of the Federal Deposit Insurance Act, 12 U.S.C. s. 1813, including a deposit recorded using distributed ledger technology. For purposes of this subparagraph, the term "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 cryptography is used to link the data to maintain the integrity of the public ledger and execute other functions.

3. A security, as defined in s. 517.021, s. 2 of the Securities Act of 1933, 15 U.S.C. s. 77b, s. 3 of the Securities and Exchange Act of 1934, 15 U.S.C. s. 78c, or s. 2 of the Investment Company Act of 1940, 15 U.S.C. s. 80a-2.

(c) As used in this subsection, the term "digital asset" means any digital representation of value that is recorded on a cryptographically secured digital ledger.

(37) "Qualified payment stablecoin issuer" means an entity legally established under the laws of a state and approved by the office to issue payment stablecoins.

Section 2. Paragraph (w) of subsection (1) of section 560.114, Florida Statutes, is amended to read:

560.114 Disciplinary actions; penalties.—

(1) The following actions by a money services business, authorized vendor, or affiliated party constitute grounds for the issuance of a cease and desist order; the issuance of a removal order; the denial, suspension, or revocation of a

663608

license; or taking any other action within the authority of the office pursuant to this chapter:

(w) Engaging or advertising engagement in the business of a money services business or deferred presentment provider without a license or registration, unless exempted from licensure or registration.

Section 3. Present subsection (9) of section 560.123, Florida Statutes, is redesignated as subsection (10), a new subsection (9) is added to that section, and subsections (2), (3), and (8) of that section are amended, to read:

560.123 Florida Control of Money Laundering in Money Services Business Act.—

(2) The purpose of this section is to require the maintenance of certain records of transactions involving currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins in order to deter the use of a money services business to conceal proceeds from criminal activity and to ensure the availability of such records for criminal, tax, or regulatory investigations or proceedings.

(3) A money services business shall keep a record, as prescribed by the commission, of each financial transaction occurring in this state which it knows to involve currency, monetary value, a payment instrument, ~~or~~ virtual currency, or a payment stablecoin having a value greater than $10,000; to involve the proceeds of specified unlawful activity; or to be designed to evade the reporting requirements of this section or chapter 896. The money services business must maintain appropriate procedures to ensure compliance with this section and chapter 896.

(a) Multiple financial transactions shall be treated as a single transaction if the money services business has knowledge that they are made by or on behalf of any one person and result in value in or value out totaling a value of more than $10,000 during any day.

(b) A money services business may keep a record of any financial transaction occurring in this state, regardless of the value, if it suspects that the transaction involves the proceeds of unlawful activity.

(c) The money services business must file a report with the office of any records required by this subsection, at such time and containing such information as required by rule. The timely filing of the report required by 31 U.S.C. s. 5313 with the appropriate federal agency shall be deemed compliance with the reporting requirements of this subsection unless the reports are not regularly and comprehensively transmitted by the federal agency to the office.

(d) A money services business, or control person, employee, or agent thereof, that files a report in good faith pursuant to this section is not liable to any person for loss or damage caused in whole or in part by the making, filing, or governmental use of the report, or any information contained therein.

(8)(a) Except as provided in paragraph (b), a person who willfully violates any provision of this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(b) A person who willfully violates any provision of this section, if the violation involves:


663608

1. Currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins of a value exceeding $300 but less than $20,000 in any 12-month period, commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

2. Currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins of a value totaling or exceeding $20,000 but less than $100,000 in any 12-month period, commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

3. Currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins of a value totaling or exceeding $100,000 in any 12-month period, commits a felony of the first degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(c) In addition to the penalties authorized by s. 775.082, s. 775.083, or s. 775.084, a person who has been convicted of, or entered a plea of guilty or nolo contendere, regardless of adjudication, to having violated paragraph (b) may be sentenced to pay a fine of up to the greater of $250,000 or twice the value of the currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins, except that on a second or subsequent conviction for or plea of guilty or nolo contendere, regardless of adjudication, to a violation of paragraph (b), the fine may be up to the greater of $500,000 or quintuple the value of the currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins.

(d) A person who violates this section is also liable for a civil penalty of up to the greater of the value of the currency,

663608

monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins involved or $25,000.

(9) A state qualified payment stablecoin issuer must comply with any anti-money laundering regulation provided in the GENIUS Act under Pub. L. No. 119-27, which includes, but is not limited to, provisions relating to economic sanctions, prevention of money laundering, customer identification, and due diligence in the Bank Secrecy Act, s. 21 of the Federal Deposit Insurance Act, 12 U.S.C. s. 1813, chapter 2 of Title I of Pub. L. No. 91-508, and subchapter II of chapter 53 of Title 31, United States Code.

Section 4. Subsection (1), paragraph (a) of subsection (5), and subsection (6) of section 560.125, Florida Statutes, are amended to read:

560.125 Unlicensed activity; penalties.—

(1) A person may not engage in the business of a money services business or deferred presentment provider in this state unless the person is licensed, registered, or exempted from licensure or registration under this chapter. A deferred presentment transaction conducted by a person not authorized to conduct such transaction under this chapter is void, and the unauthorized person has no right to collect, receive, or retain any principal, interest, or charges relating to such transaction.

(5) A person who violates this section, if the violation involves:

(a) Currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins of a value exceeding $300 but less than $20,000 in any 12-month period, commits a

663608

felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(6) In addition to the penalties authorized by s. 775.082, s. 775.083, or s. 775.084, a person who has been convicted of, or entered a plea of guilty or nolo contendere to, having violated this section may be sentenced to pay a fine of up to the greater of $250,000 or twice the value of the currency, monetary value, payment instruments, ~~or~~ virtual currency, or payment stablecoins, except that on a second or subsequent violation of this section the fine may be up to the greater of $500,000 or quintuple the value of the currency, monetary value, payment instruments, or virtual currency.

Section 5. Part V of chapter 560, Florida Statutes, consisting of ss. 560.501-560.506, Florida Statutes, is created and entitled "Payment Stablecoin Issuers."

Section 6. Section 560.501, Florida Statutes, is created to read:

560.501 Registration required; exemptions; transition to federal oversight.—

(1) REGISTRATION REQUIREMENT.—Unless exempted, a person may not engage in the activity of a qualified payment stablecoin issuer as authorized in s. 560.503 in this state without first registering, or renewing registration, with the office in accordance with s. 560.502 and receiving notification from the office that such person is approved as a qualified payment stablecoin issuer. The office shall give written notice to such person that the agency has approved or denied the application for registration.

(2) EXEMPTIONS.—


663608

(a) A payment instrument seller, foreign currency exchanger, check casher, or money transmitter that is licensed as a money services business pursuant to s. 560.141 and issues payment stablecoins with a consolidated total outstanding issuance of $10 billion or less is exempt from registration as a qualified payment stablecoin issuer but is subject to ss. 560.503 and 560.504.

(b) A payment stablecoin that meets the requirements of this part is not a security and is not subject to chapter 517.

(c) The following transactions are not regulated under this part:

1. The direct transfer of payment stablecoins between two individuals acting on their own behalf and for their own lawful purposes, without the involvement of an intermediary.

2. Any transaction involving the receipt of payment stablecoins by an individual between an account owned by the individual in the United States and an account owned by the individual abroad which are offered by the same parent company.

3. Any transaction by means of a software or hardware wallet that facilitates an individual’s own custody of payment stablecoins.

(3) TRANSITION TO FEDERAL OVERSIGHT.—

(a) Unless a federal waiver is obtained, a qualified payment stablecoin issuer with a consolidated total outstanding payment stablecoin issuance that reaches the $10 billion threshold must comply with one of the following requirements:

1. Not later than 360 days after the payment stablecoin issuance reaches such threshold, transition to the applicable federal regulatory framework administered jointly by the office

663608

and the United States Office of the Comptroller of the Currency; or

2. Beginning on the date the payment stablecoin issuance reaches such threshold, cease issuing new payment stablecoins until the payment stablecoin falls below the $10 billion consolidated total outstanding issuance threshold.

(b) A qualified payment stablecoin issuer remains subject to this part if a federal waiver of the transition requirements in paragraph (a) is obtained pursuant to the GENIUS Act, Pub. L. No. 119-27, and the office remains solely responsible for supervising the qualified payment stablecoin issuer, or if the office is jointly responsible with the United States Office of the Comptroller of the Currency to supervise the qualified payment stablecoin issuer pursuant to subparagraph (a)1. The office may enter into an agreement with the relevant primary federal payment stablecoin regulator for the joint supervision of any qualified payment stablecoin issuer.

Section 7. Section 560.502, Florida Statutes, is created to read:

560.502 Registration applications.—

(1) To apply to be a qualified payment stablecoin issuer under this part, the applicant must submit a completed registration application on forms prescribed by rule of the commission. The application must include the following information:

(a) The legal name of the applicant, including any fictitious or trade names used by the applicant in the conduct of its business, and the physical and mailing addresses of the applicant.

663608

(b) The date of the applicant's formation and the state in which the applicant was formed, if applicable.

(c) The name, social security number, alien identification number or taxpayer identification number, business and residence addresses, and employment history for the past 5 years for each control person as defined in s. 560.103.

(d) A description of the organizational structure of the applicant, including the identity of any parent or subsidiary of the applicant, and a disclosure of whether any parent or subsidiary is publicly traded.

(e) The name and mailing address of the registered agent in this state for service of process.

(f) 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 the manner in which such blockchain analytics activity will integrate into its compliance controls, and that the applicant will maintain and comply with such blockchain analytics policies, processes, and procedures.

(g) Any other information as required by this chapter or commission rule.

(2) Any information needed to resolve deficiencies found in the application must be provided within a time period prescribed by rule.

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

663608

(4) 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 the information required in subsection (1) if there are changes in the application information, or an affidavit signed by the registrant that the information remains the same as the prior year's information.

(5) Any renewal registration made pursuant to this section becomes effective upon the date the office approves the application for registration. The office shall approve the renewal registration within a timeframe prescribed by rule.

(6) Failure to submit an application to renew a qualified payment stablecoin issuer's registration within 60 days after the registration becomes inactive will result in the registration becoming expired. If the registration is expired, a new application to register the qualified payment stablecoin issuer pursuant to subsection (1) must be submitted to the office, and a certification of registration must be issued by the office before the qualified payment stablecoin issuer may conduct business in this state.

(7) If a control person of a registrant or prospective registrant has engaged in any unlawful business practice, or has 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 qualified payment stablecoin issuer, the office may deny the prospective registrant's initial registration

663608

application or the registrant's renewal application.

(8) The office shall deny the application of a qualified payment stablecoin issuer that submits a renewal application that fails to comply with subsection (1).

(9) Any false statement made by a qualified payment stablecoin issuer in an application for registration under this section renders the registration void. A void registration may not be construed as creating a defense to any prosecution for violation of this chapter.

Section 8. Section 560.503, Florida Statutes, is created to read:

560.503 Limitation on payment stablecoin activities.—Unless licensed under this chapter or chapter 655 to conduct other financial business activities, a qualified payment stablecoin issuer may engage only in the following activities:

(1) Issue payment stablecoins.

(2) Redeem payment stablecoins.

(3) Manage related reserves, including purchasing, selling, and holding reserve assets or providing custodial services for reserve assets, consistent with federal law and the laws of this state.

(4) Undertake other activities that directly support any of the activities described in this section.

Section 9. Section 560.504, Florida Statutes, is created to read:

560.504 Minimum prudential requirements—

(1) In accordance with the GENIUS Act, Pub. L. No. 119-27, a qualified payment stablecoin issuer must comply with all of the following requirements:

663608

(a) Maintain identifiable reserves backing the outstanding payment stablecoins of the qualified payment stablecoin issuer on at least a one-to-one basis, with reserves consisting of any of the following:

1. United States coin or currency or money standing to the credit of an account with a Federal Reserve Bank.

2. Funds held as demand deposits or insured shares at an insured depository institution, subject to limitations established by the Federal Deposit Insurance Corporation and the National Credit Union Administration.

3. Treasury bills, notes, or bonds with a remaining maturity or issued with a maturity of 93 days or less.

4. Money received under repurchase agreements, with the qualified payment stablecoin issuer acting as a seller of securities and with an overnight maturity, that are backed by Treasury bills with a maturity of 93 days or less.

5. Reverse purchase agreements, with the qualified payment stablecoin issuer acting as a purchaser of securities and with an overnight maturity, that are collateralized by Treasury bills, notes, or bonds on an overnight basis, subject to overcollateralization in line with standard market terms that meet federal requirements in the GENIUS Act, Pub. L. No. 119-27.

6. Securities issued by an investment company registered under s. 8(a) of the Investment Company Act of 1940, 15 U.S.C. s. 80a-8(a), or other registered government money market fund, and that are invested solely in underlying assets described in subparagraphs 1.-5.

7. Any other similarly liquid Federal Government-issued asset approved by the primary federal payment stablecoin

663608

regulator, in consultation with the office.

8. Any reserve described in subparagraphs 1.-3. or subparagraph 6. or subparagraph 7. in tokenized form, provided that such reserves comply with all applicable laws and regulations.

(b) Publicly disclose the issuer's redemption policy, which must comply with all of the following requirements:

1. Establish clear and conspicuous procedures for timely redemption of outstanding payment stablecoins.

2. Publicly, clearly, and conspicuously disclose in plain language all fees associated with purchasing or redeeming the payment stablecoins, provided that such fees can be changed only upon not less than 7 days' prior notice to consumers.

(c) Publish on the issuer's website a monthly reserve composition of the issuer's reserve which must contain all of the following information:

1. The total number of outstanding payment stablecoins issued by the issuer.

2. The amount and composition of the reserves described in paragraph (a), including the average tenor and geographic location of custody of each category of reserve instruments.

(d) Comply with all federal prohibitions on pledging, rehypothecating, or reusing reserve assets, either directly or indirectly, except for any of the following purposes:

1. Satisfying margin obligations in connection with investments in permitted reserves under subparagraph (a)4. or subparagraph (a)5.

2. Satisfying obligations associated with the use, receipt, or provision of standard custodial services.


663608

3. Creating liquidity to meet reasonable expectations of requests to redeem payment stablecoins, such that reserves in the form of Treasury bills may be sold as purchased securities for repurchase agreements with a maturity of 93 days or less, provided that either:

a. The repurchase agreements are cleared by a clearing agency registered with the Securities and Exchange Commission; or

b. The qualified payment stablecoin issuer receives prior approval from the office.

(e) Engage a registered public accounting firm to conduct a monthly examination of the previous month-end reserve report. For purposes of this paragraph, the term "registered public accounting firm" means a public accounting firm registered with the Public Company Accounting Oversight Board.

(f) Submit to the office each month a certification as to the accuracy of the month-end reserve report by the qualified payment stablecoin issuer's chief executive officer and chief financial officer.

(g) Comply with any federal regulations or state rules prescribed by commission rule relating to capital, liquidity, and risk management requirements.

(h) Engage only custodians or safekeepers that comply with s. 10 of the GENIUS Act, Pub. L. No. 119-27.

(i) Comply with any other federal requirements of s. section 4(a) of the GENIUS Act, Pub. L. No. 119-27, and any implementing federal regulations.

(2) A qualified payment stablecoin issuer is prohibited from engaging in all of the following conduct:

663608

(a) Except as may be authorized under federal law, tying arrangements that condition access to stablecoin services on the purchase of unrelated products or services from such qualified payment stablecoin issuer or an agreement not to obtain products or services from a competitor.

(b) Using deceptive names, which includes, but is not limited to, any of the following:

1. Using any combination of terms relating to the United States Government, except abbreviations directly related to the currency to which a payment stablecoin is pegged, such as "USD."

2. Marketing a payment stablecoin in such a way that a reasonable person would perceive the payment stablecoin to be legal tender, as described in 31 U.S.C. s. 5103, issued by the United States, or guaranteed or approved by the United States Government.

(c) Unless authorized by federal law, paying the holder of any payment stablecoin any form of interest or yield solely in connection with holding, use, or retention of such payment stablecoin.

Section 10. Section 560.505, Florida Statutes, is created to read:

560.505 State certification.—

(1) No later than 20 days after the federal Stablecoin Certification Review Committee begins accepting certifications or no later than 20 days after the effective date of this act, whichever is later, the office must submit an initial certification to such committee on a form prescribed by the committee attesting that the state regulatory regime meets the criteria for substantial similarity established pursuant to the

663608

GENIUS Act.

(2) No later than the date to be determined by the United States Secretary of the Treasury each year, the office must submit to the Stablecoin Certification Review Committee an additional certification that confirms the accuracy of the initial certification submitted.

(3) The office must comply with the requirements of s. 4(c)(4) of the GENIUS Act to ensure the state receives certification and annual recertification by the Stablecoin Certification Review Committee of the state regulatory regime.

Section 11. Section 560.506, Florida Statutes, is created to read:

560.506 Rulemaking authority.—The commission shall adopt rules to administer this part as required in s. 13 of the GENIUS Act, Pub. L. No. 119-27. The commission shall also adopt rules relating to capital, liquidity, and risk management which are consistent with section 4(a)(4) of the GENIUS Act, Pub. L. No. 119-27. The commission may adopt rules establishing standards for the conduct, supervision, examination, and regulation of qualified payment stablecoin issuers, including requirements relating to reserves, customer-asset protection, reporting, and compliance, in order to meet the minimum requirements established by the Stablecoin Certification Review Committee.

Section 12. Section 658.997, Florida Statutes, is created to read:

658.997 Qualified payment stablecoin issuers.—

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

(a) "Payment stablecoin" has the same meaning as in s. 560.103.


663608

(b) "Qualified payment stablecoin issuer" has the same meaning as in s. 560.103. The term does not include an insured depository institution, an uninsured national bank, a federal branch of a foreign bank, or a subsidiary of such entities. For purposes of this paragraph, the terms:

1. "Federal branch" means a branch of a foreign bank established and operating under 12 U.S.C. s. 3102.

2. "Insured depository institution" means any bank or savings association the deposits of which are insured by the Federal Deposit Insurance Corporation and insured credit union means any credit union the member accounts of which are insured by the National Credit Union Administration Board.

3. "Subsidiary" means any company that is owned or controlled directly or indirectly by another company and includes any service corporation owned in whole or in part by an insured depository institution or any subsidiary of such a service corporation.

(2) EXEMPTIONS.—

(a) A trust company that is organized pursuant to this section and issues payment stablecoins with a consolidated total outstanding issuance of $10 billion or less is exempt from registration as a qualified payment stablecoin issuer but is subject to the provisions of this section.

(b) A payment stablecoin that meets the requirements of this part is not a security and is not subject to the requirements of chapter 517.

(c) The following transactions are not regulated under this part:

1. The direct transfer of payment stablecoin between two


663608

individuals acting on their own behalf and for their own lawful purposes, without the involvement of an intermediary.

2. Any transaction involving the receipt of payment stablecoin by an individual between an account owned by the individual in the United States and an account owned by the individual abroad which are offered by the same parent company.

3. Any transaction by means of a software or hardware wallet that facilitates an individual's own custody of payment stablecoins.

(3) TRANSITION TO FEDERAL OVERSIGHT.—

(a) Unless a federal waiver is obtained, a qualified payment stablecoin issuer with a consolidated total outstanding payment stablecoin issuance that reaches the $10 billion threshold must comply with one of the following requirements:

1. Not later than 360 days after the payment stablecoin issuance reaches such threshold, transition to the applicable federal regulatory framework administered jointly by the office and the United States Office of the Comptroller of the Currency; or

2. Beginning on the date the payment stablecoin issuance reaches such threshold, cease issuing new payment stablecoins until the payment stablecoin falls below the $10 billion consolidated total outstanding issuance threshold.

(b) A qualified payment stablecoin issuer remains subject to this part if a federal waiver of the transition requirements in paragraph (a) is obtained pursuant to the GENIUS Act, Pub. L. No. 119-27, and the office remains solely responsible for supervising the qualified payment stablecoin issuer, or if the office is jointly responsible with the United States Office of

663608

the Comptroller of the Currency to supervise the qualified payment stablecoin issuer pursuant to subparagraph (a)1. The office may enter into an agreement with the relevant primary federal payment stablecoin regulator for the joint supervision of any qualified payment stablecoin issuer.

(4) LIMITATION ON PAYMENT STABLECOIN ACTIVITIES.—Unless licensed under chapter 560 or chapter 655 to conduct other financial business activities, a qualified payment stablecoin issuer may engage only in the following activities:

(a) Issue payment stablecoins.

(b) Redeem payment stablecoins.

(c) Manage related reserves, including purchasing, selling, and holding reserve assets or providing custodial services for reserve assets, consistent with federal law and the laws of this state.

(d) Undertake other activities that directly support any of the activities described in this section.

(5) MINIMUM PRUDENTIAL REQUIREMENTS.—

(a) In accordance with the GENIUS Act, Pub. L. No. 119-27, a qualified payment stablecoin issuer shall comply with all of the following requirements:

1. Maintain identifiable reserves backing the outstanding payment stablecoins of the qualified payment stablecoin issuer on at least a one-to-one basis, with reserves consisting of any of the following:

a. United States coin or currency or money standing to the credit of an account with a Federal Reserve Bank.

b. Funds held as demand deposits or insured shares at an insured depository institution, subject to limitations


663608

established by the Federal Deposit Insurance Corporation and the National Credit Union Administration.

c. Treasury bills, notes, or bonds with a remaining maturity or issued with a maturity of 93 days or less.

d. Money received under repurchase agreements, with the qualified payment stablecoin issuer acting as a seller of securities and with an overnight maturity, that are backed by Treasury bills with a maturity of 93 days or less.

e. Reverse purchase agreements, with the qualified payment stablecoin issuer acting as a purchaser of securities and with an overnight maturity, that are collateralized by Treasury bills, notes, or bonds on an overnight basis, subject to overcollateralization in line with standard market terms that meet federal requirements in the GENIUS Act, Pub. L. No. 119-27.

f. Securities issued by an investment company registered under s. 8(a) of the Investment Company Act of 1940, 15 U.S.C. s. 80a-8(a), or other registered government money market fund, and that are invested solely in underlying assets described in subparagraphs 1.-5.

g. Any other similarly liquid Federal Government-issued asset approved by the primary federal payment stablecoin regulator, in consultation with the office.

h. Any reserve described in subparagraphs 1.-3. or subparagraph 6. or subparagraph 7. in tokenized form, provided that such reserves comply with all applicable laws and regulations.

2. Publicly disclose the issuer’s redemption policy, which must comply with all of the following requirements:

a. Establish clear and conspicuous procedures for timely


663608

redemption of outstanding payment stablecoins.

b. Publicly, clearly, and conspicuously disclose in plain language all fees associated with purchasing or redeeming the payment stablecoins, provided that such fees can be changed only upon not less than 7 days' prior notice to consumers.

3. Publish on the issuer's website a monthly reserve composition of the issuer's reserve which must contain all of the following information:

a. The total number of outstanding payment stablecoins issued by the issuer.

b. The amount and composition of the reserves described in subparagraph 1., including the average tenor and geographic location of custody of each category of reserve instruments.

4. Comply with all federal prohibitions on the pledging, rehypothecating, or reusing reserve assets, either directly or indirectly, except for any of the following purposes:

a. Satisfying margin obligations in connection with investments in permitted reserves under subparagraph (a)4. or subparagraph (a)5.

b. Satisfying obligations associated with the use, receipt, or provision of standard custodial services.

c. Creating liquidity to meet reasonable expectations of requests to redeem payment stablecoins, such that reserves in the form of Treasury bills may be sold as purchased securities for repurchase agreements with a maturity of 93 days or less, provided that either:

(I) The repurchase agreements are cleared by a clearing agency registered with the Securities and Exchange Commission; or

663608

(II) The qualified payment stablecoin issuer receives prior approval from the office.

5. Engage a registered public accounting firm to conduct a monthly examination of the previous month-end reserve report. For purposes of this subparagraph, the term "registered public accounting firm" means a public accounting firm registered with the Public Company Accounting Oversight Board.

6. Submit to the office each month a certification as to the accuracy of the month-end reserve report by the qualified payment stablecoin issuer's chief executive officer and chief financial officer.

7. Comply with any federal regulations or state rules prescribed by commission rule relating to capital, liquidity, and risk management requirements.

8. Engage only custodians or safekeepers that comply with s. 10 of the GENIUS Act, Pub. L. No. 119-27.

9. Comply with any other federal requirements of s. 4(a) of the GENIUS Act, Pub. L. No. 119-27, and any implementing federal regulations.

(b) A qualified payment stablecoin issuer is prohibited from engaging in all of the following conduct:

1. Except as may be authorized under federal law, tying arrangements that condition access to stablecoin services on the purchase of unrelated products or services from such qualified payment stablecoin issuer or an agreement not to obtain products or services from a competitor.

2. Using deceptive names, which includes, but is not limited to, any of the following:

a. Using any combination of terms relating to the United

663608

States Government, except abbreviations directly related to the currency to which a payment stablecoin is pegged, such as "USD."

b. Marketing a payment stablecoin in such a way that a reasonable person would perceive the payment stablecoin to be legal tender, as described in 31 U.S.C. s. 5103, issued by the United States, or guaranteed or approved by the United States Government.

3. Unless authorized by federal law, paying the holder of any payment stablecoin any form of interest or yield solely in connection with holding, use, or retention of such payment stablecoin.

(6) CERTIFICATION.—The office's initial certification and annual recertification submission to the federal Stablecoin Certification Review Committee pursuant to s. 560.505 must include any relevant information related to the provisions of this chapter in the office's request for certification or recertification of the state regulatory regime of payment stablecoins.

(7) RULEMAKING.—The commission may adopt rules to administer this section as required in s. 13 of the GENIUS Act, Pub. L. No. 119-27. The commission must also adopt rules relating to capital, liquidity, and risk management which are consistent with section 4.(a)(4) of the GENIUS Act, Pub. L. No. 119-27. The commission may adopt rules establishing standards for the conduct, supervision, examination, and regulation of qualified payment stablecoin issuers, including requirements relating to reserves, customer-asset protection, reporting, and compliance in order to meet the minimum requirements established by the Stablecoin Certification Review Committee.

663608

Section 12. This act shall take effect upon becoming a law.

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

And the title is amended as follows:

Delete everything before the enacting clause

and insert:

A bill to be entitled

An act relating to payment stablecoin; amending s. 560.103, F.S.; revising the definition of the term "money services business"; defining terms; amending s. 560.114, F.S.; revising the actions by a money services business which constitute grounds for disciplinary actions; amending s. 560.123, F.S.; revising the Florida Control of Money Laundering in Money Services Business Act to include payment stablecoins; requiring certain payment stablecoin issuers to comply with certain regulations; amending s. 560.125, F.S.; revising the prohibition regarding the business of money services businesses or deferred presentment providers; revising the circumstances relating to violations of certain provisions; creating part V of ch. 560, F.S., entitled "Payment Stablecoin Issuers"; creating s. 560.501, F.S.; prohibiting persons from engaging in the activity of a qualified payment stablecoin issuer without registering and receiving a specified notification; providing that certain money services businesses are exempt from registration requirements; specifying that certain payment stablecoins are not a security and are not

663608

subject to certain requirements; specifying that certain transactions are not regulated under certain provisions; requiring qualified payment stablecoin issuers to comply with certain requirements; specifying that qualified payment stablecoin issuers are subject to certain provisions under certain circumstances; specifying that the Office of Financial Regulation remains solely responsible for supervising qualified payment stablecoin issuers or is jointly responsible with the United States Office of the Comptroller of the Currency for such supervision under certain circumstances; creating s. 560.502, F.S.; requiring applicants seeking to be a qualified payment stablecoin issuer to submit a specified application to the office; requiring applicants to resolve deficiencies found in their applications within a certain timeframe; requiring registrants to report changes in their information within a specified timeframe; requiring registrants to renew registration annually; requiring the registrant to renew registration in a specified manner; specifying that the renewal registration becomes effective on a certain date; requiring the office to approve renewal registration within a specified timeframe; specifying that failure to submit an application within a specified timeframe results in the registration becoming expired; requiring a qualified payment stablecoin issuer with an expired registration to submit a new application to the office; providing that

663608

the office must issue a certification of registration before the qualified payment stablecoin issuer may conduct business in this state; authorizing the office to deny the prospective registrant's renewal application under certain circumstances; requiring the office to deny the application of qualified payment stablecoin issuers under certain circumstances; specifying that any false statement in the application renders the registration void; providing construction; creating s. 560.503, F.S.; specifying that qualified payment stablecoin issuers may only engage in certain activities; creating s. 560.504, F.S.; requiring qualified payment stablecoin issuers to comply with certain requirements; prohibiting qualified payment stablecoin issuers from engaging in certain conduct; creating s. 560.505, F.S.; requiring the office to submit initial and additional certifications to a specified committee under certain circumstances; requiring the office to comply with certain requirements; creating s. 560.506, F.S.; requiring the Financial Services Commission to adopt specified rules; creating s. 658.997, F.S.; defining terms; specifying that certain trust companies are exempt from registration as qualified payment stablecoin issuers but are subject to certain provisions; specifying that certain payment stablecoins are not securities and are not subject to certain requirements; specifying that certain transactions are not regulated by certain provisions; requiring

663608

qualified payment stablecoin issuers to comply with certain requirements; specifying that qualified payment stablecoin issuers remain subject to certain provisions under certain circumstances; authorizing the office to enter into an agreement with specified regulators for joint supervision of qualified payment stablecoin issuers; specifying that the office remains solely responsible for supervising qualified payment stablecoin issuers or is jointly responsible with the United States Office of the Comptroller of the Currency for such supervision under certain circumstances; specifying that qualified payment stablecoin issuers may engage only in certain activities; requiring qualified payment stablecoin issuers to comply with certain requirements; defining the term "registered public accounting firm"; prohibiting qualified payment stablecoin issuers from engaging in certain conduct; requiring that the office's initial and annual recertification include certain information; providing for certain rule adoption by the commission; providing an effective date.

By Senator Burton

12-00696-26 2026314__

A bill to be entitled

An act relating to issuers of digital assets; amending s. 560.103, F.S.; providing definitions; creating s. 560.2053, F.S.; providing requirements for persons to qualify as recognized payment stablecoin issuers; providing that recognized payment stablecoin issuers are not required to obtain specified separate licenses or registrations for certain purposes; providing violations and penalties; providing that the Office of Financial Regulation of the Financial Services Commission has jurisdiction to determine certain compliance; authorizing the office to bring actions under certain enforcement provisions; providing an effective date.

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

Section 1. Subsections (31), (32), (33), (34), (35), and (36) of section 560.103, Florida Statutes, are renumbered as subsections (32), (33), (34), (36), (37), and (38), respectively, and new subsections (31) and (35) are added to that section, to read:

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

(31)(a) "Payment stablecoin" means a stablecoin that meets all of the following requirements:

1. Is fully backed by reserve assets limited to United States currency, demand deposits at insured depository institutions, United States Treasury bills having a remaining maturity of 90 days or less, or reverse repurchase agreements

12-00696-26 2026314__

collateralized by such treasury bills.

2. Is redeemable by the issuer or its agent at all times at a 1-to-1 ratio for United States dollars.

3. Does not pay interest or dividends to holders.

4. Meets any additional criteria for a permitted payment stablecoin under federal law, including the GENIUS Act of 2025.

(b) The term does not include a central bank digital currency issued directly or indirectly by a central bank, monetary authority, or other governmental agency, whether foreign or domestic. The term is not a security, as defined in s. 517.021.

(c) As used in this subsection, the term "stablecoin" means a digital asset designed, through collateralization, algorithmic mechanisms, or both, to maintain a stable value relative to one or more fiat currencies, commodities, or other reference assets. As used in this paragraph, the term "digital asset":

1. Means a controllable electronic record, as defined in s. 669.102(1), capable of being held or transferred electronically and representing economic, proprietary, or access rights.

2. Includes virtual currency, digital commodities, digital asset securities, and non-fungible tokens. As used in this subparagraph, the term "non-fungible token" means a digital asset that represents unique ownership rights to a particular item or content and is not interchangeable on a one-for-one basis with other tokens of the same type.

(35) "Recognized payment stablecoin issuer" means a person that meets the requirements of s. 560.2053.

Section 2. Section 560.2053, Florida Statutes, is created to read:

560.2053 Recognized payment stablecoin issuers; safe harbor.—

(1) A person is a recognized payment stablecoin issuer in this state if the person meets and maintains the requirements of subsection (2) at all times. A recognized payment stablecoin issuer is not required to obtain a separate license or registration under this chapter solely to issue or redeem payment stablecoins.

(2) To qualify as a recognized payment stablecoin issuer, a person must meet all of the following requirements:

(a) Maintain reserve assets described in s. 560.103(31)(a)1. in an amount equal to or greater than the aggregate outstanding payment stablecoins.

(b) Redeem payment stablecoins at par value upon demand by a holder.

(c) Prohibit the lending, pledging, or encumbrance of reserve assets.

(d) Publicly disclose, at least monthly, the composition and value of reserve assets. Each disclosure must be published in a report that has been examined by a registered public accounting firm and certified by the issuer's chief executive officer and chief financial officer, consistent with the requirements of the federal GENIUS Act of 2025.

(3) A person that knowingly represents itself as a recognized payment stablecoin issuer without meeting the requirements of this section violates this chapter and is subject to the disciplinary and enforcement provisions of part I of this chapter.

(4) The office has jurisdiction to determine compliance

with this section and may bring an action under the enforcement provisions of this chapter.

Section 3. 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:	SB 618
INTRODUCER:	Senator Truenow
SUBJECT:	Workers' Compensation Insurance
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			FP	

I. Summary:

SB 618 increases the percentage of policies in which an insurer may charge rates in excess of filed rates for commercial insurance, workers' compensation insurance, and personal lines insurance with the written consent of the insured. Specifically, SB 618 would allow an insurer to charge rates in excess of rates filed with the Office of Insurance Regulation for up to 10 percent of its commercial insurance policies, excluding workers' compensation, and up to 20 percent of its workers' compensation insurance policies, excluding policies written for an employer who had coverage or was offered coverage through the Florida Workers' Compensation Joint Underwriting Association (FWCJUA), the insurer of last resort. Further, an insurer would continue to be allowed to charge a rate in excess of the otherwise applicable rate for up to five percent of its personal lines insurance policies.

Under current law, an insurer may not use excess rates for more than 10 percent of any line of commercial insurance policies, which includes workers' compensation, written each year by the insurer, or for more than 5 percent of any of its personal lines insurance policies written each year. Current law also has the exclusion of FWCJUA policies from the excess rate percentage cap for first three years of coverage.

SB 618 also reduces the number of the Florida Workers' Compensation Insurance Guaranty Association's board of directors from eleven to nine persons. The Florida Workers' Compensation Insurance Guaranty Association provides for the payment of covered claims and benefits to injured workers in the event of the insolvency of an insurer or self-insurance funds. The bill requires the Department of Financial Services to appoint four instead of six members selected by private carriers from among 20 workers' compensation insurers with the largest amount of direct written premium. Further, the bill revises the composition of the board by removing the two members representing self-insurance funds and replacing them with one person nominated by a statewide trade association representing Florida employers, which is designated by the Chief Financial Officer (CFO), and one person nominated by the largest

property and casualty insurance agents' association in Florida to serve in place of a nominee of either association. The Insurance Consumer Advocate continues to be a member; the CFO continues to appoint one undesignated person; and the Governor appoints one person who has commercial insurance experience.

II. Present Situation:

General Regulation of Insurance

The Office of Insurance Regulation (OIR)[1] is responsible for the regulation of all activities of insurers and other risk-bearing entities, including licensure, rates, policy forms, market conduct, claims, solvency, administrative supervision, as provided under the Florida Insurance Code (code).[2] An insurer must obtain a certificate of authority from the OIR to transact business in Florida.[3] As part of the licensure process, an insurer must meet minimum surplus and capital requirements[4] and other provisions of part III, ch. 624, F.S.

Generally, policy forms and rates are subject to approval by the OIR.[5] The OIR must disapprove rates for property and casualty policies that are excessive, inadequate, or unfairly discriminatory, as defined.[6] Section 627.062, F.S., provides that insurers must file proposed rate changes with OIR least 90 days prior to the proposed effective date (file and use)[7] or, alternatively, must file rates within 30 days after their effective date (use and file)[8], subject to a potential order by OIR to refund that portion of a rate determined to be excessive.

Premium rates for policies of property, casualty, or surety insurance issued in Florida are subject to regulation by OIR pursuant to s. 627.062, F.S., the rating law. This includes, but is not limited to, policies of property insurance, general liability, business owners' policies, commercial automobile, medical malpractice, professional liability, and surety bonds. Private passenger motor vehicle insurance[9] and workers' compensation insurance[10] are subject to regulation under separate sections of the code. Likewise, this section does apply to residential property insurance, but such policies are subject to additional rating requirements contained in other provisions of the code.[11]

---

[1] 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.
[2] Section 20.121(3)(a)1., F.S.
[3] Section 624.401, F.S.
[4] Section 624.404, F.S.
[5] Part I, ch. 627, F.S.
[6] Section 627.062, F.S.
[7] Section 627.0651(1)(a), F.S., rates for motor vehicle insurance.
[8] Section 627.0651(1)(b), F.S., rates for motor vehicle insurance.
[9] Section 627.0651, F.S.
[10] Sections 627.072 and 627.091, F.S.
[11] Section 627.0629, F.S.

For workers' compensation insurance, the OIR must approve rates in the voluntary market prior to the rates becoming effective.[12] In determining whether to approve or disapprove a workers' compensation rate filing, the OIR considers certain statutory standards and factors specified in ss. 627.062 and 627.072, F.S.[13]

The code and the rating plans approved by OIR provide mechanisms for insurers to vary premiums. These pricing tools include retrospective rating plans[14] that adjust the premium at the end of the policy period to reflect the actual loss experience of the employer; dividend plans that allow insurers to provide refunds to participating policyholders; and premium credits for large deductible policies, approved safety programs,[15] drug-free workplaces,[16] and other standard credits. The law permits insurers to file for approval of a rate deviation, by which the insurer proposes a uniform percentage increase or decrease to be applied to all rates charged or to rates for a particular class or classes of insurance.[17]

Florida's "consent to rate" law[18] or excess rates provision allows an insurer to use a rate in excess of its filed rate on any specific risk (employer) with the written consent of the insurer. However, an insurer may not use excess rates for more than 10 percent of any line of commercial insurance policies, including workers' compensation insurance, written each year by the insurer, or for more than 5 percent of any of its personal lines insurance policies written each year. Workers' compensation policies are considered commercial insurance. Thus, the 10-percent limit applies to those policies.

Florida Workers' Compensation Rate Trends Post 2003 Reforms[19]

In 2000, Florida had the highest workers' compensation insurance rates in the country. In 2003, the Florida Legislature enacted significant reforms,[20] including but not limited to, benefits, attorney fees, compensability, workers' compensation coverage requirements, and enforcement authority.

As a result of the reforms, Florida's workers' compensation rates declined by 64.7 percent as of July 1, 2010. In 2003, the OIR approved a 14 percent rate reduction, with an additional reduction of 5.1 percent effective January 1, 2005. These annual rate reductions continued unabated through the rate reduction of 6.8 percent that took effect on January 1, 2010. The rate changes during this seven year period include the three largest decreases ever in Florida, namely -18.6 percent for 2009, -18.4 percent for 2008, and -15.7 percent for 2007. These seven filings

[12] Section 627.091, F.S. An insurer may satisfy its obligation to make such filings by becoming a member of, or a subscriber to, a licensed rating organization which makes such filings and by authorizing the office to accept such filings in its behalf; but nothing contained in this chapter shall be construed as requiring any insurer to become a member or a subscriber to any rating organization.
[13] Sections 627.151 and 627.091, F.S.
[14] Section 627.072, F.S.
[15] Section 627.0915, F.S.
[16] *Id.*
[17] Section 627.211, F.S.
[18] Section 627.171, F.S.
[19] Office of Insurance Regulation, 2025 Workers' Compensation Annual Report (Jan. 2026), WC Cover Page (last visited Jan. 20, 2026). The report noted that similar conclusions were noted in the previous 20 annual reports.
[20] Senate Bill 50A (Ch. 2003-412, Laws of Fla.)

represent the state's largest consecutive cumulative decrease on record for workers' compensation rates, dating back to 1965.

The Oregon Workers' Compensation Premium Rate Ranking, published by the Oregon Department of Consumer and Business Services, includes a comparison of workers' compensation rates with other states based on January 1, 2024, Florida rates.[21] The latest Oregon report shows a decrease in the average Florida indexed rate from $1.26 in 2022 to $1.00, which resulted in Florida having the 30th highest rates; thus, there are 21 jurisdictions with a lower average rate than Florida. The 2024 report also reflects that the average Florida indexed rate of $1.00 has dropped 8 percent below the study's national median indexed rate of $1.09.

Florida Workers' Compensation Insurance Market[22]

According to the Office of Insurance Regulation (OIR), in 2023, 278 privately-owned insurers actively wrote workers' compensation insurance in Florida. In total, private sector insurers wrote about $3,2 billion in premium. Moreover, during 2024, six insurers entered the Florida workers' compensation market, either with direct authority or reinsurance only. During 2024, three insurers exited the Florida market, and five insurers withdrew the line of business. These new entrants and voluntary withdrawals had no disruptive impact on the marketplace, as should be the case in a competitive market.

In general, the most recent Workers' Compensation Annual Report (for calendar year 2025 data) issued by OIR made the following findings:

- Florida's workers' compensation insurance market contained a large number of independent insurers, none of which had enough market share to individually exercise market control in an uncompetitive nature.
- The Herfindahl-Hirschman Index (HHI) indicated Florida's market was not overly concentrated, and consequently exhibited a reasonable degree of competition. Following the U.S. Department of Justice guidelines, this measure suggests a highly competitive market. Moreover, the HHI measure indicates the Florida market has become progressively more competitive.
- There were no significant barriers for insurers entering and exiting the Florida workers' compensation insurance market.
- The residual market was small relative to the private market indicating the voluntary market offers reasonable availability. However, affordability within the residual market appears to be an ongoing issue.
- Medical cost distributions showed that Florida has a higher portion of cost paid for drugs, hospital inpatient, and ambulatory surgical centers than the countrywide average.
- There may have been some small segments of the market which had difficulty obtaining workers' compensation insurance, including small firms and new firms.[23]

[21] Oregon Department of Consumer and Business Services, 2024 Oregon worker's compensation premium rate ranking, Department of Consumer and Business Services : Report and resources : Workers' compensation cost : State of Oregon (last visited Jan. 2, 2026).
[22] *Supra, OIR* at 19.
[23] *Id.*

One of the most significant indicators of an availability problem in an insurance market is the size of the residual market mechanism.[24] The FWCJUA is the market of last resort for workers' compensation insurance. Only employers that cannot find coverage in the voluntary market are eligible for coverage in the FWCJUA. Thus, the size of the FWCJUA is a measure of availability of coverage in the voluntary market.

The Florida Workers' Compensation Insurance Plan was the residual market for Florida until the FWCJUA was created on January 1, 1994, as an insurer of last resort pursuant to s. 627.311(5), F.S., to provide workers compensation and employers liability insurance to employers who are required by law to maintain such insurance and who are in good faith entitled to, but who are unable to, purchase such insurance through the voluntary market, and to collect premiums and assessments from its policyholders in order to satisfy the obligations of the FWCJUA. If the FWCJUA is unable to pay its obligations, certain policyholders will be required to contribute on a pro-rata-earned-premium basis the money necessary to meet any assessment levied to fund the deficit.

The FWCJUA saw its premium volume stabilize over the 2014 to 2018 period. Recently, the FWCJUA has seen its volume significantly decrease dropping from $36.2 million in direct written premium in 2018 down to $8.4 million in 2024. In 2024, 361 Florida policyholders obtained coverage through the FWCJUA which is a record low point representing less than 0.3 percent of the Florida direct written premium. Going forward, the residual market could grow if voluntary writers are no longer willing to write certain risks.

The total premium paid by FWCJUA policyholders is affected by the rate differential of the policyholder's tier as well as other surcharges. The tier rate differential is multiplied by the voluntary rate (e.g. A tier rate differential of 1.05 represents that the rate for the tier is 5% above the voluntary rates). In addition to a much higher rate differential, Tier 3 is also subject to the ARAP surcharge. Additionally, all three tiers have a flat surcharge of $475. Tier 3 policyholders also have a burden Tiers 1 and 2 do not have. Tier 3 policies are assessable if premiums are not sufficient to cover losses and expenses. The Tier 1 rate differential, effective January 1, 2025, increased to 1.81. The Tier 2 rate differential increased to 2.66. The Tier 3 rate differential increased to 2.66. While Tier 3 accounts for 38 percent of the total FWCJUA policies, it accounts for 68 percent of the total premium. The FWCJUA modified its rating plan, effective January 1, 2025, to reflect the NCCI approved rate change, resulting in an overall average premium level decrease of 1.9 percent.

The main contributor to the level of FWCJUA rates has been the level of expenses and losses incurred relative to premium. Both of these components were adversely impacted when the volume of FWCJUA business decreased in the late 1990s and, again, over the period from 2018 to 2024. The FWCJUA rates have historically been very high in comparison to the residual markets in other states where the residual market is administered by National Council on Compensation Insurance.

The number of policies issued by the FWCJUA has been small in comparison to the total voluntary market from 1997 to the present. In the recent past, the residual market share was low

[24] *Supra at* 19..

because the FWCJUA rates were not very affordable to many employers and the voluntary market was very competitive. The high premiums in the FWCJUA discouraged many employers from even applying to the FWCJUA. These employers decided to close their business, go without coverage, or sought the services of a professional employer organization (PEO). Coupled with a very competitive market by insurers who aggressively sought new policyholders, this created an extremely small residual market. Ultimately, availability is likely not an issue as coverage can be found in either the voluntary market, the FWCJUA, or through a PEO.

FWCJUA Market Assistance Program (MAP)[25]

The purpose of the MAP is to implement ss. 627.311(5)(c)4.d. and 627.311(5)(c)24., F.S., establishing a market assistance plan to provide access to and assist in the placement of workers compensation and employers' liability insurance coverage in the voluntary market for employers applying for or securing coverage through the FWCJUA. The MAP assists employers who submit applications for coverage to the FWCJUA in obtaining coverage in the voluntary market.

The depopulation program is part of MAP, too, and provides that an employer insured through the FWCJUA is no longer eligible for coverage through the FWCJUA if the employer is offered coverage from an insurer:
1. During the 30 calendar days of FWCJUA coverage;
2. Before an FWCJUA policy is issued;
3. By issuance of a policy upon expiration or cancellation of the FWCJUA policy; or
4. By assumption of the FWCJUA's obligation with respect to an in-force policy.[26]

Further, the premium for risks assumed by the insurer through the depopulation program must be no greater than the premium the insured would have paid under the FWCJUA, and must be adjusted upon renewal to reflect changes in the FWCJUA rates and the tier for which the insured would qualify as of the time of renewal.[27] The insured may be charged such premiums only for the first three years of coverage by the insurer.[28] A premium under s. 627.311(5)(c)24., F.S., is deemed approved and is not an excess premium for purposes of s. 627.171, F.S.[29]

The Florida Workers' Compensation Insurance Guaranty Association[30]

As a condition of their authority to offer workers' compensation insurance coverage in Florida, all insurers and self-insurance funds are required to be members of the Florida Workers' Compensation Insurance Guaranty Association, Inc. (FWCIGA).[31] The association provides for the payment of covered claims and benefits to injured workers in the event of the insolvency of a carrier or self-insurance fund, but does not pay claims for insolvent individually self-insured employers. In order to keep its fund solvent, FWCIGA determines whether an assessment against

[25] *See* FWCJUA Operations Manual (Dec. 1, 2025), FWCJUA Operations Manual Revision 1-1-21 (last visited Jan. 2, 2026).
[26] Section 627.311(5)(c)24, F.S.
[27] *Id.*
[28] *Id.*
[29] *Id.*
[30] Part V, ch. 631, F.S.
[31] Section 631.911, F.S.

its members is necessary to pay covered claims or to reimburse FWCIGA for its administrative expenses.[32]

The Department of Financial Services

The Department of Financial Services is responsible for administering the workers' compensation law. Employers are required to pay compensation or furnish benefits pursuant to ch. 440, F.S., if an employee suffers an accidental compensable injury or death arising out of work performed in the course and the scope of the employment.[33] Generally, employers may secure coverage from an authorized carrier, qualify as a self-insurer,[34] or purchase coverage from the Florida Workers' Compensation Joint Underwriting Association (FWCJUA), the insurer of last resort.[35] Workers' compensation is the injured employee's remedy for "compensable" workplace injuries.[36] Indemnity benefits only become payable to employees who are disabled for at least eight days due to a compensable workplace injury.[37]

III. Effect of Proposed Changes:

Section 1 amends s. 627.171, F.S., relating to excess rates or consent to rate, to expand the percentage of policies an insurer may charge rates in excess of rates filed with the OIR. The bill allows an insurer to use excess rates for up to 10 percent of its commercial insurance policies, other than workers compensation policies. Further, the bill allows an insurer to charge excess rates for up to 20 percent of its workers' compensation policies. Pursuant to current law, an insurer may continue to charge excess rates for up to five percent of its personal lines policies.

The 20 percent limitation for workers' compensation policies excludes policies that are written for an employer who had coverage through the FWCJUA immediately prior to the writing of the policy by the insurer and any workers' compensation policy that was written for an employer who had been offered coverage in the FWCJUA but was written by an insurer in lieu of accepting the FWCJUA policy. Further such policies must be excluded from the 20 percent limitation for the first three years of coverage. Under current law, the limitation is 10 percent for commercial lines policies, but it does not apply to FWCJUA workers compensation policies.

Currently, an insurer is limited to charging excess rates for up to 10 percent of its commercial policies, which includes workers compensation policies. Pursuant to current law, an insurer may use excess rates for up to five percent of its personal lines policies. An insurer must obtain the written consent of an insured to use rates in excess of the applicable filed rate prior to the policy inception date.

Section 2 amends s. 631.912(1), F.S., relating to the composition of the FWCIGA, to reduce the size of the board of directors from 11 to 9 persons. The Department of Financial Services (DFS) must appoint to the board four instead of six persons selected by private carriers from among the

[32] Section 631.914, F.S.
[33] Section 440.09, F.S.
[34] Section 440.38, F.S.
[35] Section 627.511(5)(a), F.S.
[36] Section 440.13(1), F.S.
[37] Sections 440.12 and 440.15, F.S.

20 workers' compensation insurers with the largest amount of direct written premium as determined by the department, one person nominated by a statewide trade association representing Florida employers, which is designated by the Chief Financial Officer (CFO, and one person nominated by the largest property and casualty insurance agents association in this state. Further, the CFO may appoint other persons with workers' compensation experience to the board to serve in place of a nominee of either association specified above. The bill does not change or remove the appointment of the Insurance Consumer Advocate, an undesignated member appointment by the CFO, or the Governor's appointment of a person with experience in commercial insurance.

Currently, six persons on the board are selected by private carriers from among the 20 workers' compensation insurers with the largest amount of direct written premium as determined by the DFS. Further, the Insurance Consumer Advocate sits on the board, as well as a CFO appointee, Governor appointee with commercial insurance experience, and two persons selected by the self-insurance funds or other persons with experience in workers' compensation as determined by the CFO.

Section 3 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:

Increasing the percentage of policies that a workers' compensation carrier may impose excess rates may allow some small employers to obtain more affordable coverage outside of the Florida Workers' Compensation Joint Underwriting Association.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends sections 627.171 and 631.912 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.

536540

LEGISLATIVE ACTION

Senate . House

. . . . .

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

Senate Amendment

Delete lines 41 - 45
and insert:
composed ~~consist~~ of 11 persons, 1 of whom is the insurance consumer advocate appointed under s. 627.0613 or his or her designee and 1 of whom is designated by the Chief Financial Officer. The department shall appoint to the board 6 persons selected by private carriers from among the 20

By Senator Truenow

13-00377A-26 2026618__

A bill to be entitled

An act relating to workers' compensation insurance; amending s. 627.171, F.S.; specifying that an insurer may use excess rates only under certain circumstances; amending s. 631.912, F.S.; revising the composition of the board of directors of the Florida Workers' Compensation Insurance Guaranty Association; providing an effective date.

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

Section 1. Subsection (2) of section 627.171, Florida Statutes, is amended to read:

627.171 Excess rates.—

(2)(a) An insurer may ~~not~~ use excess rates pursuant to this section, only as follows:

1. For no more than 10 percent of its commercial insurance policies written or renewed in each calendar year for any line of commercial insurance, other than workers' compensation.

2. For no more than 20 percent of its workers' compensation insurance policies written or renewed in each calendar year. ~~or~~

3. For no more than 5 percent of its personal lines insurance policies written or renewed in each calendar year for any line of personal insurance.

(b) In determining the 20 percent ~~10-percent~~ limitation for workers' compensation ~~commercial~~ insurance policies, the insurer shall exclude any workers' compensation policy that was written for an employer who had coverage in the joint underwriting plan created by s. 627.311(5) immediately before ~~prior to~~ the writing

13-00377A-26 2026618__

of the policy by the insurer and any workers' compensation policy that was written for an employer who had been offered coverage in the joint underwriting plan but who was written a policy by the insurer in lieu of accepting the joint underwriting plan policy. Such ~~These~~ workers' compensation policies must ~~shall~~ be excluded from the 20 percent ~~10-percent~~ limitation for the first 3 years of coverage.

Section 2. Subsection (1) of section 631.912, Florida Statutes, is amended to read:

631.912 Board of directors.—

(1) The board of directors of the corporation shall be composed ~~consist~~ of nine ~~11~~ persons, one ~~1~~ of whom is the insurance consumer advocate appointed under s. 627.0613 or his or her designee and one ~~1~~ of whom is designated by the Chief Financial Officer. The department shall appoint to the board four ~~6~~ persons selected by private carriers from among the 20 workers' compensation insurers with the largest amount of direct written premium as determined by the department, one person nominated by a statewide trade association representing Florida employers, which is designated by the Chief Financial Officer, and one person nominated by the largest property and casualty insurance agents association in this state. The Chief Financial Officer may appoint ~~and 2 persons selected by the self-insurance funds or~~ other persons with experience in workers' compensation insurance to the board to serve in place of a nominee of either association ~~as determined by the Chief Financial Officer~~. These appointments are deemed to be within the scope of the exemption provided in s. 112.313(7)(b). The Governor shall appoint one person who has commercial insurance experience. At least two of

the private carriers shall be foreign carriers authorized to do business in this state. The board shall elect a chair ~~chairperson~~ from among its members. The Chief Financial Officer may remove any board member for cause. Each board member shall be appointed to serve a 4-year term and may be reappointed. A vacancy on the board must ~~shall~~ be filled for the remaining period of the term in the same manner by which the original appointment was made.

Section 3. 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:	SB 684
INTRODUCER:	Senator McClain
SUBJECT:	Electronic Signatures Associated with Total Loss Vehicles and Vessels
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Shutes	Vickers	TR	**Favorable**
2.	Moody	Knudson	BI	**Pre-meeting**
3.			RC	

I. Summary:

SB 684 addresses the use of electronic signatures in connection with total loss vehicles and vessels. Specifically, the bill requires insurance companies to implement certain control processes and procedures for electronic signatures in relation to the total loss of a motor vehicle or vessel and deletes the requirement that electronic signatures on odometer disclosures submitted through insurance companies to be executed in a certain manner.

The bill is anticipated to have an insignificant fiscal impact on private and governmental sectors.

This bill takes effect July 1, 2026.

II. Present Situation:

The Electronic Signature Act of 1996, which Florida enacted in May 1996, permits the use of electronic signatures and use of electronic records as valid and legal documents. Federal legislation enacted the Electronic Signatures in Global and National Commerce Act (15 U.S.C.) on June 30, 2000.

Use of Electronic Signatures

Florida has adopted the Uniform Electronic Transactions Act, which provides that electronic signatures have the same legal effect as traditional handwritten signatures.[1] Additionally, the federal Electronic Signatures in Global and National Commerce Act (E-Sign Act) became law on June 30, 2000, providing that electronic signatures have the same legal effect as handwritten signatures and establishing a general rule that electronic records and signatures are valid for transactions in or affecting interstate or foreign commerce. The E-Sign Act allows the use of

[1] Section 688.50, F.S.

electronic records to satisfy any statute, regulation, or rule of law requiring that such information be provided in writing, if the consumer has affirmatively consented to such use and has not withdrawn such consent.[2]

In September 2019, the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) announced the publication of a Final Rule establishing standards which states may allow for odometer disclosures in an electronic format. Odometer fraud is a federal crime and NHTSA rules have required sellers to disclose vehicle odometer readings at the time of sale for decades. However, most vehicle transfers have been subject to a requirement that odometer disclosures be made in a paper format with handwritten names and wet ink signatures. This Final Rule removes the paper requirement by allowing for electronic disclosure systems that have robust security and authentication. This action also removed the last remaining federal impediment to paperless motor vehicle transfers.[3]

Florida Requirements – Total Loss Vehicles and Vessels

Florida law provides that an electronic signature that is consistent with Chapter 668, F.S., satisfies any signature that is required under s. 319.30 (3), F.S., in relation to the total loss of a vehicle or vessel, *except* that an electronic signature on an odometer disclosure that is submitted through an insurance company must be executed using an electronic signature, which uses a system providing an Identity Assurance Level, Authenticator Assurance Level, and Federal Assurance Level, as described in the National Institute of Standards and Technology Special Publication 800-63-3, as of December 1, 2017, which are equivalent to or greater than Level 2, for each level, for a certificate of destruction or for a salvage certificate of title.[4]

III. Effect of Proposed Changes:

The bill amends s. 319.30, F.S., to provide that an electronic signature that is consistent with Chapter 668, F.S., satisfies any signature that is required under s. 319.30(3), F.S., However, insurance companies must implement control processes and procedures which are acceptable to the Department of Highway Safety and Motor Vehicles (DHSMV) to ensure that there is adequate identity verification and preservation, disposition, integrity, security, confidentiality, and audibility of electronic signatures.

The bill deletes the requirement that electronic signatures on odometer disclosures submitted through insurance companies must be executed in a certain manner. According to DHSMV, this change would simplify the process for insurance companies while still ensuring that electronic signatures are valid and secure.[5]

This provision puts Florida law in line with NHTSA's current guidelines regarding the use of electronic signatures.

---

[2] 15 U.S.C. ss. 7001, et seq.
[3] 49 C.F.R s. 580.5.
[4] Section 319.30, F.S.
[5] DHSMV, *2026 Legislative Bill Analysis: SB 684* (December 16, 2025) at p. 3 (on file with the Senate Committee on Transportation)

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 identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may result in indeterminate cost savings to the insurance industry associated with simplified electronic signature-related processes and procedures.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 319.30 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

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

None.

B. Amendments:

None.

By Senator McClain

9-00805A-26 2026684__

A bill to be entitled

An act relating to electronic signatures associated with total loss vehicles and vessels; amending s. 319.30, F.S.; requiring insurance companies to implement certain control processes and procedures for certain electronic signatures; deleting a requirement that electronic signatures on odometer disclosures submitted through insurance companies be executed in a specified manner; providing an effective date.

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

Section 1. Paragraph (d) of subsection (3) of section 319.30, Florida Statutes, is amended to read:

319.30 Definitions; dismantling, destruction, change of identity of motor vehicle, vessel, or mobile home; salvage.—

(3)

(d) An electronic signature that is consistent with chapter 668 satisfies any signature required under this subsection. However, insurance companies must implement control processes and procedures acceptable to the department to ensure adequate identity verification and preservation, disposition, integrity, security, confidentiality, and auditability of electronic signatures~~, except that an electronic signature on an odometer disclosure submitted through an insurance company must be executed using an electronic signature, as defined in s. 668.003(4), which uses a system providing an Identity Assurance Level, Authenticator Assurance Level, and Federation Assurance Level, as described in the National Institute of Standards and~~

9-00805A-26 2026684__

~~Technology Special Publication 800-63-3, as of December 1, 2017, which are equivalent to or greater than Level 2, for each level, for a certificate of destruction or for a salvage certificate of title~~.

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 838
INTRODUCER:	Commerce and Tourism Committee and Senator Yarborough
SUBJECT:	Electronic Payments of Retail Installment Contracts
DATE:	February 3, 2026 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	**Fav/CS**
2.	Moody	Knudson	BI	**Pre-meeting**
3.			RC	

Please see Section IX. for Additional Information:

PLEASE MAKE SELECTION

I. Summary:

CS/SB 838 creates s. 520.105, F.S., authorizing a holder of a retail installment contract (or its agent) to collect a fee for processing a retail buyer's electronic payment, under the Florida Motor Vehicle Retail Sales Finance Act, if all the following conditions are met:

- The fee is reasonably related to the expense incurred in processing the electronic payment.
- The buyer has the option to make payments by another method without a fee (e.g., check, cash, money order).
- The holder or agent discloses the fee amount, does not establish electronic payment as the expected form of payment, and states that alternative no-fee payment methods are available.

The bill takes effect July 1, 2026.

II. Present Situation:

Office of Financial Regulation

The Office of Financial Regulation (OFR) is the regulatory authority for Florida's financial services industry. The OFR enforces and administers the Financial Institutions Codes; supervises banks, credit unions, savings associations, and international bank agencies; and licenses and regulates non-depository finance companies and the securities industry.[1] The OFR reports to the

[1] Section 20.121(3)(a)2., F.S.

Financial Services Commission (the Commission), which comprises the Governor and the members of the Florida Cabinet: the Chief Financial Officer, Attorney General, and Agriculture Commissioner.[2]

Florida Motor Vehicle Retail Sales Finance Act

The Florida Motor Vehicle Retail Sales Finance Act[3] regulates sellers,[4] commonly referred to as auto dealers, who enter into retail installment contracts with buyers[5] for the purchase or lease of a motor vehicle. A "retail installment contract" is an agreement made in Florida under which the seller retains title to, or a lien on, a motor vehicle involved in a retail installment transaction as security for the buyer's obligation, either in whole or in part. This includes conditional sales contracts and contracts for the leasing or bailment of a motor vehicle, in which the lessee or bailee agrees to pay compensation that is significantly equal to or greater than the vehicle's value. Additionally, it stipulates that the lessee or bailee becomes the owner of the motor vehicle upon full compliance with the contract terms.[6]

Except for certain businesses, such as banks and trust companies, sellers must obtain a license to operate in Florida.[7] A seller must submit an application, specified information, and a nonrefundable fee to the OFR to obtain the required license.[8]

Retail installment contracts must comply with several requirements and prohibitions, including, but not limited to, the contract must:

- Be in writing;[9]
- Contain a "Notice to the Buyer" which includes specified information;[10] and
- Contain other specified information, including the amount financed, finance charges, total amount of payments, total sale price, and payment details.[11]

The Florida Motor Vehicle Retail Sales Finance Act does not authorize a seller to charge a fee specifically for processing electronic payments on motor vehicle retail installment contracts.

III. Effect of Proposed Changes:

CS/SB 838 creates s. 520.105, F.S., to authorize a retail installment contract holder (or its agent) to collect a fee for processing an electronic payment only if the following conditions are met:

[2] Section 20.121(3), F.S.
[3] Sections 520.01-520.10, 520.12, 520.125, and 520.13, F.S.
[4] Section 520.02(11), F.S., defines "motor vehicle retail installment seller" as a person engaged in the business of selling motor vehicles to retail buyers in retail installment transactions.
[5] Section 520.02(16), F.S., defines "retail buyer" as a person who buys a motor vehicle from a seller not principally for resale, and who executes a retail installment contract in connection therewith or a person who succeeds to the rights and obligations of such person.
[6] Section 520.02(17), F.S.
[7] Section 520.03(1), F.S.
[8] Section 520.03(2), F.S.
[9] Section 520.07(1)(a), F.S.
[10] Section 520.07(1)(b), F.S.
[11] Section 520.07(2), F.S.

- The fee is reasonably related to the actual expense incurred by the holder or its agent in processing the electronic payment;
- The holder or its agent allows the buyer to make a payment by a method other than an electronic payment, which does not incur a fee;
- The holder or its agent does not establish electronic payment as the expected or required form of payment; and
- The holder or agent discloses, before the buyer agrees to make an electronic payment, the amount of the fee and the buyer's option to use a fee-free alternative payment method such as a check, cash, or money order.

The bill defines the term "electronic payment" to include credit cards, debit cards, electronic funds transfers, electronic checks, and other electronic methods.

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 identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may affect consumers and businesses that use retail installment contracts by allowing fee-based electronic payment processing under certain conditions. Consumers may benefit from clear disclosure of electronic payment fees and the availability of fee-

free alternative payment methods. Businesses may incur compliance costs associated with fee disclosures.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 520.105 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Commerce and Tourism on January 13, 2026
The CS uses the term "retail buyer" to maintain consistency throughout the bill.

B. Amendments:

None.

By the Committee on Commerce and Tourism; and Senator Yarborough

577-01922-26 2026838c1

A bill to be entitled

An act relating to electronic payments of retail installment contracts; creating s. 520.105, F.S.; defining the term "electronic payment"; authorizing a holder of a retail installment contract, or its agent, to collect a fee for processing a retail buyer's electronic payment only if certain conditions are met; providing an effective date.

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

Section 1. Section 520.105, Florida Statutes, is created to read:

520.105 Convenience fee for processing electronic payments.—

(1) As used in this section, the term "electronic payment" means a payment made by credit card, debit card, electronic funds transfer, electronic check, or other electronic method.

(2) A holder of a retail installment contract, or its agent, may collect a fee for processing a retail buyer's electronic payment under the retail installment contract only if all of the following conditions are met:

(a) The fee is reasonably related to the actual expense incurred by the holder or its agent in processing the electronic payment.

(b) The holder or its agent:

1. Allows the retail buyer to make a payment by a method other than an electronic payment which does not incur a fee;

2. Does not establish electronic payment as the expected

577-01922-26 2026838c1

form of payment; and

3. Before the retail buyer agrees to make an electronic payment, provides disclosure of all of the following:

a. The amount of the fee to be charged under this section; and

b. The retail buyer's option to make a payment by an alternative method that does not incur a fee, including payment by check, cash, or money order.

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

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

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 990
INTRODUCER:	Senator Leek
SUBJECT:	Protected Cell Captive Insurance Companies
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Thomas	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			RC	

I. Summary:

SB 990 authorizes the creation of a specific type of captive insurance company in Florida – Protected Cell Captive Insurance Companies. Captive insurance is a specialized form of self-insurance allowing a business to create its own insurance company to cover specific types of risk; an insurance company that is owned and controlled by the business it insures.

A "protected cell" captive insurance company (PCC) is a single legal insurance entity that allows legally segregated companies to effectively receive the benefits of the captive insurance model without the costs of the full set-up of a standalone captive insurance company. The business joins the PCC but its assets are kept in its own walled-off cell. The assets in one participant's account may not be used to pay liabilities in another unless the respective participants have entered into an agreement to do so. Each cell functions like a separate company protecting its finances from other cells and the core's general business.

The bill may have some impact on the Office of Insurance Regulation depending on the number of companies that choose this model. It is likely any such impact may be absorbed within existing resources.

The bill's effective date is July 1, 2026.

II. Present Situation:

The Regulation of Insurance in Florida

The Office of Insurance Regulation (OIR) regulates specified insurance products, insurers and other risk bearing entities in Florida.[1] As part of their regulatory oversight, the OIR may suspend

[1] Section 20.121(3)(a), F.S. The Financial Services Commission, composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture, serves as agency head of the Office of Insurance Regulation for

or revoke an insurer's certificate of authority (COA) under certain conditions.[2] The OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each insurer that holds a COA to transact insurance business in Florida.[3] As part of the examination process, all persons being examined must make available to the OIR the accounts, records, documents, files, information, assets, and matters in their possession or control that relate to the subject of the examination.[4] The OIR is also authorized to conduct market conduct examinations to determine compliance with applicable provisions of the Florida Insurance Code.[5]

Insurance companies that transact insurance in Florida or that have offices located in the state are required to obtain a COA issued by the OIR pursuant to s. 624.401, F.S. These companies, referred to as authorized or admitted insurers,[6] are broadly regulated by the OIR under the Insurance Code as to reserves, surplus as to policyholders, solvency, rates and forms, market conduct, permissible investments, and affiliate relationships.[7] Authorized insurers are also required to participate in a variety of government mandated insurance programs and pay assessments levied by state guaranty funds in the event of insurer insolvencies.[8]

Captive Insurance Companies

Captive insurance is a specialized form of self-insurance allowing a business to create its own insurance company to cover specific types of risk; an insurance company that is owned and controlled by the business it insures. Rather than purchasing coverage from a traditional insurance company, the business establishes a "captive" insurance company to underwrite its own risks. The captive insurer operates by having its owner pay premiums to cover specific risks. The captive insurer then underwrites policies, invests the premiums, and manages claims. Profits can be returned to the owner as dividends, reinvested to build surplus, used to reduce future premiums, expand coverage, or fund risk management initiatives that help mitigate future losses.[9]

Captive insurers cover a wide range of risks, including both traditional and non-traditional ones, for their parent company or related entities. This includes property and casualty, liability, and workers' compensation, as well as evolving risks like cyber security, credit risk, and terrorism. Captives can also cover unique risks that are difficult to insure in the conventional market and can provide employee benefits coverage like healthcare. A captive insurer is an insurance company that is wholly owned and controlled by its insureds; its primary purpose is to insure the

purposes of rulemaking. Further, the Financial Services Commission appoints the commissioner of the Office of Insurance Regulation.

[2] Section 624.418, F.S.

[3] Section 624.316(1)(a), F.S.

[4] Section 624.318(2), F.S.

[5] Section 624.3161, F.S.

[6] An "authorized" or "admitted" insurer is one duly authorized by a COA to transact insurance in this state.

[7] The Insurance Code consists of chs. 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S.

[8] For example, Florida licensed direct writers of property and casualty insurance must be members of the Florida Insurance Guaranty Association, which handles the claims of insolvent insurers under part II of ch. 631, F.S., and insurers offering workers' compensation coverage in Florida must be members of the Florida Workers' Compensation Insurance Guaranty Association, which provides payment of covered claims for insurers that are declared insolvent under part V of ch. 631, F.S.

[9] *See generally* https://www.captive.com/news/the-expanding-role-of-captives-in-todays-changing-risk-market (last visited January 14, 2026).

risks of its owners, and its insureds benefit from the captive insurer's underwriting profits.[10] In addition to many countries outside of the United States, 34 states and the District of Columbia authorize the creation and the regulation of captive insurance companies.[11]

Florida, as one of the states that authorize and regulate captive insurance companies, defines a captive insurance company as:

> [A] domestic insurer established under this part. A captive insurance company includes a pure captive insurance company, special purpose captive insurance company, or industrial insured captive insurance company formed and licensed under this part.[12]

Presently, there are three domestic captive insurers authorized to do business in Florda, two of which became authorized since the beginning of 2025.[13] Minimum unimpaired capital requirements for a Florida authorized captive insurer are:

- Pure captive insurance company, at least $100,000.
- Industrial insured captive insurance company incorporated as a stock insurer, at least $200,000.
- Special purpose captive insurance company, an amount determined by the OIR after giving due consideration to the company's business plan, feasibility study, and pro forma financial statements and projections, including the nature of the risks to be insured.[14]

Minimum maintained unrestricted net asset requirements for a Florida authorized captive insurer incorporated as a nonprofit corporation are:

- Pure captive insurance company, at least $250,000.
- A special purpose captive insurance company, an amount determined by the OIR after giving due consideration to the company's business plan, feasibility study, and pro forma financial statements and projections, including the nature of the risks to be insured.[15]

Protected Cell Captive Insurance Companies

A "protected cell" captive insurance company (PCC) is an alternative to conventional commercial insurance and offers benefits similar to those available through traditional single-parent captives. A PCC is a single legal insurance entity that allows legally segregated companies to effectively receive the benefits of the captive insurance model without the costs of the full set-up of a standalone captive insurance company. The business joins the PCC but its assets are kept in its own walled-off cell. The assets in one participant's account may not be used to pay liabilities in another unless the respective participants have entered into an agreement to do so. Each cell functions like a separate company protecting its finances from other cells and

[10] https://www.vermontcaptive.com/captive/ (last visited January 14, 2026).
[11] Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Iowa, Kansas, Kentucky, Maine, Michigan, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, and West Virginia.
[12] Section 628.901(2), F.S.
[13] https://companysearch.floir.gov/ (last visited January 14, 2026).
[14] Section 628.907(1), F.S.
[15] Section 628.907(2), F.S.

the core's general business.[16] While Florida does not presently authorize the creation of PCCs, 21 of the states, and the District of Columbia, that authorize the creation of captive insurance companies allow for the creation of PCCs.[17]

III. Effect of Proposed Changes:

Section 1 amends s. 628.901, F.S., to provide definitions of "general account", "participant", "participant contract", "protected cell", "protected cell assets", "protected cell captive insurance company", "protected cell liabilities", and "sponsor".

Section 2 amends s. 628.905, F.S., to authorize a captive insurance company to apply to the OIR as a protected cell captive insurance company.

Section 3 amends s. 628.907, F.S., to require

- A protected cell captive insurance company to possess, and thereafter maintain, unimpaired paid-in capital of at least $100,000.
- A protected cell captive insurance company incorporated as a nonprofit corporation to possess, and thereafter maintain, unrestricted net assets of at least $100,000.

Section 4 amends s. 628.908, F.S., to require a protected cell captive insurance company to possess and thereafter maintain unimpaired surplus of at least $100,000.

Section 5 amends s. 628.909, F.S., to provide that the Florida Insurance Code does not apply to protected cell captive insurance companies except as specifically provided therein.

Section 6 creates s. 628.921, F.S., to provide for the regulation of protected cell captive insurance companies (PCC). The bill provides that one or more sponsors may form a PCC and that the company must be incorporated as a stock insurer with its capital divided into shares and held by the stockholders, as a mutual corporation, as a nonprofit corporation with one or more members, or as a limited liability company.

Each applicant for a PCC must provide all the following information to the OIR:

- Materials demonstrating how the applicant will account for the loss and expense experience of each protected cell at a level of detail found to be sufficient by the OIR, and how it will report such experience to the OIR.
- A statement acknowledging that all financial records of the applicant, including records pertaining to any protected cells, must be made available for inspection or examination by the OIR or the OIR's designated agent.
- All contracts or sample contracts between the applicant and any participants.
- Evidence that expenses will be allocated to each protected cell in a fair and equitable manner.

[16] https://www.captive.com/articles/what-is-a-protected-or-segregated-cell-captive (last visited January 14, 2026).
[17] Alaska, Arkansas, Connecticut, Delaware, Georgia, Hawaii, Illinois, Iowa, Kentucky, Michigan, Minnesota, Mississippi, New Hampshire, North Carolina, North Dakota, Ohio, South Carolina, Tennessee, Vermont, Virginia, and Wisconsin.

The bill provides that a PCC may establish and maintain one or more incorporated or unincorporated protected cells, to insure risks of one or more participants, subject to all of the following conditions:

- A PCC may establish one or more protected cells if the OIR has approved in writing a plan of operation or amendments to a plan of operation submitted by the PCC with respect to each protected cell. A plan of operation must include the specific business objectives and investment guidelines of the protected cell. The OIR may require additional information in the plan of operation and may make the approval of a plan effective as of any date on or before the date the approval is signed so long as the effective date is no earlier than the date on which the plan of operation or amendments to the plan of operation were filed with the OIR.
- Upon the OIR's written approval of the plan of operation, the PCC, in accordance with the approved plan of operation, may attribute insurance obligations with respect to its insurance business to the protected cell.
- A protected cell must have its own distinct name or designation, which must include the words "protected cell" or "incorporated cell." Such names or designations may also be reasonably abbreviated.
- The PCC must transfer all assets attributable to a protected cell to one or more separately established and identified protected cell accounts bearing the name or designation of that protected cell. Protected cell assets must be held in the protected cell accounts for the purpose of satisfying the obligations of that protected cell.
- An incorporated protected cell may be organized and operated in any form of business organization authorized by the OIR, including, but not limited to, an individual series of a limited liability company under ch. 605, F.S. Each incorporated protected cell of a PCC must be treated as a captive insurer for purposes of Part v of ch. 628, F.S., and has the power to enter into contracts, including an individual series of a limited liability company. Unless otherwise permitted by the organizational documents of a PCC, each incorporated protected cell of the PCC must have the same directors, secretary, and registered office as the PCC.
- All attributions of assets and liabilities between a protected cell and the general account must be in accordance with the plan of operation and participant contracts approved by the OIR. A PCC may not make other attributions of assets or liabilities between the PCC's general account and its protected cells. Any attribution of assets and liabilities between the general account and a protected cell must be in cash or in readily marketable securities with established market values.

The bill provides that the creation of a protected cell does not create, with respect to that protected cell, a legal person separate from the PCC unless the protected cell is an incorporated cell. Amounts attributed to a protected cell, including assets transferred to a protected cell account, are owned by the protected cell. A PCC may not act as, or hold itself out to be, a trustee of the protected cell assets of the protected cell account, however, a PCC may permit a security interest to attach to the assets of a protected cell assets or a protected cell account if the security interest is in favor of a creditor of that protected cell and is otherwise authorized by applicable law.

The bill provides that the new provisions may not be construed to prohibit the PCC from contracting with or arranging for an investment advisor, commodity trading advisor, or other third party to manage the protected cell assets of a protected cell provided all remuneration,

expenses, and other compensation of the third-party advisor or manager are payable from the protected cell assets of that protected cell and not from the protected cell assets of other protected cells or the assets of the protected cell captive insurance company's general account.

The bill requires a PCC to establish administrative and accounting procedures necessary to properly identify the one or more protected cells of the PCC and the protected cell assets and protected cell liabilities attributable to the protected cells. The directors of a PCC must keep protected cell assets and protected cell liabilities:

- Separate and separately identifiable from the assets and liabilities of the PCC's general account; and
- Attributable to one protected cell separate and separately identifiable from protected cell assets and protected cell liabilities attributable to other protected cells.

Upon a violation, the remedy of tracing applies to protected cell assets that have been commingled with the protected cell assets of other protected cells or with the assets of the PCC's general account. The remedy of tracing may not be construed as exclusive.

The bill provides that when establishing a protected cell, the PCC must attribute to the protected cell assets a value at least equal to the reserves and other insurance liabilities attributed to that protected cell. Each protected cell must be accounted for separately on the books and records of the PCC to reflect the financial condition and results of operations of such protected cell, net income or loss, dividends or other distributions to participants, and such other factors as may be provided in the participant contract or required by the OIR. An asset of a protected cell may not be charged with, or otherwise made liable for, any liability arising out of insurance business conducted by the PCC on behalf of any other protected cell or its general account.

A PCC may not sell, exchange, or otherwise transfer assets between or among any of its protected cells without the consent of such protected cells. A PCC may not sell, exchange, transfer, or otherwise distribute assets, or pay any dividend or distribution, from a protected cell to the company or to a participant without the approval of the OIR. The OIR may not approve any sale, exchange, transfer, dividend, or distribution that would result in the insolvency or impairment of a protected cell.

All attributions of assets and liabilities to the protected cells and the general account must be in accordance with the plan of operation. A PCC may not attribute assets or liabilities between its general account and any protected cell, or between any protected cells. The PCC must attribute all insurance obligations, assets, and liabilities relating to a reinsurance contract entered into with respect to a protected cell to such protected cell. The performance under such reinsurance contract and any tax benefits, losses, refunds, or credits allocated pursuant to a tax allocation agreement to which the PCC is a party, including any payments made by or due to be made to the PCC pursuant to the terms of such agreement, must reflect the insurance obligations, assets, and liabilities relating to the reinsurance contract which are attributed to such protected cell.

In connection with the conservation, rehabilitation, or liquidation of a PCC, the assets and liabilities of a protected cell must, to the extent the OIR determines they are separable, at all times be kept separate from, and may not be commingled with, those of other protected cells and the PCC.

Each PCC must annually file with the OIR such financial reports as required by the OIR. Any such financial report must include, without limitation, accounting statements detailing the financial experience of each protected cell. Each PCC must notify the OIR in writing within 10 business days of any protected cell that is insolvent or otherwise unable to meet its claim or expense obligations.

A participant contract may not take effect without the OIR's prior written approval. The addition of each new protected cell, the withdrawal of any participant, or the termination of any existing protected cell constitutes a change in the plan of operation requiring the OIR's prior written approval.

The business written by a PCC, with respect to each protected cell, must be:

- Fronted by an insurance company licensed under the laws of any state;
- Reinsured by a reinsurer authorized or approved by this state; or
- Secured by a trust fund in the United States for the benefit of policyholders and claimants or funded by an irrevocable letter of credit or other arrangement that is acceptable to the OIR. The amount of security provided may not be less than the reserves associated with those liabilities which are neither fronted nor reinsured, including reserves for losses, allocated loss adjustment expenses, incurred but not reported losses, and unearned premiums for business written through the participant's protected cell. The OIR may require the PCC to increase the funding of any security arrangement established under this paragraph. If the form of security is a letter of credit, the letter of credit must be issued or confirmed by a bank approved by the OIR. A trust maintained pursuant to this requirement must be established in a form and upon such terms as approved by the OIR.

In the event of an insolvency of a PCC where the OIR determines that one or more protected cells remain solvent, the OIR may separate such cells from the PCC and may allow, on application of the PCC, for the conversion of such protected cells into one or more new or existing PCCs, or one or more other captive insurance companies, pursuant to such plan of operation as the OIR deems acceptable.

Biographical affidavits are not required for participants in unincorporated cells. However, biographical affidavits are required for owners of incorporated cells, including series members of a series limited liability company. A PCC may establish and operate both unincorporated and incorporated protected cells.

The assets of two or more protected cells may be combined for purposes of investment, and such combination may not be construed as defeating the segregation of such assets for accounting or other purposes. Notwithstanding any other provision of the insurance code, the OIR may approve the use of alternative reliable methods for the valuation of protected cell assets and liabilities and for the rating of risks attributable to a protected cell.

Upon any order of supervision, rehabilitation, or liquidation of a PCC, the receiver shall manage the assets and liabilities of the PCC pursuant to Part V. of ch. 628, F.S.

Assets of a protected cell may not be used to pay any expenses or claims other than those attributable to such protected cell. A PCC's capital and surplus must at all times be available to pay any expenses of or claims against the PCC.

The pleadings in any legal action brought by or against a PCC must specify which protected cell or cells are or should be named a party to the suit. If the general account is party to the suit, such account must be separately identified in the pleadings as if it were a protected cell. A legal action brought against a PCC which does not specify one or more protected cells shall be deemed to have been brought against the general account only. Any protected cell that is not named in the pleadings of the legal action may not be deemed to be a party to the legal action. Any protected cell that is erroneously named as a party or named without proper cause is entitled to prompt dismissal from the legal action. Unless specified by the plan of operation, participant contract, or other prior contractual agreement, the assets of one protected cell may not be encumbered or seized to satisfy the obligations of or a judgment against any other protected cell. A protected cell does not have a duty to defend the rights and obligations of any other protected cell. In any legal action involving a PCC or a protected cell, any papers, documents, or property of a nonparty protected cell must be afforded the same status during discovery as the documents or property of any other unrelated third party. A nonparty protected cell has standing to appear and petition for any appropriate relief to protect the confidentiality of its papers or documents.

Upon the application of a PCC, one of its protected cells may be converted to any authorized of captive insurance company with the consent of the OIR. The OIR may issue to the converting protected cell a certificate of authority with an effective date of its original date of formation as a protected cell. If the converting protected cell is a series of a limited liability company, the protected cell must file organizational documents with the Secretary of State which comply with Part V. of ch. 628, F.S. The organizational documents must include the date of formation as a series of a limited liability company. Upon conversion, the formation date of the series shall be deemed the formation date of the converted protected cell. The converted protected cell shall possess all assets and liabilities, including outstanding insurance liabilities, owned by the predecessor series.

If the converting protected cell is any other type of incorporated protected cell entity, the converting protected cell must submit amended organizational documents to the Secretary of State. If the converting protected cell is neither a series of a limited liability company nor an incorporated protected cell, the protected cell must file organizational documents with the Secretary of State. The organizational documents must include the date of formation as a protected cell. Upon conversion, the formation date of the protected cell is the formation date of the converted protected cell. The converted protected cell shall possess all assets and liabilities, including outstanding insurance liabilities, owned by the predecessor cell.

A captive insurance company may apply to the OIR for conversion to become a PCC under any authorized form. Upon compliance, approval by the OIR, and the filing of amended organizational documents with the Secretary of State, the captive insurance company must be issued a revised certificate of authority. The effective date of the revised PCC's certificate of authority shall remain the same as the effective date of the prior captive insurance company.

With the consent of both the affected PCCs and the OIR, an individual protected cell of a captive insurance company may disaffiliate from one PCC and affiliate with another PCC. The OIR may require the affected PCC and the individual protected cell to make necessary changes to their business plans, organizational documents, participation contracts, or other governing documents before approving the change in affiliation. The formation date of a protected cell that affiliates with another PCC shall be the date of its original formation with the prior PCC. A protected cell shall maintain and carry over all assets and liabilities, including outstanding insurance liabilities, to the new PCC.

With the consent of the affected PCC insurance company or companies, the owners or the participants of the protected cells, and the OIR, an individual protected cell of a captive insurance company may merge or otherwise combine assets and liabilities with another individual protected cell of a PCC. The OIR may require the affected PCCs and the individual protected cells to make necessary changes to their business plans, organizational documents, participation contracts, or other governing documents before approving the change in affiliation. The formation date of a protected cell that merges or otherwise combines assets and liabilities with another PCC is the date of the original formation of the surviving protected cell. The surviving protected cell must acquire all of the assets and liabilities, including outstanding insurance liabilities, of the merging protected cell. A hearing is not required for mergers of protected cells effectuated under this section.

Solely for the purposes of annual reports, inspections, examinations, and taxation, the date of final conversion or disaffiliation of a protected cell shall be deemed a termination of that cell from the prior entity. The prior entity shall be responsible for the accounting, oversight, and premium tax on any transactions prior to the date of final conversion or disaffiliation. The successor entity shall be responsible for the accounting, oversight, and premium tax on any transactions on or after the date of final conversion or disaffiliation.

Section 7 provides that 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:

The bill is intended to create more commercial insurance options for Florida businesses.

C. Government Sector Impact:

The bill may have some impact on the Office of Insurance Regulation depending on the number of companies that choose this model but it is expected to be absorbed within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 628.901, 628.905, 628.907, 628.908, and 628.909.

This bill creates the following section of the Florida Statutes: 628.921.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Leek

7-01128-26 2026990__

A bill to be entitled

An act relating to protected cell captive insurance companies; amending s. 628.901, F.S.; revising the definitions of the terms "captive insurance company" and "special purpose captive insurance company"; defining terms; amending s. 628.905, F.S.; specifying that a protected cell captive insurance company may only insure certain risks; amending s. 628.907, F.S.; revising the unimpaired paid-in capital requirements for captive insurance companies; revising the unrestricted net asset requirements for captive insurance companies incorporated as nonprofit corporations; amending s. 628.908, F.S.; revising the unimpaired surplus requirements for captive insurance companies; amending s. 628.909, F.S.; revising applicability; creating s. 628.921, F.S.; authorizing one or more sponsors to form a protected cell captive insurance company; requiring protected cell captive insurance companies to be incorporated in a specified manner; requiring applicant protected cell captive insurance companies to file certain information with the Office of Insurance Regulation; authorizing protected cell captive insurance companies to establish and maintain certain protected cells, subject to certain approvals granted by the office; specifying conditions on protected cell establishment and maintenance; providing construction; specifying requirements regarding protected cells' assets and liabilities and their attribution; requiring protected

Florida Senate - 2026 **SB 990**

7-01128-26 2026990__

cell captive insurance companies to file annual reports, as required by the office, and to notify the office when any protected cell is insolvent or unable to meet its obligations; requiring the office's approval before a participant contract may take effect; specifying requirements for any insurance business written by a protected cell captive insurance company and the security arrangements that must be established; authorizing the office to take certain actions in the event of an insolvency of a protected cell captive insurance company; requiring certain affidavits for owners of incorporated protected cells; authorizing the assets of two or more protected cells to be combined for a specified purpose; specifying that such combination may not be construed in a certain manner; authorizing the office to approve the use of certain methods for valuation of certain assets and liabilities and rating the risk attributable to a protected cell; requiring a receiver to manage the assets and liabilities of protected cell captive insurance companies under certain circumstances; prohibiting assets of protected cells from being used to pay certain expenses and claims; requiring that protected cell captive insurance companies' capital and surplus be available to pay certain expenses or claims; specifying requirements in actions brought by or against protected cell captive insurance companies; specifying that certain legal actions are deemed to be brought against the general account only; specifying

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

that protected cells not named in an action are not deemed to be a party to the action and are entitled to dismissal under certain circumstances; prohibiting the assets of protected cells from being encumbered or seized under certain circumstances; specifying that protected cells do not have a duty to defend the rights and obligations or other protected cells; requiring protected cell captive insurance companies and protected cells to be afforded a certain status during discovery; specifying that nonparty protected cells have standing under certain circumstances; authorizing protected cells to be converted to any authorized form of captive insurance company; authorizing the office to issue a specified certificate of authority; requiring converting protected cells to file certain organizational documents; specifying requirements for such documents; specifying the formation date upon conversion; requiring converted protected cells to possess certain assets and liabilities; requiring the converting protected cell to submit amended organizational documents under certain circumstances; authorizing captive insurance companies to apply to the office for conversion to protected cell captive insurance companies; requiring captive insurance companies to be issued a revised certificate of authority under certain circumstances; specifying the effective date of such certificate; authorizing protected cells of a captive insurance company to disaffiliate and to

affiliate with another protected cell captive insurance company under certain circumstances; authorizing the office to require changes to certain documents under certain circumstances; specifying the formation date of protected cells that affiliate with another protected cell captive insurance company; requiring such protected cells to maintain and carry over certain assets and liabilities; authorizing an individual protected cell to merge or otherwise combine assets and liabilities with another individual protected cell, subject to certain requirements; specifying that a hearing is not required for certain mergers; specifying the date of final conversion or disaffiliation of a protected cell for certain purposes; specifying that the prior entity and successor entities are responsible for certain tasks; providing an effective date.

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

Section 1. Present subsections (8) through (11), (12) through (14), and (15) of section 628.901, Florida Statutes, are redesignated as subsections (9) through (12), (19) through (21), and (23), respectively, new subsections (8) and (13) through (15) and subsections (16) through (18) and (22) are added to that section, and subsection (2) and present subsection (14) of that section are amended, to read:

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

(2) "Captive insurance company" means a domestic insurer

established under this part. A captive insurance company includes a protected cell captive insurance company, pure captive insurance company, special purpose captive insurance company, or industrial insured captive insurance company formed and licensed under this part.

(8) "General account" means all assets and liabilities of a protected cell captive insurance company not attributable to a protected cell.

(13) "Participant" means a person or an entity, and any affiliate of such person or entity, which is insured by a protected cell captive insurance company, if the losses of the participant are limited through a participant contract.

(14) "Participant contract" means a contract by which a protected cell captive insurance company insures the risks of a participant and limits the losses of each such participant to its pro rata share of the assets of one or more protected cells identified in such contract.

(15) "Protected cell" means a separate account established by a protected cell captive insurance company formed or licensed under this part, in which account an identified pool of assets and liabilities is segregated and insulated by means of this part from the remainder of the protected cell captive insurance company's assets and liabilities in accordance with the terms of one or more participant contracts to fund the liabilities of the protected cell captive insurance company with respect to the participants as set forth in the participant contracts.

(16) "Protected cell assets" means all assets, contract rights, and general intangibles identified with and attributable to a specific protected cell of a protected cell captive

insurance company.

(17) "Protected cell captive insurance company" means a captive insurance company:

(a) In which the minimum capital and surplus required by this part are provided by one or more sponsors;

(b) That is formed or licensed under this part;

(c) That insures the risks of separate participants through participant contracts; and

(d) That funds its liability to each participant through one or more protected cells and segregates the assets of each protected cell from the assets of other protected cells and from the assets of the protected cell captive insurance company's general account.

(18) "Protected cell liabilities" means all liabilities and other obligations identified with and attributed to a specific protected cell of a protected cell captive insurance company.

(21)~~(14)~~ "Special purpose captive insurance company" means a captive insurance company that is formed or licensed under this part which ~~chapter that~~ does not meet the definition of any other type of captive insurance company defined in this section.

(22) "Sponsor" means any person or entity that is approved by the office to provide all or part of the capital and surplus required by this part and to organize and operate a protected cell captive insurance company.

Section 2. Paragraph (f) is added to subsection (1) of section 628.905, Florida Statutes, to read:

628.905 Licensing; authority.—

(1) A captive insurance company, if permitted by its charter or articles of incorporation, may apply to the office

for a license to do any and all insurance authorized under the insurance code, other than workers' compensation and employer's liability, life, health, personal motor vehicle, and personal residential property insurance, except that:

(f) A protected cell captive insurance company may only insure the risks of its protected cell participants.

Section 3. Subsections (1) and (2) of section 628.907, Florida Statutes, are amended to read:

628.907 Minimum capital and net assets requirements; restriction on payment of dividends.—

(1) A captive insurance company may not be issued a license unless it possesses and thereafter maintains the following applicable unimpaired paid-in capital requirements ~~of~~:

(a) In the case of a protected cell captive insurance company, at least $100,000.

(b) In the case of a pure captive insurance company, at least $100,000.~~;~~

(c)~~(b)~~ In the case of an industrial insured captive insurance company incorporated as a stock insurer, at least $200,000.~~; and~~

(d)~~(c)~~ In the case of a special purpose captive insurance company, an amount determined by the office after giving due consideration to the company's business plan, feasibility study, and pro forma financial statements and projections, including the nature of the risks to be insured.

(2) The office may not issue a license to a captive insurance company incorporated as a nonprofit corporation unless the company possesses and maintains the following applicable unrestricted net assets requirements ~~of~~:

(a) In the case of a protected cell captive insurance company, at least $100,000.

(b) In the case of a pure captive insurance company, at least $250,000.

(c)~~(b)~~ In the case of a special purpose captive insurance company, an amount determined by the office after giving due consideration to the company's business plan, feasibility study, and pro forma financial statements and projections, including the nature of the risks to be insured.

Section 4. Subsection (1) of section 628.908, Florida Statutes, is amended to read:

628.908 Surplus requirements; restriction on payment of dividends.—

(1) The office may not issue a license to a captive insurance company unless the company possesses and maintains the following applicable unimpaired surplus requirements ~~of~~:

(a) In the case of a pure captive insurance company, at least $150,000.

(b) In the case of a protected cell captive insurance company, at least $100,000.

(c) In the case of an industrial insured captive insurance company incorporated as a stock insurer, at least $300,000.

(d)~~(c)~~ In the case of an industrial insured captive insurance company incorporated as a mutual insurer, at least $500,000.

(e)~~(d)~~ In the case of a special purpose captive insurance company, an amount determined by the office after giving due consideration to the company's business plan, feasibility study, and pro forma financial statements and projections, including

the nature of the risks to be insured.

Section 5. Subsection (1) of section 628.909, Florida Statutes, is amended to read:

628.909 Applicability of other laws.—

(1) The Florida Insurance Code does not apply to captive insurance companies, protected cell captive insurance companies, or industrial insured captive insurance companies except as provided in this part and subsections (2) and (3).

Section 6. Section 628.921, Florida Statutes, is created to read:

628.921 Protected cell captive insurance companies.—

(1) One or more sponsors may form a protected cell captive insurance company under this part.

(2) A protected cell captive insurance company must be incorporated as a stock insurer with its capital divided into shares and held by the stockholders, as a mutual corporation, as a nonprofit corporation with one or more members, or as a limited liability company.

(3) In addition to the information required by chapter 624, each applicant protected cell captive insurance company must file all of the following information with the office:

(a) Materials demonstrating how the applicant will account for the loss and expense experience of each protected cell at a level of detail found to be sufficient by the office, and how it will report such experience to the office.

(b) A statement acknowledging that all financial records of the applicant, including records pertaining to any protected cells, must be made available for inspection or examination by the office or the office's designated agent.

(c) All contracts or sample contracts between the applicant and any participants.

(d) Evidence that expenses will be allocated to each protected cell in a fair and equitable manner.

(4) A protected cell captive insurance company formed or licensed under this part may establish and maintain one or more incorporated or unincorporated protected cells, to insure risks of one or more participants, subject to all of the following conditions:

(a)1. A protected cell captive insurance company may establish one or more protected cells if the office has approved in writing a plan of operation or amendments to a plan of operation submitted by the protected cell captive insurance company with respect to each protected cell. A plan of operation must include, but is not limited to, the specific business objectives and investment guidelines of the protected cell. However, the office may require additional information in the plan of operation. The office may make the approval of a plan of operation or amendments to a plan of operation effective as of any date on or before the date the approval is signed so long as the effective date is no earlier than the date on which the plan of operation or amendments to the plan of operation were filed with the office.

2. Upon the office's written approval of the plan of operation, the protected cell captive insurance company, in accordance with the approved plan of operation, may attribute insurance obligations with respect to its insurance business to the protected cell.

3. A protected cell must have its own distinct name or

designation, which must include the words "protected cell" or "incorporated cell." Such names or designations may also be reasonably abbreviated, including, without limitation, PC or P.C. for "protected cell"; IC, I.C., IPC, or I.P.C. for "incorporated cell"; and SC, S.C., SPC, or S.P.C. for "series cell."

4. The protected cell captive insurance company shall transfer all assets attributable to a protected cell to one or more separately established and identified protected cell accounts bearing the name or designation of that protected cell. Protected cell assets must be held in the protected cell accounts for the purpose of satisfying the obligations of that protected cell.

5. An incorporated protected cell may be organized and operated in any form of business organization authorized by the office, including, but not limited to, an individual series of a limited liability company under chapter 605. Each incorporated protected cell of a protected cell captive insurance company must be treated as a captive insurer for purposes of this part and has the power to enter into contracts, including an individual series of a limited liability company. Unless otherwise permitted by the organizational documents of a protected cell captive insurance company, each incorporated protected cell of the protected cell captive insurance company must have the same directors, secretary, and registered office as the protected cell captive insurance company.

6. All attributions of assets and liabilities between a protected cell and the general account must be in accordance with the plan of operation and participant contracts approved by

the office. A protected cell captive insurance company may not make other attributions of assets or liabilities between the protected cell captive insurance company's general account and its protected cells. Any attribution of assets and liabilities between the general account and a protected cell must be in cash or in readily marketable securities with established market values.

(b) The creation of a protected cell does not create, with respect to that protected cell, a legal person separate from the protected cell captive insurance company unless the protected cell is an incorporated cell. Amounts attributed to a protected cell under this part, including assets transferred to a protected cell account, are owned by the protected cell. A protected cell captive insurance company may not act as, or hold itself out to be, a trustee of the protected cell assets of the protected cell account. Notwithstanding this subsection, a protected cell captive insurance company may permit a security interest to attach to the assets of a protected cell assets or a protected cell account if the security interest is in favor of a creditor of that protected cell and is otherwise authorized by applicable law.

(c) This subsection may not be construed to prohibit the protected cell captive insurance company from contracting with or arranging for an investment advisor, commodity trading advisor, or other third party to manage the protected cell assets of a protected cell if all remuneration, expenses, and other compensation of the third-party advisor or manager are payable from the protected cell assets of that protected cell and not from the protected cell assets of other protected cells

or the assets of the protected cell captive insurance company's general account.

(d)1. A protected cell captive insurance company must establish administrative and accounting procedures necessary to properly identify the one or more protected cells of the protected cell captive insurance company and the protected cell assets and protected cell liabilities attributable to the protected cells. The directors of a protected cell captive insurance company must keep protected cell assets and protected cell liabilities:

a. Separate and separately identifiable from the assets and liabilities of the protected cell captive insurance company's general account; and

b. Attributable to one protected cell separate and separately identifiable from protected cell assets and protected cell liabilities attributable to other protected cells.

2. If subparagraph 1. is violated, the remedy of tracing applies to protected cell assets that have been commingled with the protected cell assets of other protected cells or with the assets of the protected cell captive insurance company's general account. The remedy of tracing may not be construed as exclusive.

(e) When establishing a protected cell, the protected cell captive insurance company must attribute to the protected cell assets a value at least equal to the reserves and other insurance liabilities attributed to that protected cell.

(f) Each protected cell must be accounted for separately on the books and records of the protected cell captive insurance company to reflect the financial condition and results of

operations of such protected cell, net income or loss, dividends or other distributions to participants, and such other factors as may be provided in the participant contract or required by the office.

(g) An asset of a protected cell may not be charged with, or otherwise made liable for, any liability arising out of insurance business conducted by the protected cell captive insurance company on behalf of any other protected cell or its general account.

(h) A protected cell captive insurance company may not sell, exchange, or otherwise transfer assets between or among any of its protected cells without the consent of such protected cells.

(i) A protected cell captive insurance company may not sell, exchange, transfer, or otherwise distribute assets, or pay any dividend or distribution, from a protected cell to the company or to a participant without the approval of the office. The office may not approve any sale, exchange, transfer, dividend, or distribution that would result in the insolvency or impairment of a protected cell.

(j) All attributions of assets and liabilities to the protected cells and the general account must be in accordance with the plan of operation approved by the office. A protected cell captive insurance company may not attribute assets or liabilities between its general account and any protected cell, or between any protected cells. The protected cell captive insurance company must attribute all insurance obligations, assets, and liabilities relating to a reinsurance contract entered into with respect to a protected cell to such protected

cell. The performance under such reinsurance contract and any tax benefits, losses, refunds, or credits allocated pursuant to a tax allocation agreement to which the protected cell captive insurance company is a party, including any payments made by or due to be made to the protected cell captive insurance company pursuant to the terms of such agreement, must reflect the insurance obligations, assets, and liabilities relating to the reinsurance contract which are attributed to such protected cell.

(k) In connection with the conservation, rehabilitation, or liquidation of a protected cell captive insurance company, the assets and liabilities of a protected cell must, to the extent the office determines they are separable, at all times be kept separate from, and may not be commingled with, those of other protected cells and the protected cell captive insurance company.

(l) Each protected cell captive insurance company must annually file with the office such financial reports as required by the office. Any such financial report must include, without limitation, accounting statements detailing the financial experience of each protected cell.

(m) Each protected cell captive insurance company must notify the office in writing within 10 business days of any protected cell that is insolvent or otherwise unable to meet its claim or expense obligations.

(n) A participant contract may not take effect without the office's prior written approval. The addition of each new protected cell, the withdrawal of any participant, or the termination of any existing protected cell constitutes a change

in the plan of operation requiring the office's prior written approval.

(o) The business written by a protected cell captive insurance company, with respect to each protected cell, must be:

1. Fronted by an insurance company licensed under the laws of any state;

2. Reinsured by a reinsurer authorized or approved by this state; or

3. Secured by a trust fund in the United States for the benefit of policyholders and claimants or funded by an irrevocable letter of credit or other arrangement that is acceptable to the office. The amount of security provided may not be less than the reserves associated with those liabilities which are neither fronted nor reinsured, including reserves for losses, allocated loss adjustment expenses, incurred but not reported losses, and unearned premiums for business written through the participant's protected cell. The office may require the protected cell captive insurance company to increase the funding of any security arrangement established under this paragraph. If the form of security is a letter of credit, the letter of credit must be issued or confirmed by a bank approved by the office. A trust maintained pursuant to this paragraph must be established in a form and upon such terms as approved by the office.

(p) Notwithstanding this part or other laws of this state, and in addition to subsection (6), in the event of an insolvency of a protected cell captive insurance company where the office determines that one or more protected cells remain solvent, the office may separate such cells from the protected cell captive

insurance company and may allow, on application of the protected cell captive insurance company, for the conversion of such protected cells into one or more new or existing protected cell captive insurance companies, or one or more other captive insurance companies, pursuant to such plan of operation as the office deems acceptable.

(q) Biographical affidavits are not required for participants in unincorporated cells. However, biographical affidavits are required for owners of incorporated cells, including series members of a series limited liability company.

(r) A protected cell captive insurance company formed or licensed under this part may establish and operate both unincorporated and incorporated protected cells.

(5) Notwithstanding subsection (4), the assets of two or more protected cells may be combined for purposes of investment, and such combination may not be construed as defeating the segregation of such assets for accounting or other purposes. Notwithstanding any other provision of the insurance code, the office may approve the use of alternative reliable methods for the valuation of protected cell assets and liabilities and for the rating of risks attributable to a protected cell.

(6) Upon any order of supervision, rehabilitation, or liquidation of a protected cell captive insurance company, the receiver shall manage the assets and liabilities of the protected cell captive insurance company pursuant to this part.

(7)(a) Assets of a protected cell may not be used to pay any expenses or claims other than those attributable to such protected cell.

(b) A protected cell captive insurance company's capital

and surplus must at all times be available to pay any expenses of or claims against the protected cell captive insurance company.

(8)(a) The pleadings in any legal action brought by or against a protected cell captive insurance company must specify which protected cell or cells are or should be named a party to the suit. If the general account is party to the suit, such account must be separately identified in the pleadings as if it were a protected cell.

(b) A legal action brought against a protected cell captive insurance company which does not specify one or more protected cells shall be deemed to have been brought against the general account only.

(c) Any protected cell that is not named in the pleadings of the legal action may not be deemed to be a party to the legal action. Any protected cell that is erroneously named as a party or named without proper cause is entitled to prompt dismissal from the legal action.

(d) Unless specified by the plan of operation, participant contract, or other prior contractual agreement, the assets of one protected cell may not be encumbered or seized to satisfy the obligations of or a judgment against any other protected cell. A protected cell does not have a duty to defend the rights and obligations of any other protected cell.

(e) In any legal action involving a protected cell captive insurance company or a protected cell, any papers, documents, or property of a nonparty protected cell must be afforded the same status during discovery as the documents or property of any other unrelated third party. A nonparty protected cell has

standing to appear and petition for any appropriate relief to protect the confidentiality of its papers or documents.

(9)(a)1. Upon the application of a protected cell captive insurance company, one of its protected cells may be converted to any form of captive insurance company authorized pursuant to this part with the consent of the office. Upon compliance with this part, the office may issue to the converting protected cell a certificate of authority with an effective date of its original date of formation as a protected cell.

2. If the converting protected cell is a series of a limited liability company, the protected cell must file organizational documents with the Secretary of State which comply with this part. The organizational documents must include the date of formation as a series of a limited liability company. Upon conversion, the formation date of the series shall be deemed the formation date of the converted protected cell. The converted protected cell shall possess all assets and liabilities, including outstanding insurance liabilities, owned by the predecessor series.

3. If the converting protected cell is any other type of incorporated protected cell entity, the converting protected cell must submit amended organizational documents to the Secretary of State which comply with this part.

4. If the converting protected cell is neither a series of a limited liability company nor an incorporated protected cell, the protected cell must file organizational documents with the Secretary of State which comply with this part. The organizational documents must include the date of formation as a protected cell. Upon conversion, the formation date of the

protected cell is the formation date of the converted protected cell. The converted protected cell shall possess all assets and liabilities, including outstanding insurance liabilities, owned by the predecessor cell.

(b) A captive insurance company may apply to the office for conversion to become a protected cell captive insurance company under any form permitted under this part. Upon compliance with this part, approval by the office, and the filing of amended organizational documents with the Secretary of State, the captive insurance company must be issued a revised certificate of authority. The effective date of the revised protected cell captive insurance company's certificate of authority shall remain the same as the effective date of the prior captive insurance company.

(c) With the consent of both the affected protected cell captive insurance companies and the office, an individual protected cell of a captive insurance company may disaffiliate from one protected cell captive insurance company and affiliate with another protected cell captive insurance company. The office may require the affected protected cell captive insurance companies and the individual protected cell to make necessary changes to their business plans, organizational documents, participation contracts, or other governing documents before approving the change in affiliation. The formation date of a protected cell that affiliates with another protected cell captive insurance company shall be the date of its original formation with the prior protected cell captive insurance company. A protected cell shall maintain and carry over all assets and liabilities, including outstanding insurance

liabilities, to the new protected cell captive insurance company.

(d) With the consent of the affected protected cell captive insurance company or companies, the owners or the participants of the protected cells, and the office, an individual protected cell of a captive insurance company may merge or otherwise combine assets and liabilities with another individual protected cell of a protected cell captive insurance company. The office may require the affected protected cell captive insurance companies and the individual protected cells to make necessary changes to their business plans, organizational documents, participation contracts, or other governing documents before approving the change in affiliation. The formation date of a protected cell that merges or otherwise combines assets and liabilities with another protected cell captive insurance company is the date of the original formation of the surviving protected cell. The surviving protected cell must acquire all of the assets and liabilities, including outstanding insurance liabilities, of the merging protected cell. A hearing is not required for mergers of protected cells effectuated under this section.

(e) Solely for the purposes of annual reports, inspections, examinations, and taxation, the date of final conversion or disaffiliation of a protected cell shall be deemed a termination of that cell from the prior entity. The prior entity shall be responsible for the accounting, oversight, and premium tax on any transactions prior to the date of final conversion or disaffiliation. The successor entity shall be responsible for the accounting, oversight, and premium tax on any transactions

on or after the date of final conversion or disaffiliation.

Section 7. 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:	SB 1000
INTRODUCER:	Senator Grall
SUBJECT:	Trust Fund Interest for Purposes Approved by the Supreme Court
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Davis	Cibula	JU	**Favorable**
2.	Johnson	Knudson	BI	**Pre-meeting**
3.			RC	

I. Summary:

SB 1000 establishes in statute an interest on trust account rate that financial institutions must pay when paying interest or dividends on a lawyer or law firm's trust accounts. These interest producing accounts are known as the interest on trust accounts or IOTA program. The substance of this bill is the result of an agreement between The Florida Bar and the Florida Bankers Association.

Under the bill, the Florida Supreme Court establishes an entity that receives the interest or dividends and uses the funds to provide free legal services to low-income people or for other purposes expressly authorized by a rule of the Court. This is consistent with current practice whereby IOTA funds are transmitted from financial institutions to The Florida Bar and the Bar's Foundation distributes the funds, primarily, to provide legal assistance to the poor. The current formula for calculating interest and dividend rates is set forth in The Florida Bar Rules, not in statute, and is significantly different from the formula in this bill.

If a financial institution holds one of these trust accounts, it must pay, after all fees and charges are assessed by the institution, interest or dividends at the Wall Street Journal Prime Rate in effect on the first business day of each month, less 300 basis points, or 3.0 percent, with a minimum floor rate of 0.25 percent and a maximum ceiling rate, of 1.5 percent.

By establishing the floor rate, the Bar Foundation is assured that it will receive funds to finance the IOTA program during periods of low interest rates. By establishing a ceiling rate, the financial institutions are assured that they can operate the IOTA accounts at profit over the long term.

The bill takes effect July 1, 2026.

II. Present Situation:

Overview of Interest on Trust Accounts or IOTA

All attorneys who maintain trust accounts must abide by rules developed by The Florida Bar and approved by the Florida Supreme Court.[1] The rules require that trust fund accounts be deposited with financial institutions that pay a guaranteed interest rate set by rule.[2] The interest generated by the trust accounts is referred to as the Interest on Trust Accounts program or IOTA. The program generates millions of dollars in interest each year. Once generated, the interest is transmitted directly to The Florida Bar and used exclusively by the Bar's Foundation, Funding Florida Legal Aid, which is authorized by the Florida Supreme Court to administer the IOTA program. The collections for FY 2024-25 were $260,414,122 and $96.4 million was placed in reserves while $125 million was distributed in December 2025 for use in calendar year 2026.[3]

Attorney Trust Accounts

A trust account is a short-term account set up by an attorney in which he or she deposits funds on behalf of a client. The account generally contains client funds that are often comingled with funds of other clients and may include funds from a retainer payment, discovery or litigation costs paid in advance, filing fees, or a settlement award. The amount of money in the account changes often because deposits and withdrawals are made frequently, sometimes daily. These fees may not be commingled with an attorney's operating account but must be kept separately. It is estimated that between $9 and $10 billion is deposited annually into IOTA accounts at financial institutions.

A trust account has been described as an "unusual" creation that is significantly different from other accounts. Although an attorney opens the account and is responsible for managing the funds in the account, he or she is not the owner of the funds.[4] While an attorney is not the owner of the account, and therefore, not entitled to interest generated by the account, neither is the client entitled to interest generated by the funds. The U.S. Court of Appeals for the Eleventh Circuit issued a decision in 1987 determining that a client was not entitled to the interest generated in a trust account.[5] Financial institutions, however, are permitted to impose certain approved charges and fees on IOTA accounts to cover their operating expenses.[6]

---

[1] The State Constitution grants exclusive jurisdiction to the Florida Supreme Court to regulate the admission and discipline of people to practice law in the state. See FLA. CONST. art. V, s. 15. The Florida Supreme Court has established the "authority and responsibilities of The Florida Bar" in the *Rules Regulating the Florida Bar*. Chapter 5 contains the "Rules Regulating Trust Accounts," which all attorneys who maintain trust accounts must abide by.

[2] Participation in the IOTA program is voluntary for financial institutions. However, if an institution chooses to participate and hold IOTA accounts, it must provide the interest or dividend rate established under the Bar Rules.

[3] *See In Re: FFLA-FY 2024–25 Collections, Request for Approval of Additional Reserve Amount*, Case No. AOSC25-66 (Oct. 29, 2025), https://flcourts-media.flcourts.gov/content/download/2470773/file/AOSC25-66.pdf.

[4] *In re: Amendments to the Rules Regulating the Florida Bar-Miscellaneous*: The Florida Bar's Response to the Florida Bankers Association's Motion for Rehearing, Case No. SC22-1292, 2 (April 14, 2023), https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/baa8ed04-2926-4922-b099-9d51fd7ab2ae/docketentrydocuments/a8e413ea-a6d4-417f-a1b0-2536bb7c9292.

[5] *Cone v. State Bar of Florida*, 819 F.2d 1002 (11th Cir. 1987).

[6] "The following charges and fees have been defined as 'reasonable' and are the only service charges or fees permitted to be deducted from interest earned on IOTA accounts. These service charges or fees may be deducted from IOTA account interest only at such rates and under such circumstances as is the financial institution's customary practice for all its interest-bearing

How the accounts may be regulated or restricted has presented a quandary for almost 200 years. The earliest attempt to regulate trust accounts can be traced to the Legislative Council of the Territory of Florida in 1828. In 1936, the Florida Supreme Court incorporated the regulation of trust accounts into the Court's rules. Additional measures were adopted over the years to ensure that attorneys, acting as "trustees" would not misuse their clients' funds or neglect to return them when requested to do so by the client.[7]

Evolution of Interest Earned on Trusts Accounts

Trust accounts have evolved from simple accounts that earned no interest and benefitted no one in particular to today's more regulated accounts. The Florida Bar, with Florida Supreme Court approval, mandates participation by attorneys, establishes the interest rates, and requires that the interest be remitted to The Florida Bar's foundation, Funding Florida Legal Aid.[8]

1978 – Voluntary Participation for Lawyers with Trust Accounts

For many years, attorneys deposited their clients' funds in non-interest bearing checking accounts because trying to apportion multiple clients' interest earnings on short-term deposits was far too complex. In 1978, however, the Florida Supreme Court amended The Florida Bar Rules (Rules) in response to a petition by The Florida Bar and authorized attorneys to invest trust funds held for their clients to generate investment income that would, among other things, provide legal aid to the poor and help provide student loans. Participation would be *voluntary* and interest would be transmitted directly from the financial institutions to The Florida Bar Foundation. In implementing these changes, Florida became the first state in the nation to adopt an IOTA program.[9] After several adjustments, the program became operational in 1981 and permitted *voluntary* participation by attorneys and their firms.[10]

1989 – Mandatory Participation for Lawyers with Trust Accounts

In 1989, the Rules were amended and participation in the program became *mandatory* for all attorneys who held trust accounts.[11]

---

checking account customers: per check charge, per deposit charge, fee in lieu of minimum balance, federal deposit insurance fee." Financial institutions are also permitted to recover special costs for their participation in IOTA by deducting a reasonable IOTA handling or administrative fee. See *Funding Florida Legal Aid, Iota, For Lawyers and Law Firms, Reasonable Service Charge Policy*, https://fundingfla.org/iota/attorneys-lawfirms/ (last visited Jan. 21, 2026).

[7] *A Petition of Florida Bar*, 356 So. 2d 799 (Mem), 800-801 (Fla. 1978). (The lengthier case style *is In re Interest on Trust Accounts, A Petition of The Florida Bar to Amend the Code of Professional Responsibility and the Rules Governing the Practice of Law.*).

[8] See generally R. Regulating Fla. Bar Rule 5-1, Rules Regulating Trust Accounts, https://www-media.floridabar.org/uploads/2025/12/2026_06-DEC-Chapter-5-RRTFB.pdf.

[9] *In re: Interest on Trust Accounts, A Petition of the Florida Bar*, 356 So. 2d 799 (Mem) (Fla. 1978).

[10] It should be noted that the establishment of IOTA or IOLTA (Interest on Lawyers' Trust Accounts as they are called in other states) was possible only after Congress made changes to federal banking laws in 1980 that allowed certain checking accounts to pay interest. American Bar Association, *Interest on Lawyers' Trust Accounts*, https://www.americanbar.org/groups/interest_lawyers_trust_accounts/overview/ (last visited Jan. 21, 2026). See also *In the Matter of Interest on Trust Accounts,* 402 So. 2d 389 (Mem) (Fla. 1981).

[11] *Matter of Interest on Trust Accounts: Petition to Amend the Rules Regulating the Florida Bar*, 538 So. 2d 448, 449-450, (Fla. 1989).

2001 – Participating Financial Institutions Defined and Limited

In 2001, the Rules were amended again to define which financial institutions were eligible to hold IOTA accounts. These eligible institutions were limited to the institutions that pay IOTA account depositors "the highest interest rate or dividend generally available from the institution to its non-IOTA account customers when IOTA accounts meet or exceed the same minimum balance" or other eligibility requirements. In essence, The Florida Bar Foundation was asking that IOTA accounts be placed on an equal par with non-IOTA accounts in an institution.[12]

It is worth noting that these rules are not found in the Florida Statutes, but are rules adopted by The Florida Bar and approved by the Florida Supreme Court.

2023 Amendments to Interest on Trust Accounts Rule and The Florida Bankers Association Response

The Florida Bar petitioned the Court on October 3, 2022, to again amend the IOTA rules. The stated goal of the proposed amendments was to "include all possible accounts that can be used as trust accounts" and "ensure the highest possible interest is available for IOTA accounts."[13,14]

The Florida Bankers Association opposed the measure and challenged the 2023 amendments by filing a motion for rehearing. The Bankers Association stated that it did not receive adequate or meaningful notice of the proposed IOTA amendments. The Court denied the motion and the new rule became effective on May 15, 2023, and remains in effect.[15]

According to documents filed in the Florida Supreme Court, the Florida Bankers Association and The Florida Bar attempted for months to reach a compromise rate that was agreeable to both parties. This resulted in an impasse and no compromise was reached.[16] On August 7, 2024, the Court denied the Florida Bankers Association's motion for rehearing. The result was that the IOTA program generated an unprecedented amount of interest for the Bar's Foundation.[17]

---

[12] *Amendment to Rules Regulating the Florida Bar—Rule 5-1.1(e)--IOTA,* 797 So. 2d 551 (Fla. 2001).

[13] *In re: Amendments to the Rules Regulating the Florida Bar* – Miscellaneous*:* Petition to Amend the Rules Regulating the Florida Bar, Case No. SC2022-1292 (Oct. 3, 2022), https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/baa8ed04-2926-4922-b099-9d51fd7ab2ae/docketentrydocuments/60ddf5a7-6ae4-425a-a90b-2cebcc635bd0.

[14] The formula stated, "When the Wall Street Journal Prime Rate ("indexed rate") is between 325 and 499 basis points (3.25% and 4.99%), the minimum interest rate paid net of all fees and service charges ("yield") must be no less than 300 basis points (3.00%) below the indexed rate in effect on the first business day of each month. When the indexed rate is 500 basis points (5.00%) or above, the yield must be no less than 40% of the indexed rate in effect on the first business day of each month.

[15] *In re*: *Amendments to the Rules Regulating the Florida Bar*: Petition to Amend the Rules Regulating the Florida Bar, Case No. SC2025-1730, https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/da732548-6b47-4a8a-ac84-ec3faf5691ae/docketentrydocuments/e5b55656-749b-4362-aa02-6f0c46c338f4.

[16] *In re: Amendments to the Rules Regulating the Florida Bar*, The Florida Bankers Association's Comment to the Florida Bar's Report on Implementation Status, Case No: SC2022-1292, https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/baa8ed04-2926-4922-b099-9d51fd7ab2ae/docketentrydocuments/f5381851-24da-4ff6-932d-487a9ca0b99c (last visited Jan. 21, 2026).

[17] For a detailed account of these proceedings and responses from the Florida Bankers Association, please see *CS/CS/CS SB 498 Bill Analysis and Impact Statement,* https://www.flsenate.gov/Session/Bill/2025/498/Analyses/2025s00498.rc.PDF.

Rule Amendment Pending in the Florida Supreme Court - Compromise Reached Between the Florida Bar and the Florida Bankers Association

According to a petition filed by The Florida Bar in the Supreme Court, the Florida Bankers Association sought legislation in 2024 and 2025 that would establish in statute the interest rates on trust fund accounts. The petition states that the Bar Foundation and its grantees support the rule amendment that is the substance of this bill "choosing certainty over continuing to spend resources on legislative activity or possible litigation involving the Florida Bankers Association." The petition to amend the rules regulating the interest rate states that, "For its part, the Florida Bankers Association has assured the Bar and interested legislators that it is satisfied with these proposed amendments."[18]

The proposed Bar Rule states:

> (5) *Eligible Institution Participation in IOTA.* Participation in the IOTA program is voluntary for banks, credit unions, savings and loan associations, and investment companies. Institutions that choose to offer and maintain IOTA accounts must pay, net of all fees and charges assessed by the eligible financial institution, the Wall Street Journal Prime Rate in effect on the first business day of each month less 300 basis points (3.00%) with a floor of 0.25% and a ceiling of 1.50%.[19]

The proposed rule change was approved by various Bar committees and the petition to amend the IOTA rates was filed in the Florida Supreme Court on November 4, 2025.[20] The Court has not ruled on the petition at this time.

IOTA Data for Funding Florida Legal Aid

Amounts Received by FFLA From the IOTA Program

Funding Florida Legal Aid supplied the information below on remittances from the IOTA accounts. The fiscal year begins July 1 and ends June 30 of the following year. The collections for the 2024-2025 fiscal year were distributed in December 2025 to be used during the 2026 calendar year.

---

[18] *In re*: *Amendments to the Rules Regulating the Florida Bar:* Petition to Amend the Rules Regulating the Florida Bar, Case No. SC2025-1730, 2,3 (filed Nov. 4, 2025), https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/da732548-6b47-4a8a-ae84-ec3faf5691ae/docketentrydocuments/e5b55656-749b-4362-aa02-6f0c46c338f4.

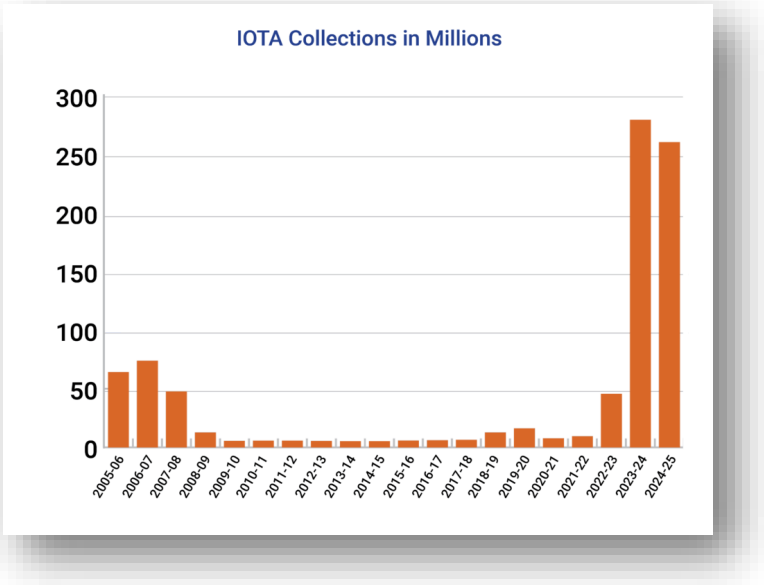
[19] Rules Regulating The Florida Bar, Chapter 5. Rules Regulating Trust Accounts, 5-1. Generally, Rule 5-1.1 Trust Accounts, *https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/da732548-6b47-4a8a-ae84-ec3faf5691ae/docketentrydocuments/a88e5381-482e-4ca4-9e11-feeeb7f4953c*.

[20] *In re*: *Amendments to the Rules Regulating the Florida Bar*: Petition to Amend the Rules Regulating the Florida Bar, Case No. SC2025-1730 (filed Nov. 4, 2025), https://acis-api.flcourts.gov/courts/68f021c4-6a44-4735-9a76-5360b2e8af13/cms/case/da732548-6b47-4a8a-ae84-ec3faf5691ae/docketentrydocuments/e5b55656-749b-4362-aa02-6f0c46c338f4.

FY 2021-22 $9,498,692
FY 2022-23 $45,547,390
FY 2023-24 $279,656,155
FY 2024-25 $260,414,122[21]

It is significant to note that the IOTA collections increased by $234,108,765 between fiscal year 2022-23 and fiscal year 2023-24. This is due to the funding formula authorized by the Supreme Court in May 2023 for the benefit of the Bar Foundation.

The chart below shows how IOTA collections have changed over the past 20 years.[22]



Wall Street Prime Rate

The Wall Street Journal Prime Rate is the most widely relied upon measure of the prime interest rate. To arrive at this rate, *The Wall Street Journal* regularly surveys the country's largest banks to determine the interest rate they are charging their "prime" customers for short-term loans. The "prime" customers are those with the highest credit ratings. When 23 of the 30 largest banks change their rate, the *Journal* adjusts its rate. The *Journal* defines the prime rate as the "base rate on corporate loans posted by at least 70% of the nation's largest banks."[23]

---

[21] Funding Florida Legal Aid, *IOTA*, *Interest on Trust Accounts Program, IOTA Collections Public Notices* https://fundingfla.org/iota/.

[22] Florida Funding Legal Aid, Financial Stewardship, Florida's Interest on Trust Accounts (IOTA) Program, https://fundingfla.org/about-ffla/ffla-finances/ (last visited Jan. 21, 2026).

[23] Fulton Bank, "*What Is Wall Street Journal Prime Rate and Why It Matters*" https://www.fultonbank.com/Education-Center/Managing-Credit-and-Debt/Prime-rate-and-why-it-matters (last visited Jan. 21, 2026), Bankrate, *Wall Street Journal Prime Rate* (last visited Jan. 21, 2026), *https://www.bankrate.com/rates/interest-rates/wall-street-prime-rate/#:~:text=Bankrate.com%20provides%20the%20Wall%20Street%20Prime%20Rate%20and%20WSJ%20current%20prime%20rates%20index*, and Wall Street Journal, *WSJ/Markets,* https://www.wsj.com/market-data/bonds (last visited Jan. 21, 2026).

As of January 21, 2026, the Wall Street Journal Prime Rate is 6.75. For the last 52 week period, the high was 7.50 percent and the low was 6.75 percent.[24]

III. Effect of Proposed Changes:

This bill establishes in statute an Interest on Trust Account rate that is based upon an agreement made between The Florida Bar and the Florida Bankers Association.

The Interest or Dividend Rate and the Recipients

The bill establishes the interest rate that financial institutions must provide when paying interest or dividends on certain lawyer or law firm trust accounts. The interest or dividends will be remitted to an entity established by the Florida Supreme Court which uses the interest or dividends to provide or facilitate free legal services to low-income people or to a program that is expressly authorized by a rule of the Court. This is consistent with current practice whereby IOTA funds are transmitted from financial institutions to The Florida Bar and the Bar's Foundation which distributes the funds, primarily, to provide legal assistance to the poor.

Although the current funding formula for calculating interest and dividend rates is set forth in The Florida Bar Rules, the bill establishes the formula in statute.

Applying the Formula

A financial institution that holds one of these trust accounts must pay, "net of all fees and charges assessed by the financial institution, interests or dividends at the Wall Street Journal Prime Rate in effect on the first business day of each month, less 300 basis points, with a floor of 0.25 percent and ceiling of 1.5 percent." By establishing the floor rate, the Bar Foundation is assured that it will receive funds to finance the IOTA program during periods of low interest rates. By establishing a ceiling rate, the financial institutions are assured that they can operate IOTA accounts at a profit over the long term.

This mathematical formula established in the bill will result in a number of possible calculations described below:

When the "Floor" Takes Effect

If, after deducting 3.0 percent from the prime rate, the number is equal to or less than 0.25 percent, a financial institution must pay the floor rate, or 0.25 percent in interest or dividends.

When the "Ceiling" Takes Effect

In contrast, if after deducting 3.0 percent from the prime rate, the number is equal to or greater than 1.50 percent, a financial institution must pay the ceiling rate, or 1.50 percent.

[24] Wall Street Journal, *WSJ/Markets*, https://www.wsj.com/market-data/bonds (last visited Jan 21, 2026).

Other Results Determined by Applying the Formula

The formula also results in rates that are between the floor and the ceiling, at which point the actual number arrived at by deducting 3.0 percent from the prime rate is the IOTA rate. For example, if the prime rate is 3.75 percent, and 3.0 percent is deducted, the resulting rate is 0.75 percent, which is the applicable interest or dividend rate payable by the institution.

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:

The bill does not appear to regulate attorneys or the practice of law in violation of Article V section 15 of the State Constitution. Instead, the bill is a regulation of financial institutions.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The interest rates established in the bill will result in financial institutions participating in the IOTA program paying lower interest rates on trust accounts. This change might allow them to operate IOTA accounts at a profit or allow smaller financial institutions to participate. Likewise, the bill may result in attorneys having more financial institutions to choose from when selecting a financial institution for their trust accounts. In contrast, Funding Florida Legal Aid will likely see a significant reduction in the interest revenue it receives to fund its legal aid programs and other programs authorized by the Supreme Court.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates s. 655.98 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Grall

29-01212D-26 20261000__

A bill to be entitled

An act relating to trust fund interest for purposes approved by the Supreme Court; creating s. 655.98, F.S.; authorizing financial institutions to hold funds in specified trust accounts used for specified purposes expressly authorized by Supreme Court rule; requiring certain entities to use interest and dividends for specified purposes; requiring certain financial institutions to pay specified interest or dividends; providing an effective date.

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

Section 1. Section 655.98, Florida Statutes, is created to read:

655.98 Lawyer or law firm trust account interest rates.—A financial institution may hold funds in an interest-bearing trust account of a lawyer or law firm in which the institution remits interest or dividends on the balance of the deposited funds to an entity established by the Supreme Court. Such entity shall use the interest or dividends to provide or facilitate the provision of free legal services to low-income individuals or for such other purposes as may be expressly authorized by rule of the Supreme Court. If the financial institution holds such an account, it must pay, net of all fees and charges assessed by the financial institution, interest or dividends at the Wall Street Journal prime rate in effect on the first business day of each month, less 300 basis points, with a floor of 0.25 percent and a ceiling of 1.5 percent.

Florida Senate - 2026 **SB 1000**

29-01212D-26 20261000__

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

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

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 1082
INTRODUCER:	Health Policy Committee and Senator Grall and others
SUBJECT:	Statewide Provider and Health Plan Claim Dispute Resolution Program
DATE:	February 3, 2026 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Ranier	Brown	HP	**Fav/CS**
2.	Johnson	Knudson	BI	**Pre-meeting**
3.			RC	

Please see Section IX. for Additional Information:

PLEASE MAKE SELECTION

I. Summary:

CS/SB 1082 amends the Statewide Provider and Health Plan Dispute Resolution Program under s. 408.7057, F.S. The bill adds two additional matters to the list of health services claims which may not be reviewed by the program. First, it excludes any claim involving emergency care by a licensed hospital if the claim was submitted to the federal independent dispute resolution process and also meets the criteria for the federal process. Second, it excludes any claim by an out-of-network provider if the claim was submitted to the federal independent dispute resolution process and also meets the criteria for the federal process.

By excluding these claims from the state's dispute resolution program, such claims would presumably no longer be excluded from the federal independent dispute review (IDR) program, which provides that the federal IDR process is not available to the disputing parties when there is a "specified state law" for resolving disputed claims.

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

II. Present Situation:

Balance Billing and Surprise Billing

In 1999 the Florida Legislature established the Advisory Group on Submission and Payment of Health Claims. The Advisory Group was to review and provide recommendations as to prompt

payment of health insurance claims. The group submitted a report to the Legislature on February 1, 2000.[1]

The report dealt, in part, with concerns as to "balance billing." Balance billing occurs when a health care provider seeks to collect from the member/subscriber of a health plan, the difference between what the provider charges and what is paid by the health plan. The report noted that in 1988, the Legislature passed s. 641.315, F.S., which prohibits a provider of services from billing a member of a health maintenance organization (HMO) for any service that is covered by the HMO. It was further noted that there was some ambiguity whether the prohibition on subscriber billing applied to health care providers who did not have a contract with the HMO; i.e. noncontracted or out-of-network providers.[2]

The report also recognized that the Agency for Health Care Administration (AHCA) had performed an emergency room claims payment survey and that there were some methodology concerns with the survey. It was acknowledged that s. 395.1041, F.S., provides for universal access to hospital emergency departments.[3] In 1986, the U.S. Congress enacted the Emergency Medical Treatment and Active Labor Act (EMTALA). The EMTALA imposes obligations for hospitals that have Medicare contracts to provide emergency services to all patients who are present at an emergency department. Section 395.1041, F.S., extends such EMTALA obligations to all Florida hospitals with an emergency department.

The report noted some billing code problems with emergency department claims. Also, a concern was recognized that not all providers in the emergency department necessarily had contracts with a patient's HMO for services, e.g. anesthesia, physicians, radiology, and pathology.

The report further noted the Statewide Provider and Subscriber Assistance Program. However, the program only addressed grievances that HMO members had with their HMO and providers within the HMO's provider network. The program was limited to quality of care concerns and did not apply to payment issues. Disputes between the provider, HMO, and members as to payment of claim were not within the jurisdiction of the program.[4]

In 2000, the Legislature adopted ch. 2000-252, Laws of Florida, which addressed many of the concerns raised in the report. In particular, as to the balance billing issues, s. 641.315, F.S., was amended to recognize that a provider who has a contract with an HMO cannot balance bill a member of the HMO. The amendment did not address whether the HMO was liable for non-authorized care such as emergency care and treatment.[5]

Next, the 2000 law created a new s. 641.3154, F.S., which established that if a noncontracted provider follows an HMO's authorization procedures and receives authorization, then the HMO is solely liable for the payment, and the provider may not balance bill the HMO member.

---

[1] Senate Staff Analysis, SB 1508 and 706 and 2234, Apr. 26, 2000, available at: https://www.flsenate.gov/Session/Bill/2000/1508/Analyses/20001508SFP_SB1508.fp.pdf
[2] *Id.*
[3] *Id.*
[4] *Id.*
[5] *Id.*

However, the law was unclear whether the HMO would be liable to noncontracted providers who did not obtain authorization when providing emergency care and treatment.[6]

The 2000 law also adopted a new s. 408.7057, F.S., which created the Statewide Provider and Managed Care Organization Claim Dispute Resolution Program. The program was to be administered by the AHCA and established by January 1, 2001. The AHCA was required to contract with an independent third-party claims dispute resolution organization. The resolution organization would provide assistance and review of claims disputes between providers, both contracted and noncontracted, and managed care organizations. The AHCA was directed to adopt rules for jurisdictional amounts for claims, batching of claims, the process to submit and review claim disputes, and the issuing of recommendations.

Within 30 days of the resolution organization issuing its recommendations, the AHCA is required to issue a final order. The 2000 law also contained a list of claims parameters which were not subject to dispute resolution by the program.[7] It is this last requirement, i.e. the list of exclusions,[8] which is the subject of SB 1082.

In 2002, the Legislature amended s. 408.7057, F.S., to change the name of the program to Statewide Provider and Health Plan Claim Dispute Resolution Program. The scope of managed care plans and insurers who could participate in the program was expanded significantly. There were also timeframes established for various parts of the process, i.e., submittal of the claim, submittal of supporting documentation, and review time by the resolution organization. A default process was provided. The authority was provided to the AHCA to report health plans or health care providers who had a 12-month pattern of noncompliance with Florida's Prompt Pay Law[9] to their applicable licensing or certification entity. Also, if the AHCA issued a final order pursuant to the resolution process, and the final order was not paid or was otherwise violated, then the AHCA is to notify in seven days the appropriate licensing or certification entity of the offender about the offender's noncompliance. Lastly, the AHCA was to directed to annually report to the Governor and Legislature, by February 1 of each year, the number of claims dismissed, defaults issued, and failure to comply with the AHCA's final orders on award amounts.[10]

In 2016, the Legislature again considered the issues of balance billing in a number of different bills. For this round of law making, the issue was referred to as "Surprise Billing." Surprise billing was recognized as patient encounters in which:

- An HMO member or health insurance policy holder utilizes an in-network hospital but is billed by noncontracted providers who provide services at such hospital or are consulted by a network physician. This could happen in the emergency or nonemergency scenario.
- An HMO member or health insurance policy holder receives out-of-network emergency care from an out-of-network hospital.[11]

---

[6] *Id.*
[7] Chapter 2000-252, Laws of Florida, pp 10-12.
[8] Section 408.7057,(2)(b), F.S.
[9] Sections 627.6131 and 641.3155, F.S.
[10] Chapter 2002-389, Laws of Florida, pp 9-12.
[11] House Staff Analysis, HB 221,April 15, 2016, available at: https://www.flsenate.gov/Session/Bill/2016/221/Analyses/h0221z1.IBS.PDF

The Legislature adopted ch. 2016-222, Laws of Florida. The 2016 law required all hospitals to post on their websites those health plans with which they are a contracted network provider. In addition, a hospital was required to deliver a statement to patients that the patient has the obligation to determine which health care providers involved in their care are contracted with the patient's health plan.

Next, the 2016 law recognized that the obligation to provide emergency care is a mandated coverage under Florida law and made changes to ensure such mandated coverage for emergency services covered all types of health plans and insurers, not just HMOs.[12] All providers, whether contracted or noncontracted, who provide emergency services are to be paid by the health plan.[13]

If nonemergency care is provided by an in-network hospital which has noncontracted providers, then for any covered services, the health plan must likewise cover such services.[14] Lastly, the 2016 law provided that any dispute by a nonparticipating provider only has jurisdiction in a court of competent jurisdiction or "through the voluntary dispute resolution process in s. 408.7057, F.S."[15]

Finally, amendments were made to s. 408.7057, F.S., in 2016.[16] A subsection was added for a settlement process. Authorization was provided that the resolution organization could receive witnesses, evidence, and conduct a hearing. *Ex parte* communication with the dispute organization was prohibited. The resolution organization was required to issue a written recommendation with findings of fact, its method of calculating any award, and to indicate what evidence it relied upon. Lastly, jurisdiction was provided to review any final order pursuant to s.120.68, F.S.

In 2022, the Legislature expanded the scope of the dispute resolution process to pharmacies.[17]

Statewide Provider and Health Plan Claim Dispute Resolution Program

The AHCA has been administering the program for approximately 25 years and has developed a website for access to the program.[18] The dispute resolution entity is Capitol Bridge, LLC.[19] Rule 59A-12.030, F.A.C. has been published as to the program's administration. The rule provides the following categories of claims which are to be submitted:

- Hospital inpatient services claims.

[12] Chapter 2016-222, Laws of Florida, pp 6- 8.
[13] *Id*.
[14] Sections 627.64194(3) and 641.3154, F.S.
[15] Section 627.64193(6), F.S. It is unclear whether such jurisdictional requirement applies to HMOs.
[16] *Id* at Section 7, (pages 3-5)
[17] Agency for Health Care Administration, Statewide Provider and Health Plan Claim Dispute Program, 2024 Annual Report; page 1, available at: https://ahca.myflorida.com/health-quality-assurance/bureau-of-health-facility-regulation/certificate-of-need-and-commercial-managed-care-unit/commercial-managed-care/statewide-provider-and-health-plan-claim-dispute-resolution-program (last visited Jan. 23, 2026)
[18] Available at: https://ahca.myflorida.com/health-quality-assurance/bureau-of-health-facility-regulation/certificate-of-need-and-commercial-managed-care-unit/commercial-managed-care/statewide-provider-and-health-plan-claim-dispute-resolution-program (last visited Jan. 23, 2026)
[19] Capitol Bridge, LLC is also a certified independent dispute resolution entity for the federal No Surprises Act process. *See:* https://www.cms.gov/nosurprises/help-resolve-payment-disputes/certified-idre-list (last visited Jan. 23, 2026)

- Hospital outpatient services claims.
- Professional services claims.

Pursuant to s. 408.7057, F.S., and the rule, a claim is not eligible for the program if the claim:

- Is related to interest payment;
- Does not meet the following jurisdictional amounts[20];
  - Hospital inpatient claims: a total amount of $25,000 + for health plan contracted hospitals and $10,000 +for non-contracted hospitals
  - Hospital outpatient claims: a total amount of $10,000 +for health plan contracted hospitals, and $3,000 + for non-contracted hospitals
  - Professional Services: a minimum amount of $500 +
- Is part of an internal grievance in a Medicare managed care organization or a reconsideration appeal through the Medicare appeals process;
- Is related to a health plan that is not regulated by the state;
- Is part of a Medicaid fair hearing pursued under 42 C.F.R. ss. 431.220 et seq;
- Is the basis for an action pending in state or federal court;
- Is subject to a binding claim-dispute-resolution process provided by contract entered into prior to October 1, 2000, between the provider and the managed care organization;
- Arises under a contract that requires exhaustion of an internal dispute-resolution process as a prerequisite to the submission of a claim by a provider or a health plan to the resolution organization; or
- Is a disputed claim which is more than 12 months after a final determination has been made on a claim by a health plan or provider.

The annual reports which the AHCA has submitted to the Legislature contain the following statistics.[21]

Year	Number of Claims Submitted	Number of Claims Deemed Eligible	Claims Range
2025	162	125	$2,936.13 to $10,573,672.15
2024	77	58	$396.45 to $22,379,900.00
2023	296	137	$34.44 to $10,879.6660
2022	563	443	$539.17 to $1,001,694,838.00
2021	111	73	$893.19 to $2,320399.58

Federal No Surprises Act Independent Resolution Process (IDR)

The federal government has been likewise active in legislating in this area. In 1986, the genesis of this legislative matter commenced with the adoption of Emergency Medical Treatment and

[20] Claims can be aggregated to reach these jurisdictional amounts. Rule, 59A-12.030(5)(c), F.A.C. Rural hospitals are exempt from such aggregation requirement. Rule, 59A-12.030(5)(d), F.A.C.

[21] The annual reports are available at: https://ahca.myflorida.com/health-quality-assurance/bureau-of-health-facility-regulation/certificate-of-need-and-commercial-managed-care-unit/commercial-managed-care/statewide-provider-and-health-plan-claim-dispute-resolution-program (last visited Jan. 23, 2026)

Active Labor Act (EMTALA).[22] The EMTALA requires hospitals that participate in the Medicare program, and which offer emergency services must provide medical screening and stabilization to any person who presents with an emergency medical condition or active labor, regardless of the ability to pay or payor source. Florida adopted a very similar requirement in s. 395.1041, F.S., but extended it to all hospitals as a condition of licensure. The AHCA has the full range of administrative remedies and sanctions for any violation, from licensure revocation to fines up to $10,000 per violation.[23] Criminal sanctions can be imposed against hospital administrative or medical staff for violations.[24] In addition, physicians licensed under ch. 458 or 459, F.S., who violate the statute can be fined.[25] Lastly, a private cause of action can be asserted against a hospital or licensed physician who violates the statute.[26]

Numerous disputes between health plans and insurers, and hospitals or health care providers have been filed as to the payment of claims for patients who presented to noncontracted hospitals and providers. Florida law was at the forefront of resolving the issue of payment liability for such patients. Florida holds the patient harmless and requires the hospital or health care provider to either resort to a suit in court or dispute resolution through the Statewide Provider and Health Plan Claim Dispute Resolution Program.[27]

The federal government, in 2010, began legislating on these topics with adoption of the Patient Protection and Affordable Care Act (ACA).[28] The ACA provided, in part, that health plans, if they offered any coverage for emergency benefits, could not require prior authorization nor the use of only contracted providers for emergency services.[29] However, the ACA did not prohibit balance billing. Rather, it provides for a cost sharing requirement by the patient, and a minimum rate that health plans are to reimburse noncontracted providers.[30] Yet, the ACA provides that such cost sharing requirements do not apply if state law prohibits balance billing or the plan is contractually liable for the payment.[31]

The federal government again addressed these issues in 2020 with the adoption of the "No Surprises Act" (NSA).[32] This was a comprehensive approach by Congress as to the patient, provider, and payor issues concerning surprise billing for emergency services. The NSA covers situations where a patient receives an unexpected medical bill from a noncontracted provider

[22] 42 U.S.C. §1395dd.; see also Centers for Medicare & Medicaid Services, Emergency Medical Treatment & Labor Act (EMTALA), http://www.cms.gov/Regulations-and-Guidance/Legislation/EMTALA/index.html?redirect=/emtala/ (last visited Jan. 23, 2026)
[23] Section 395.1041(5)(a), F.S.
[24] Section 395.1041(5)(c), F.S.
[25] Section 395.1041(5)(e), F.S.
[26] Section 395.1041(5)(b), F.S.
[27] Sections 627.64194 and 641.3154, F.S.
[28] Patient Protection and Affordable Care Act, Pub. L. No. 111-148, H.R. 3590, 11th Cong. (March 23, 2010). On March 30, 2010, PPACA was amended by P.L. 111-152, the Health Care and Education Reconciliation Act of 2010; 42 U.S.C. 300gg through 300gg–63, 300gg–91, 300gg–92, and 300gg–111 through 300gg–139.
[29] 42 C.F.R. § 147.138(b)
[30] 42 C.F.R. § 147.138(b)(3)
[31] House Staff Analysis, HB 221, April 15, 2016.
[32] PL 116-260, December 27, 2020, 134 Stat 1182, Consolidated Appropriations Act, 2021, Division BB - Title I sections 101 through 118; 42 U.S.C. § 300gg-111.

without having had a chance to select a contracted provider, e.g. medical emergency.[33] Federal protections are now provided for patients against surprise billing, and a patient has to only pay the same co-pays or coinsurance amount as if they had presented to a contracted provider.[34]

Providers and health plan payment disputes were also addressed by the NSA. A health plan is required to pay the amount determined by a "specified state law" or, if there is no specified state law, the amount they negotiate, or as determined by an "independent dispute review" (IDR) program set forth in federal rule. The health plan must make a payment within 30 days of receiving a claim from a noncontracted provider or deny the claim. If either party disputes the payment amount or denial of claim, the party must notify the other party that they want to negotiate. The parties have 30 business days to openly negotiate. If, after this 30-day period, the parties are unable to agree, they then can submit the claims to the federal IDR.[35] A determination is made by a certified IDR entity. The determination is binding on the parties and is subject to judicial review in very limited circumstances.[36]

The federal IDR recently has commenced activity. There are 15 entities certified for accepting disputes.[37] At the start of 2025, there were more than 600,000 disputes awaiting determination.[38] The IDR at times receives over 200,000 disputes a month for resolution.[39] Nevertheless, 90 percent of all disputes submitted have been resolved.[40] The program will be adding more certified IDR entities and updating its web portal to streamline operations.[41]

A significant part of the workload of the federal IDR process is determining if a dispute is eligible for determination. In approximately 45 percent of the cases, the non-initiating party challenges the eligibility.[42, 43] Even if not challenged, the IDR entity must still review and

---

[33] Federal Independent Dispute Resolution (IDR) Process Guidance for Disputing Parties October 2022, page 4, available at: https://www.cms.gov/files/document/federal-independent-dispute-resolution-guidance-disputing-parties.pdf
[34] *Id.*
[35] Federal Independent Dispute Resolution (IDR) Process Guidance for Disputing Parties, October 2022, page 4.
[36] 42 U.S.C.A. § 300gg-111(c)(5)(E)
[37] Centers for Medicare & Medicaid Services, Fact Sheet: Clearing the Independent Dispute Resolution Backlog, September 2025, available at: https://www.cms.gov/files/document/fact-sheet-clearing-independent-dispute-resolution-backlog.pdf
[38] *Id.*
[39] Centers for Medicare & Medicaid Services, Independent Dispute Resolution Reports, available at: https://www.cms.gov/nosurprises/policies-and-resources/reports (last visited Jan. 23, 2026)
[40] Centers for Medicare & Medicaid Services, Fact Sheet: Clearing the Independent Dispute Resolution Backlog, September 2025
[41] *Id*.
[42] Supplemental Background on Federal Independent Dispute Resolution Public Use Files January 1, 2024 – June 30, 2024, available at: https://www.cms.gov/files/document/supplemental-background-federal-idr-puf-january-1-june-30-2024-march-18-2025.pdf
[43] There has been litigation concerning the question of eligibility at both the state and federal levels. In the State of Florida, the case of *Blue Cross Blue Shield of Fla., Inc. v. Outpatient Surgery Ctr. of St. Augustine*, 66 So. 3d 952(Fla. 1st DCA 2011), raised the question of whether a non-initiating could opt-out of the State IDR. It was held that a non-initiating party could "opt out" at any time before fact finding, by filing a complaint in court. *Id*. There was a dissent that questioned whether the statutes truly allow opting out. At the federal level, there has been a significant amount of recent litigation by health plans asserting that providers are using the federal IDR to flood the plans with claims that are ineligible and are getting improper IDR awards. Anthem sues 11 Prime hospitals, alleges $15M in fraudulent No Surprises Act awards, January 7, 2026. *See:* https://www.beckerspayer.com/legal/anthem-sues-11-prime-hospitals-alleges-15m-in-fraudulent-no-surprises-act-awards/ (last visited Jan. 23, 2026)

determine eligibility of a claim.[44] The volume of claims found ineligible has ranged between 18 percent and 22 percent.[45]

One basis for ineligibility is that a state law establishes the method for determining the dispute.[46] The federal IDR Process is not available to the disputing parties when there is a "specified state law." The NSA defines "specified state law" as follows.[47]

> The term "specified State law" means, with respect to a State, an item or service furnished by a nonparticipating provider or nonparticipating emergency facility during a year and a group health plan or group or individual health insurance coverage offered by a health insurance issuer, a State law that provides for a method for determining the total amount payable under such a plan, coverage, or issuer, respectively (to the extent such State law applies to such plan, coverage, or issuer, subject to section 1144 of Title 29) in the case of a participant, beneficiary, or enrollee covered under such plan or coverage and receiving such item or service from such a nonparticipating provider or nonparticipating emergency facility.

Pursuant to 45 CFR 149.620(h), the U.S. Department of Health and Human Services will defer to a state's patient-provider dispute resolution process if the state has a state law that meets the following minimum requirements with respect to the item or service for which payment is in dispute:

- Payment determinations made through the state process are binding, unless the provider, facility, or provider of air ambulance services offers for the uninsured (or self-pay) individual to pay a lower payment amount than the determination amount;
- The dispute resolution process takes into consideration a good faith estimate, that meets the minimum standards established in 45 CFR 149.610, provided by the provider, facility, or provider of air ambulance services to the uninsured (or self-pay) individual;
- If the state charges a fee to uninsured (or self-pay) individuals to participate in the patient-provider dispute resolution process, the fee must be equal to or less than the federal administrative fee; and
- The state must have in place a conflict-of-interest standard that, at a minimum, meets the requirements at 45 CFR 149.620(d) and (e).

CMS will review changes to the state process on an annual basis (or at other times if CMS receives information from the state that would indicate the state process no longer meets the minimum federal requirements) to ensure the state process continues to meet or exceed the minimum federal standards. [48]

---

[44] Federal Independent Dispute Resolution Process –Status Update, April 27, 2023, available at: https://www.cms.gov/files/document/federal-idr-processstatus-update-april-2023.pdf
[45] Supplemental Background on Federal Independent Dispute Resolution Public Use Files January 1, 2024 – June 30, 2024.
[46] Federal Independent Dispute Resolution (IDR) Process Guidance for Disputing Parties October 2022, page 6.
[47] 42 U.S.C.A. § 300gg-111(3)(I)
[48] *See:* CMS Letter, (Jan. 28, 2022), available at: https://www.cms.gov/cciio/programs-and-initiatives/other-insurance-protections/caa-enforcement-letters-florida.pdf

Florida has confirmed the fact that it has the requisite "specified state law" for resolving disputed claims. In June 2021, the federal Centers for Medicare & Medicaid Services (CMS) sent a written survey to the State of Florida as to the state's assessment of which provisions of the NSA it will enforce with state laws.[49]

In answering whether the State has the authority and intended to enforce its laws as to out-of-network rates and the resolution of such claims, the AHCA, the Florida Office of Insurance Regulation, and the Department of Health stated that ss. 408.7057, 627.42397, 627.64194(4), 627.64194(6), 641.513(5), and 641.514, F.S., and Rule 59A-12.030, F.A.C., would apply.[50] Specifically, the state will determine the out-of-network rate with respect to items and services furnished to individuals in an insured group health plan, or group or individual health insurance coverage in Florida, as well as a claim dispute payment amounts pertaining to health maintenance organizations that are above the claim threshold described in Rule 59A-12.030, F.A.C, and by nonparticipating providers or nonparticipating emergency facilities.[51]

Claims under the jurisdictional amounts set forth in Rule 59A-12.030, F.A.C are subject to the federal IDR process. Further, the federal IDR process applies for purposes of determining the out-of-network rate with respect to services furnished to individuals in an insured group health plan, or group or individual health insurance coverage in Florida by nonparticipating providers of air ambulance services.[52] In regard to patient-provider disputes, the federal patient-provider dispute process applies for determining the amount an uninsured (or self-pay) individual must pay a provider.[53]

The CMS has published a "Chart for Determining Applicability for Federal Independent Dispute Resolution (IDR) Process."[54] The chart indicates for which states the federal IDR process does not apply to claims. Disputes that have the requisite nexus with the State of Florida, along with 20 other states, are listed as not being available for the federal IDR.[55]

III. Effect of Proposed Changes:

Section 1 amends s. 408.7057(2)(b), F.S., to add to the current list of claims which are not to be reviewed by the Florida dispute resolution program. Added claims to be excluded are:

- Service for emergency services provided under EMTALA, i.e. 42 U.S.C. s. 1395dd, or s. 395.1041, F.S., and have been submitted to the federal independent dispute resolution process, while also meeting the criteria for the federal process.
- Services rendered by out-of-network providers and have been submitted to the federal independent dispute resolution process, while also meeting the criteria for the federal process.

[49] *Id* at page 5.
[50] *Id* at page 5.
[51] *Id* at page 5.
[52] *Id* at page 5.
[53] *Id* at page 5.
[54] *See:* https://www.cms.gov/marketplace/about/oversight/other-insurance-protections/consolidated-appropriations-act-2021-caa (last visited Jan. 23, 2026)
[55] To change this designation, the State of Florida would have to apply to CMS and comply with the No Surprises Act regulations found at 45 C.F.R. Part 149. Under CS/SB 1082, Florida claims could be eligible to file in either the Federal or State IDR process.

By excluding these claims from the state's dispute resolution program, such claims would presumably no longer be excluded from the federal independent dispute program, which provides that the federal IDR process is not available to the disputing parties when there is a "specified state law" for resolving disputed claims.

Section 2 provides for an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 408.7057 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

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

CS by Health Policy on January 26, 2026:
The committee substitute alters the underlying bill's criteria for claims to be excluded from the state's claim dispute resolution program by providing that such claims are excluded from the state process if they have been submitted to the federal dispute resolution process and meet the criteria for the federal process. The underlying bill omits the latter condition.

B. Amendments:

None.

715760

LEGISLATIVE ACTION

Senate . House

. . . . .

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

Senate Amendment (with directory and title amendments)

Between lines 43 and 44
insert:

(d) Health plans subject to this section must include in their payment or remittance advice to a health care provider a statement that the health plan is a state-regulated plan under this section.

(g) ~~(f)~~ The resolution organization shall require the respondent in the claim dispute to submit all documentation in

715760

support of its position within 15 days after receiving a request from the resolution organization for supporting documentation. The resolution organization may extend the time if appropriate. Failure to submit the supporting documentation within such time period shall result in a default against the health plan or provider. Once a claim dispute has been submitted and determined to be eligible for review by the resolution organization, a respondent may not avoid a default by declining to participate in the process. In the event of such a default, the resolution organization shall issue its written recommendation to the agency that a default be entered against the defaulting entity. The written recommendation shall include a recommendation to the agency that the defaulting entity shall pay the entity submitting the claim dispute the full amount of the claim dispute, plus all accrued interest, and shall be considered a nonprevailing party for the purposes of this section.

====== D I R E C T O R Y C L A U S E A M E N D M E N T ======
And the directory clause is amended as follows:

Delete lines 12 - 13

and insert:

Section 1. Present paragraphs (d) through (h) of subsection (2) of section 408.7057, Florida Statutes, are redesignated as paragraphs (e) through (i), respectively, a new paragraph (d) is added to that subsection, and paragraph (b) and present paragraph (f) of that subsection are amended, to read:

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

715760

Delete line 7

and insert:

dispute resolution program; requiring that health plans subject to the program include a specified statement in payment and remittance advice to health care providers; providing that once a disputed claim has been submitted to the program and deemed eligible for review, a respondent may not avoid a default by declining to participate in the process; providing an effective

By the Committee on Health Policy; and Senators Grall and Gaetz

588-02227-26 20261082c1

A bill to be entitled

An act relating to the statewide provider and health plan claim dispute resolution program; amending s. 408.7057, F.S.; specifying additional circumstances under which a disputed claim is not subject to review under the statewide provider and health plan claim dispute resolution program; providing an effective date.

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

Section 1. Paragraph (b) of subsection (2) of section 408.7057, Florida Statutes, is amended to read:

408.7057 Statewide provider and health plan claim dispute resolution program.—

(2)

(b) The resolution organization shall review claim disputes filed by contracted and noncontracted providers and health plans unless the disputed claim:

1. Is related to interest payment;

2. Does not meet the jurisdictional amounts or the methods of aggregation established by agency rule, as provided in paragraph (a);

3. Is part of an internal grievance in a Medicare managed care organization or a reconsideration appeal through the Medicare appeals process;

4. Is related to a health plan that is not regulated by the state;

5. Is part of a Medicaid fair hearing pursued under 42

588-02227-26 20261082c1

C.F.R. ss. 431.220 et seq.;

6. Is the basis for an action pending in state or federal court; ~~or~~

7. Is subject to a binding claim-dispute-resolution process provided by contract entered into prior to October 1, 2000, between the provider and the managed care organization;

8. Is related to services initiated pursuant to s. 395.1041 or 42 U.S.C. s. 1395dd and has been submitted and meets the criteria for resolution through the federal independent dispute resolution process; or

9. Is related to services rendered by out-of-network providers and has been submitted and meets the criteria for resolution through the federal independent dispute resolution process.

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:	SB 1452
INTRODUCER:	Senator Truenow
SUBJECT:	Department of Financial Services
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			RC	

I. Summary:

SB 1452 revises statutory provisions relating to the Department of Financial Services (DFS). The Chief Financial Officer (CFO) serves as the agency head of DFS. The bill:

Division of Accounting and Auditing

- Provides rulemaking authority for the CFO to implement advance payments for multiyear software licenses and subscriptions.

Division of Funeral, Cemetery, and Consumer Services

- Clarifies licensure disqualification provisions for certain crimes. An applicant who has been found guilty of a felony of the first degree, felony involving prohibited conduct under ch. 497 (Funeral, Cemetery, and Consumer Services), ch. 787, F.S., (Kidnapping and Human Trafficking), ch. 794, F.S., (Sexual Battery), ch. 796, F.S., (Prostitution), ch. 800, F.S., (Lewdness and Indecent Exposure), ch. 825, F.S., (Abuse, Neglect, and Exploitation of an Elderly or Disabled Adult), ch. 827, F.S., (Abuse of Children), ch. 847, F.S., (Obscenity), or a felony involving moral turpitude is permanently barred from licensure.
- Provides that an applicant who is found guilty of a felony beyond the scope of the offenses listed above is barred from licensure for 10 years. An applicant who is guilty of a misdemeanor directly related to ch. 497, F.S., is barred for 5 years.
- Authorizes the Board of Funeral, Cemetery, and Consumer Services to adopt rules to implement these provisions.

The Division of Insurance Agent and Agency Services

- Streamlines the process for transferring an out-of-state license to Florida.

- Eliminates the license type, reinsurance intermediary, due to the license not being used.
- Authorizes DFS to make provisions for applicants to voluntarily submit their cellular telephone number as part of the application process solely for the purpose of two-factor authentication of secure login to their licensing portal.
- Expands the exemption for an insurance application filing fee to include any veteran honorably discharged from the United States Armed Forces or their spouse, by removing the limitation within 24 months of discharge of the veteran.
- Removes the requirement for applicants to provide verification of home state license cancellation prior to being approved as a Florida resident licensee. Instead, the prior home state license must be cancelled within 30 days.
- Changes the grounds for compulsory DFS action to include license reexamination under several circumstances in which DFS deems the applicant or licensee is unqualified or has acted in bad faith.
- Changes the grounds for discretionary DFS action to include requiring a license reexamination under circumstances for which disciplinary action is not compulsory.
- Requires a public adjuster to respond to a consumer's written or electronic request for information in 14 days, mirroring the existing timeline for a public adjuster to respond to the DFS.
- Eliminates the requirement of an applicant to submit a photo to DFS as part of the bail bond application license.
- Clarifies that the insurer must obtain the Bail Bond Appointment Form to and secure all necessary certifications of the agent, rather than submitting them directly to the department, in an effort to minimize duplicative process.

The Division of Risk Management

- Authorizes the division to determine what insurance coverage is necessary and procure insurance coverage directly rather than through the Department of Management Services. Further, the bill allows DFS to contract with a broker directly, rather than procuring those services through the Department of Management Services.

The Division of Unclaimed Property

- Revises the short title of the act to reflect the use of the term "abandoned property," aligning the title with the chapter's revised terminology and focus on property that has remained inactive for a defined period.
- Clarifies the meaning of the term, "abandoned property," distinguish custodial holding from reporting status, and modernize terminology to reflect current business practices, electronic records, and evolving property types.
- Clarifies what constitutes an owner's expression of continued interest in property. It provides a nonexclusive list of actions that rebut the presumption of abandonment, offering greater consistency in determining dormancy and reducing the likelihood that property will be reported despite meaningful owner engagement.
- Clarifies the conditions under which intangible property becomes subject to the custody of DFS. It expressly ties custody to the expiration of the applicable dormancy period and the

completion of required due diligence, reinforcing the distinction between property that is merely presumed abandoned and property that is reportable and transferable to state custody.

- Updates dormancy provisions for traveler's checks, money orders, and checks to align owner-interest standards with those in s. 717.102. These changes promote uniform treatment across property types and reflect modern communication and recordkeeping practices.
- Revises dormancy triggers for equity and debt interests of business associations by reinstating returned mail as a dormancy trigger and extending the dormancy period tied to owner-initiated activity from three to five years. These changes better reflect meaningful owner inactivity and provide additional time and opportunity for owners to maintain or reestablish contact before the property is presumed abandoned.
- Strengthens holder due-diligence requirements by enhancing notice obligations and requiring more detailed, consumer-focused disclosures. For higher-value property (more than $,1000), holders must send a second notice by certified mail. The bill also requires holders to certify that reports are complete and that all due diligence requirements have been satisfied, improving reporting accuracy and accountability. Additionally, the bill provides that securities identified as non-freely transferable or worthless are not reportable, reducing administrative burden and preventing delays in claims processing.
- Revises notice provisions of DFS to ensure owners receive clear, accessible, and cost-effective notice after property is reported. It updates requirements for the publicly searchable electronic database to include owners with property valued at $10 or more, improving transparency and owner access.
- Clarifies procedures for handling firearms discovered in abandoned safe-deposit boxes and requires a certified copy of a death certificate before DFS may release wills or trust instruments, thereby protecting sensitive documents.
- Revises the structure governing the Unclaimed Property Trust Fund by eliminating the current $15 million cap on the fund balance. The revised framework ensures sufficient funds are retained to pay claims and administer the program while continuing transfers to the State School Trust Fund in accordance with statutory forecasting.
- Strengthens claim verification requirements for certain claims, including those submitted on behalf of active corporations, by requiring additional identification.
- Strengthens claim verification requirements for certain claims, including those submitted on behalf of active corporations, by requiring additional identification. It clarifies the definition of "conflicting claim" and standardizes procedures for handling conflicting claims, promoting fairness and consistency in claims determinations.
- Clarifies which acts constitute violations of Chapter 717, F.S., and the procedures available to DFS for administrative and civil enforcement. These changes will improve consistency, transparency, and compliance without expanding enforcement authority.
- Reorganizes provisions governing the purchase of abandoned property by maintaining existing restrictions on claimant representatives while creating a new section governing purchases by persons or entities other than claimant representatives. The bill establishes detailed disclosure and documentation requirements, including minimum formatting standards, notarization, and consumer-protection safeguards to ensure owners receive a substantial portion of the property's value.
- Clarifies the public purpose underlying Chapter 717, F.S., reinforcing its role as a consumer protection program designed to safeguard abandoned property and facilitate its return to rightful owners through a custodial framework.

- Clarifies registration requirements and ongoing standards for claimant representatives, including disclosure obligations, minimum activity thresholds, and grounds for revocation. These changes strengthen oversight and promote accountability while maintaining access to representation for owners.

The Division of Workers' Compensation

- Changes the due date of the Three-Member Panel Report to the Legislative from every two years to every five years, which will provide DFS additional time for the panel to assess and provide recommendations to improve the workers' compensation health care delivery system.
- Expands the methods by which health care providers can use to submit utilization and reimbursement dispute petitions to DFS from United States Postal Service certified mail to also include common carrier with verifiable tracking methods. The bill also extends the amount of time a provider has to file a petition with DFS to resolve disputes from 45 days to 60 days after the receipt of notice of disallowance or adjustment of payment by the carrier.

My Safe Florida Home Program

- Revises eligibility on whether a residential property is attached or detached and its height, ensuring that applicants in attached residential properties of three stories or less may qualify for a full range of improvements, including roof replacements when recommended. These changes address inconsistencies in property appraiser classifications that can mislabel physically detached homes as condominiums, inadvertently disqualifying them from participation.
- Clarifies building-type definitions and how the age of a home is determined, relying on the construction date listed by property appraisers rather than the initial permit date, and codifies prior budget language eliminating an exemption that allowed certain higher-value homes to qualify based on income alone.
- Streamlines program administration and reduces disputes by reinforcing that only improvements recommended in the initial and final inspection reports are eligible for grant funding, including roof coverings when necessary to complete approved roof-related work.
- Establishes a 24-month deadline to submit a grant application after the initial inspection to eliminate a backlog of inactive applicants, extends the completion deadline for approved improvements to 18 months without requiring an extension request, and allows applicants to certify their age directly to support program prioritization.
- Replaces the term "withdrawn" with "abandoned" to close out unresponsive applications and prevent reapplication, preserving grant funds for homeowners who actively participate and meet program requirements.

Provides the bill takes effect upon becoming a law.

The fiscal impact of SB 1452 is indeterminate.

II. Present Situation:

Department of Financial Services

The head of the Department of Financial Services (DFS) is the Chief Financial Officer (CFO) who may also be known as the Treasurer.[1] 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.[2] Further, the CFO is designated as the State Fire Marshal.[3] 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.

Payments, Warrants, and Invoices

Section 215.422, F.S., governs payments by state agencies or the judicial branch to vendors. An invoice submitted to a state agency or the judicial branch must be:

- Recorded in the financial systems of the state;
- Approved for payment by the agency or the judicial branch; and,
- Filed with the CFO no later than 20 days after receipt of the invoice with exceptions.[4]

In most cases, DFS must approve payment of an invoice no later than 10 days after the agency the approved invoice.[5] If a warrant in payment of an invoice is not issued within 40 days after receipt of the invoice and receipt, inspection, and approval of the goods and services, the agency or judicial branch must pay to the vendor interest at the statutory interest rate.[6] Any interest that becomes due may only be paid from the appropriation charged for such goods or services.[7]

Payment for the use of perpetual software licenses is made within each appropriation year. However, software licenses and subscriptions are typically packaged in 3-year or 5-year increments, which allows for cost savings.

[1] Section 20.121, F.S.
[2] Section 17.001, F.S.
[3] Section 633.104, F.S.
[4] Section 215.422(1), F.S.
[5] Section 215.422(2), F.S.
[6] Section 215.422(3)(b), F.S.
[7] Section 215.422(16), F.S.

My Safe Florida Home Program

Background

Following the 2004 and 2005 hurricane seasons, where 2.8 million Florida homeowners suffered more than $33 billion in insured property damage, 86 percent of the 4.4 million homes in Florida were built prior to the adoption of stronger building codes in 2002, and the average age of a home was 26 years, Florida began to experience a decline in the availability of property insurance and an increase in its cost.[8] In 2006, the Legislature created the My Safe Florida Home Program (MSFH Program) within DFS.[9] The original appropriation for the MSFH Program was $250 million for a period not to exceed three years with any unused appropriated funds reverting to the General Revenue Fund on June 30, 2009.[10]

The MSFH Program was created with the intent to provide trained and certified inspectors to perform mitigation inspections for owners of site-built, single-family, residential properties, and mitigation grants to eligible applicants, subject to the availability of funds.[11] The Program was to "develop and implement a comprehensive and coordinated approach for hurricane damage mitigation…"[12] The Program allowed the DFS to undertake a public outreach and advertising campaign to inform consumers of the availability and benefits of the mitigation inspections and grants.[13] From its inception to January 30, 2009, the Program received approximately 425,193 applications, performed more than 391,000 inspections and awarded 39,000 grants. From July 2007 through January 2009, MSFH Program expenditures totaled approximately $151.9 million.[14] Funding for the program ceased on June 30, 2009.[15]

Renewal and Funding of the MSFH Program

In May 2022, during Special Session 2022-D, and under a property insurance bill (SB 2-D), the Legislature reestablished the MSFH Program and appropriated $150 million in nonrecurring funds from the General Revenue Fund designated for the following purposes:

- $25 million for hurricane mitigation inspections;
- $115 million for hurricane mitigation grants;
- Four million dollars for education and consumer awareness;
- One million dollars for public outreach to contractors, real estate brokers, and sales associates; and
- Five million dollars for administrative costs.[16]

[8] Department of Financial Services, *My Safe Florida Home, 2008 Annual Report* (Feb. 2009) (on file with Senate Committee on Banking and Insurance).
[9] The Legislature initially established the program as the Florida Comprehensive Hurricane Damage Mitigation Program (ch. 2006-12, L.O.F.) however, the name was subsequently changed in 2007 (ch. 2007-126, L.O.F.).
[10] Chapter 2006-12, L.O.F.
[11] Section 215.5586, F.S.
[12] *Id*.
[13] Section 215.5586(3), F.S.
[14] Florida Auditor General, *Department of Financial Services, My Safe Florida Home Program, Operational Audit Report No. 2010-074* (Jan. 2010), *available at* https://flauditor.gov (last visited January 30, 2026).
[15] Department of Financial Services, *My Safe Florida Home, 2008 Annual Report* (Feb. 2009) (on file with Senate Committee on Banking and Insurance).
[16] Section 4, ch. 2022-268, L.O.F.

During the 2023 Regular Legislative Session, the Legislature appropriated an additional $100 million in nonrecurring funds from the General Revenue Fund for mitigation grants and $2,065,000 for operations and administration costs.[17] During Special Session 2023-C, the Legislature appropriated $176,170,000 in nonrecurring funds from the General Revenue Fund for hurricane mitigation grants and $5,285,100 for administrative costs. During the 2024 Regular Legislative Session, the Legislature appropriated $200 million in nonrecurring funds from the General Revenue Fund for hurricane mitigation grants, inspections, and administrative costs.[18] During the 2025 Regular Legislative Session, the Legislature appropriated $280 million in nonrecurring funds from the General Revenue Fund for hurricane mitigation grants, inspections, and administrative costs.[19]

Division of Workers' Compensation

The Division of Workers' Compensation (DWC) provides regulatory oversight of Florida's workers' compensation system[20], which includes the enforcement of coverage requirements,[21] administration of the workers' compensation health care delivery system,[22] data collection,[23] and assisting injured workers, employers, insurers, and providers in fulfilling their responsibilities under ch. 440, F.S.[24] Whether an employer is required to have workers' compensation insurance depends upon the employer's industry and the number of its employees. Employers may secure coverage by purchasing a workers' compensation insurance policy or qualifying as a self-insurer. Florida's workers' compensation law provides for medically necessary treatment and care of injured employees, including medications.

Reimbursement for Health Care Providers

Health care providers must receive authorization from the insurer before providing treatment and must submit treatment reports to the insurer.[25] Insurers must reimburse an individual physician, hospital, ambulatory surgical center, pain program, or work-hardening program at either the agreed-upon contract price or the maximum reimbursement allowance (MRA) in the appropriate schedule.[26]

A three-member panel (panel) consisting of the CFO or his or her designee and two Governor's appointees sets the MRAs.[27] The DFS incorporates the statewide schedules of the MRAs by rule in reimbursement manuals. In establishing the MRA manuals, the panel considers the usual and customary levels of reimbursement for treatment, services, and care; the cost impact to employers for providing reimbursement that ensures that injured workers have access to

[17] SB 2500 (2023); Specific Appropriations 2368A & 2368B, ch. 2023-239, Laws of Fla.
[18] Section 2, ch. 2024-107, L.O.F.
[19] SB 2500 (2025); Specific Appropriations 2139, 2140, 2141, and section 176 (ch. 2025-198, Laws of Fla.).
[20] Section 440.191, F.S.
[21] Section 440.107(3), F.S.
[22] Section 440.13, F.S.
[23] Sections 440.185 and 440.593, F.S.
[24] Section 440.191, F.S.
[25] Section 440.13, F.S.
[26] Section 440.13(12)(a), F.S.
[27] *Id.*

necessary medical care; and the financial impact of the MRAs on healthcare providers and facilities.[28] Florida law requires the panel to develop MRA manuals that are reasonable, promote the workers' compensation system's health care cost containment and efficiency, and are sufficient to ensure that medically necessary treatment is available for injured workers.[29]

The panel develops four different reimbursement manuals to determine statewide schedules of maximum reimbursement allowances. The health care provider manual limits the maximum reimbursement for licensed physicians to 175 percent of Medicare reimbursement,[30] while reimbursement for surgical procedures is limited to 210 percent of Medicare.[31] The hospital manual sets maximum reimbursement for outpatient scheduled surgeries at 60 percent of charges,[32] while other outpatient services are limited to 75 percent of usual and customary charges.[33] Reimbursement of inpatient hospital care is limited based on a schedule of per diem rates approved by the panel.[34] Fees may not exceed the schedules adopted under Ch. 440, F.S., and the DFS rule.[35] The DFS incorporates the MRAs approved by the Three-Member Panel in reimbursement manuals[36] through the rulemaking process provided by the Administrative Procedures Act.[37]

The panel must:

- Take testimony, receive records, and collect data to evaluate the adequacy of the workers' compensation fee schedule, nationally recognized fee schedules and alternative methods of reimbursement to health care providers and health care facilities for inpatient and outpatient treatment and care.
- Survey health care providers and health care facilities to determine the availability and accessibility of workers' compensation health care delivery systems for injured workers.
- Survey carriers to determine the estimated impact on carrier costs and workers' compensation premium rates by implementing changes to the carrier reimbursement schedule or implementing alternative reimbursement methods.
- Submit recommendations on or before January 15, 2017, and biennially thereafter, to the President of the Senate and the Speaker of the House of Representatives on methods to improve the workers' compensation health care delivery system.[38]

Utilization and Reimbursement Disputes

A health care provider contesting the disallowance or adjustment of payment by a carrier must, within 45 days after receipt of notice of disallowance or adjustment of payment, petition the DFS to resolve the dispute.[39] Such petition must be served on the carrier and on all affected parties by

[28] Section 440.13(12)(i), F.S.
[29] *Id.*
[30] Section 440.13(12)(f), F.S.
[31] Section 440.13(12)(g), F.S.
[32] Section 440.13(12)(d), F.S.
[33] Section 440.13(12)(a), F.S.
[34] *Id.*
[35] Section 440.13(13)(b), F.S. The DFS also has rulemaking authority under s. 440.591, F.S.
[36] Sections 440.13(12) and 440.13(13), F.S., and Ch. 69L-7, F.A.C.
[37] Chapter 120, F.S.
[38] Section 440.13(12)(j), F.S.
[39] Section 440.13(7)(a), F.S.

certified mail.[40] The petition must be accompanied by all documents and records that support the allegations contained in the petition.[41]

Funeral, Cemetery, and Consumer Services

Chapter 497, F.S., known as the Florida Funeral, Cemetery, and Consumer Services Act (Act), provides for the regulation of funeral and cemetery services.[42] The Act authorizes the Board of Funeral, Cemetery, and Consumer Services (Board) within the DFS to regulate cemeteries, columbaria, cremation services and practices, cemetery companies, dealers and monument builders, funeral directors, and funeral establishments.[43]

Section 20.121(4), F.S., creates the Board within the Division of Funeral, Cemetery, and Consumer Services of the DFS. The Board acts as the licensing and rulemaking authority for certain matters related to examinations and other substantive requirements for licensure within the death care industry under ch. 497, F.S., including facility requirements;[44]

Funeral Director and Embalmer Licensure

The practice of funeral services is divided into three relevant licenses. Persons may be licensed as a funeral director,[45] an embalmer,[46] or with a combination license for the practice of funeral directing and embalming.[47]

Applicants for an embalmer license must take courses in mortuary science, complete a one-year internship, pass state and federal law examinations, and pass the Funeral Services Science section of the national board examination prepared by the Conference of Funeral Service Examining Boards.[48] These applicants do not have to take courses in funeral service arts.

Applicants for a combination funeral directing and embalmer license must meet the requirements for an embalmer's license, as well as take approved courses in funeral service arts, and pass the funeral services arts section of the national board examination.[49]
Similarly, applicants for a funeral director-only license are required to take classes in both mortuary science and funeral service arts whether or not the student wishes to apply for an embalming license or practice embalming. They must also complete a one-year internship, pass

[40] *Id.*
[41] *Id.*
[42] *See* Section 497.001, F.S.
[43] Sections 497.101 and 497.103, F.S.
[44] *See* s. 497.103(1)(a)-(cc), F.S. Licenses available to natural persons include: embalmer apprentice and intern; funeral directors and intern; funeral director and embalmer, direct disposer, monument establishment sales agent, and preneed sales agent. Section 497.141(12)(a), F.S. Licenses available to natural persons, corporations, limited liability companies, and partnerships include: funeral establishment, centralized embalming facility, refrigeration facility, direct disposal establishment, monument establishment, cinerator facility, removal service, preneed sales business under s. 497.453, F.S., and cemetery. Section 497.141(12)(b)-(c), F.S.
[45] Section 497.372, F.S.
[46] Section 497.368, F.S.
[47] Section 497.376, F.S.
[48] Section 497.368, F.S.
[49] *See* s. 497.376(1), F.S

the state and federal laws and rules examination relating to the disposition of human remains, and pass the funeral services arts section of the national board examination.[50]

Division of Insurance Agent and Agency Services

Chapter 626, F.S., governs the regulation and licensure of insurance field representatives, navigators, insurance administrators, unauthorized insurers and surplus lines, viatical settlements, structured settlements, and operations.[51] The powers and duties of the CFO and DFS in part I of ch. 626, F.S., apply to insurance agents, insurance agencies, managing general agents, insurance adjusters, reinsurance intermediaries, viatical settlement brokers, customer representatives, service representatives, and agencies.[52]

The Division of Insurance Agent and Agency Services (division) licenses and appoints individuals and entities authorized to transact insurance in Florida as provided in s. 626.016, F.S. Further, the division receives and reviews applications for insurance licenses and oversees the examination, licensing, and continuing education of licensees. The division conducts investigations of alleged violations of the Florida Insurance Code and refers suspected criminal violations to the Division of Criminal Investigations' Bureau of Insurance Fraud within the DFS or other law enforcement agencies as appropriate.[53] Further, DFS has jurisdiction to enforce provisions of parts VIII and IX of ch. 626, F.S., with respect to persons engaged in actions for which a license issued by DFS is required.[54]

The DFS may not issue a license an agent, customer representative, adjuster, service representative, or reinsurance intermediary until the person has submits a written application, meets the necessary qualifications, and pays in advance all applicable fees.[55] Members of the United States Armed Forces and their spouses, and veterans of the United States Armed Forces who have separated from service within 24 months before application, are exempt from the application fee.[56]

Section 626.292, F.S., provides that an individual licensed in good standing in another state may apply to have that license transferred to Florida for the same lines of authority covered by the license in the other state. To qualify for the transfer, the applicant must:

- Become a Florida resident.
- Have been licensed in the other state at least one year immediately preceding the date the individual became a Florida resident.
- Submit a completed application, along with payment of the applicable fees.
- Submit:

[50] Section 497.373, F.S.
[51] This includes licensing and other requirements (part I), general lines agents (part II), life insurance agents (part III), health insurance agents (part IV), title insurance agents (part V), insurance adjusters (part VI), insurance administrators (part VII), and viatical settlements (part X).
[52] Section 626.016(1), F.S.
[53] Sections 624.307, 624.317, and 624.321, F.S.
[54] Section 626.016(3), F.S.
[55] Section 626.171(1), F.S.
[56] Section 626.171(6), F.S.

  - A certification from the other state identifying the type of license and lines of authority under the license and the applicant was in good standing at the time the license from that state was canceled.
  - A set of the applicant's fingerprints.
- Satisfy any prelicensing education requirements.
- Satisfy the examination requirement.[57]

Grounds for Refusal, Suspension, or Revocation

Section 626.611, F.S., provides grounds for the mandatory denial of an application, suspension, revocation, or refusal to renew or continue the license or appointment of any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent. One of these grounds is for "lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment."[58]

Section 626.621, F.S., provides grounds for the discretionary denial of an application, suspension, revocation, or refusal to renew or continue the license or appointment of any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent. One of these grounds is for the "[f]ailure to inform the department within 30 days after pleading guilty or nolo contendere to, or being convicted or found guilty of, any felony or a crime punishable by imprisonment of 1 year or more under the law of the United States or of any state thereof, or under the law of any other country without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the case.[59] These grounds do not include a finding that the applicant, licensee, or appointee had a resident license cancelled in another state.

Insurance Agents

In general, insurance agents transact insurance on behalf of an insurer or insurers. Insurance agents must be licensed by the DFS to act as an agent for an insurer, and be appointed (i.e., given the authority by an insurance company to transact business on its behalf) by at least one insurer to act as the agent for that particular appointing insurer or insurers.[60]

A "general lines agent" is an individual representing one or more of the following kinds of insurance: property insurance, casualty insurance, surety insurance, health insurance, or marine insurance.[61] A "life agent" is an individual representing an insurer as to life insurance and annuity contracts, or acting as a viatical settlement broker.[62] A "health agent" is an individual representing a health maintenance organization or, as to health insurance only, an insurer transacting health insurance.[63] Any person applying to be a general lines agent, a health agent, or

[57] Section 626.292(2), F.S.
[58] Section 626.611(1)(h), F.S.
[59] Section 626.621(10), F.S.
[60] Section 624.112, (1), F.S.
[61] *See* s. 626.015(7), F.S.
[62] Section 626.015(12), F.S.
[63] Section 626.015(8), F.S.

life agent, must be a "bona fide resident" of Florida.[64] An applicant that is a resident of another state at the time of application may be deemed a "bona fide resident" of Florida if the applicant furnishes a letter of clearance satisfactory to the DFS that the resident licenses from the other state have been canceled or changed to a nonresident basis and that such license is in good standing.[65]

Public Adjuster

The DFS licenses public adjusters who meet pre-licensing requirements, which include submitting an application, paying required fees, complying with requirements as to knowledge, experience, or instruction, and submitting fingerprints. A policyholder who has sustained an insured loss may hire a public adjuster. The public adjuster will inspect the loss site, analyze the damages, assemble claim support data, review the insured's coverage, determine current replacement costs, and confer with the insurer's representatives to adjust the claim.[66] The definition of "public adjuster" excludes:

- A licensed health care provider or employee thereof who prepares or files a health insurance claim form on behalf of a patient.
- A licensed health insurance agent who assists an insured with coverage questions, medical procedure coding issues, balance billing issues, understanding the claims filing process, or filing a claim, as such assistance relates to coverage under a health insurance policy.
- A person who files a health claim on behalf of another and does so without compensation.[67]

Florida law prohibits a public adjuster from charging a fee unless a written contract is entered into prior to the payment of the claim.[68] All contracts for public adjuster services must be in writing in writing in at least 12-point type and be titled "Public Adjuster Contract." All such contracts and all proof of loss statements must prominently display the following statement in minimum 18-point bold type before the space reserved in the contract for the signature of the insured:

> *"Pursuant to s. 817.234, Florida Statutes, any person who, with the intent to injure, defraud, or deceive an insurer or insured, prepares, presents, or causes to be presented a proof of loss or estimate of cost or repair of damaged property in support of a claim under an insurance policy knowing that the proof of loss or estimate of claim or repairs contains false, incomplete, or misleading information concerning any fact or thing material to the claim commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, Florida Statutes."*[69]

A public adjuster may not receive compensation for services provided before the date the insured receives an unaltered copy of the executed contract, or the date executed contract is submitted to the insurer.[70] A public adjuster contract for a property and casualty claim must include:

---

[64] Sections 626.731(1)(b), 626.785(1)(b), 626.831(1)(b), F.S.
[65] Sections 626.731(1)(b), 626.785(2), 626.831(2), F.S.
[66] https://www.bankrate.com/insurance/homeowners-insurance/hiring-a-public-adjuster/#when-should-you-hire-a-public-adjuster (last visited January 30, 2026).
[67] Section 626.854(2), F.S.
[68] Section 626.854(6)(a), F.S.
[69] Section 626.8796(1), F.S., and s. 626.8797, F.S.
[70] Section 626.8796(3), F.S.

- The full name, permanent business address, phone number, e-mail address, and license number of the public adjuster;
- The full name and license number of the public adjusting firm;
- The insured's full name, street address, phone number, and e-mail address;
- A brief description of the loss;
- The percentage of compensation for the public adjuster's services in minimum 18-point bold type before the space reserved in the contract for the signature of the insured;
- The type of claim, including an emergency claim, nonemergency claim, or supplemental claim;
- The initials of the named insured on every page that does not contain the insured's signature;
- The signatures of the public adjuster and all named insureds; and
- the signature date.[71]

An unaltered copy of the executed contract must be provided to the insured at the time of execution and to the insurer, or the insurer's representative, within 7 days after execution.[72] A public adjusting firm that adjusts claims primarily for commercial entities with operations in more than one state and that does not directly or indirectly perform adjusting services for insurers or individual homeowners is deemed to comply with the contract requirements if, at the time a proof of loss is submitted, the public adjusting firm remits to the insurer an affidavit signed by the public adjuster or public adjuster apprentice that identifies:

- The full name, permanent business address, phone number, e-mail address, and license number of the public adjuster or public adjuster apprentice.
- The full name of the public adjusting firm.
- The insured's full name, street address, phone number, and e-mail address, together with a brief description of the loss.
- An attestation that the compensation for public adjusting services will not exceed the limitations provided by law.
- The type of claim, including an emergency claim, nonemergency claim, or supplemental claim.[73]

An insured or claimant may cancel a contract with a public adjuster without penalty within 10 days after the date on which the contract is executed.[74] A public adjuster's contract must contain the following statement in minimum 18-point bold type which states:

> *You, the insured, may cancel this contract for any reason without penalty or obligation to you within 10 days after the date of this contract. If this contract was entered into based on events that are the subject of a declaration of a state of emergency by the Governor, you may cancel this contract for any reason without penalty or obligation to you within 30 days after the date of loss or 10 days after the date on which the contract is executed, whichever is longer. You may also cancel the contract without penalty or obligation to you if I, as your public adjuster, fail to provide you and your insurer a copy of a written estimate within 60 days of the execution of the contract, unless the failure to provide the*

[71] Section 626.8796(2), F.S.
[72] *Id.*
[73] *Id.*
[74] Section 626.854(7), F.S.

estimate within 60 days is caused by factors beyond my control, in accordance with s. 627.70131(5)(a)2., Florida Statutes. The 60-day cancellation period for failure to provide a written estimate shall cease on the date I have provided you with the written estimate.[75]

A public adjuster is required to provide to the insured or claimant a written estimate of the loss to assist in any claim for insurance proceeds within 60 days after the date of the contract.[76]

Bail Bond Agents and Agencies

A bail bond is a guarantee by a third-party that a defendant in a criminal case will appear in court at all scheduled proceedings. A bail bond agent posts a surety bond to secure the defendant's release from custody; the defendant provides money or other collateral to secure the bail bond and forfeits the premium (10 percent of the amount of bail set by the court) if he or she fails to appear in court or comply with other conditions of the bond. Bail bond agents must be licensed by DFS and appointed by insurance carriers to execute bail bonds. If a defendant fails to appear in court, the bail bond agent may apprehend and detain the defendant until the defendant is surrendered to the authorities.[77]

Bail bond agents may execute or sign bonds, handle collateral receipts, deliver bonds to appropriate authorities, or operate an agency or branch agency at a separate location from the supervising bail bond agent, managing general agent, or insurer that employs the bail bond agent.[78]

Licensure as a Bail Bond Agent

All applicants for bail bond licenses must submit fingerprints for a national criminal background check and pay an application fee. Bail bond agents may not have been convicted of a felony, must be age 18 or older, and must be eligible to work in the United States. A bail bond agent must be appointed by a licensed insurer, and the insurer must report the appointment to the DFS. A bail bond agent may not charge a premium other than the rate that has been approved by the OIR, and must retain records related to any bail bonds the agent has executed or countersigned for at least three years after the liability of the surety has been terminated. Additionally, bail bond agents must register with the sheriff and the clerk of the circuit court in the county where the bail bond agent resides. Bail bond agents may not solicit clients at a jail, prison, or courthouse, and may not pay fees for referrals from any person working in the law enforcement community.[79]

Ownership of a Bail Bond Agency

---

[75] *Id.*
[76] Section 626.854(12)(a), F.S.
[77] Sections 648.24 and 624.26, F.S. *See also* Department of Financial Services, Division of Consumer Services, *Bail Bonds Overview*, https://www.myfloridacfo.com/division/consumers/understanding-insurance/bail-bonds-overview (last visited January 30, 2026).
[78] Section 648.355, F.S.
[79] Sections 648.355, 648.33, 648.34, 648.35, 648.36, 648.382, 648.42, and 648.44, F.S.

The owner of a bail bond agency must be a licensed and appointed bail bond agent.[80] The owner or operator of a bail bond agency must designate a primary bail bond agent who is responsible for the overall operation and management of a bail bond agency location and file the name and license number of the primary bail bond agent and the address of the bail bond agency with DFS. A primary bail bond agent may supervise only one location, is responsible for hiring employees and may not employ or contract with any person who has been found guilty of a felony.[81]

Florida Disposition of Unclaimed Property Act

Chapter 717, F.S., is entitled the Florida Disposition of Unclaimed Property Act, which DFS administers. The DFS collect and returns unclaimed property belonging to Florida residents. Unclaimed property is any funds or other property, tangible or intangible, that has remained unclaimed by the owner for a certain number of years. Unclaimed property may include savings and checking accounts, money orders, travelers' checks, uncashed payroll or cashiers' checks, stocks, bonds, other securities, insurance policy payments, refunds, security and utility deposits, and contents of safe deposit boxes.[82] Until claimed, unclaimed money is deposited into the state school fund to be used for public education.

A claimant representative, who must be a Florida-licensed attorney, a licensed Florida-certified public accountant (CPA), or a private investigator licensed under Chapter 493, F.S., is required to register with DFS.[83] A claimant representative must register with DFS on a form designated by DFS and provide certain documentation (including tax identification number, identification, electronic funds transfer information, business address, and employees and agents) and credentials as to their status as an attorney, CPA, or private investigator.[84] In order to move forward in obtaining unclaimed property on a potential client's behalf, the representative must first obtain the client's authorization.

Chapter 717, F.S., details how to determine whether property held by a person belonging to another is unclaimed and how to dispose of it. Any intangible property or income held in the possession of a "holder"[85] for the benefit of another is presumed unclaimed if the owner fails to claim such property for more than five years after the property becomes payable or distributable.[86]

Once the five year period elapses, the holder may file a petition with the DFS and request that DFS accept custody of the property.[87] Upon delivery of property to DFS, the state assumes custody and responsibility for the safekeeping of the property. So long as the person who delivers the property to DFS has done so in good faith, he or she is relieved of any liability to

[80] Section 648.285, F.S.
[81] Sections 648.25(6) and 648.387, F.S.
[82] Sections 717.104-717.116, F.S.
[83] Section 717.124, F.S.
[84] Section 717.1400, F.S.
[85] Section 717.101(12), F.S., defines "holder" as a person, wherever organized or domiciled, who is in possession of property belonging to another; a trustee in case of a trust; or indebted to another on an obligation.
[86] Section 717.102(1), F.S.
[87] Section 717.117(5), F.S.

manage the property.[88] While DFS serves as the custodian for the State of Florida, it does not assume legal ownership of the property.[89]

To notify owners of their unclaimed property, DFS employs various methods, including database searches.[90] Residents have the right to claim their property at any time, irrespective of the amount, without incurring any costs.[91] Unclaimed funds are deposited into the State School Fund to support public schools.[92] Importantly, the original amount reported as unclaimed can always be claimed by the owner or their heirs at no cost.[93]

Recent Federal Litigation Relating to Florida's Disposition of Unclaimed Property Act[94]

On May 16, 2025, the U.S. Appeals Court for the 11th Circuit vacated a 2023 district court ruling in *Aleida Maron et al v. Chief Financial Officer of Florida*. Plaintiffs in the case alleged that the state's Unclaimed Property Act violates the Takings Clause of the Fifth Amendment[95] by authorizing Florida to take their property without compensating them for their earnings.

Alieda Maron learned that she was entitled to unclaimed property that had been delivered to the DFS, premium refunds in the amount of $26.24, based on Florida's online records. Because the Act, as Maron alleged, precludes her from obtaining earnings that accrued on her refund after it entered Florida's custody, she filed a class action complaint against Jimmy Patronis, the former Chief Financial Officer of the State of Florida, in his official capacity.

The district court dismissed the suit for failure to state a claim reasoning that, because the Act could have constitutionally escheated their property altogether, the state could keep custody of the property or return it without any compensation, let alone compensation for the property and earnings.

In its 2023 ruling, the district court wrote, "The Florida Disposition of Unclaimed Property Act requires the holder of property that is unclaimed for a specified period – property that appears to be abandoned – to turn the property over to the state… The Act gives the owner unlimited time to recover the property or the proceeds of the property's sale or other conversion to money. But the Act does not require the state to pay interest or other compensation for the period when the property was abandoned. This does not violate the United States Constitution Fifth Amendment Taking Clause."

The appeals court disagreed, writing, "The Act provides that after an owner fails to claim property for a set number of years, the property is 'presumed unclaimed.' It does not say that property unclaimed for several years becomes abandoned or 'presumed abandoned.' And, after

[88] Section 717.1201(5), F.S.
[89] Sections 717.104-717.116, F.S.
[90] Florida Department of Financial Services, *Agency Analysis of Senate Bill 1434*, p. 1 (Feb. 9, 2021) (on file with the Senate Committee on Agriculture, Environment, and General Government).
[91] *Id.*
[92] *Id.*
[93] *Id.*
[94] *Aleida Maron et al v. Chief Financial Officer of Florida,* 136 F.4th 1322 (N.D. Fla. 2025) U.S. Court of Appeals for the Eleventh Circuit.
[95]

the unclaimed property is placed in the state's custody, the act does not provide for a transfer of title, but merely gives the state 'custody and responsibility for the safekeeping of the property."

In vacating the dismissal and returning the case to the district court, the appeals court panel recommended that the parties focus on three issues:

- Whether the refund was the plaintiffs' property, that is, whether they in fact abandoned their property before or when it entered the state's custody and, if the Act itself effectuated an abandonment of property, whether the Act did so constitutionally.
- Whether the State "directly appropriated" the property "for its own use."
- If the state appropriated the plaintiffs' private property for the state's own use, whether the Act fails to provide just compensation.

III. Effect of Proposed Changes:

Payments, Warrants, and Invoices

Section 1 amends s. 215.422, F.S., to authorize the advanced payment of multi-year software licenses. Currently, the state is allowed to purchase subscriptions, and perpetual software licenses each fiscal year. This practice does not consider that prepayments of software subscriptions for multiple years may provide cost savings for the state. In recent years, the practices of the technology industry have significantly changed, including how software licenses are packaged, often being packaged in three- or five-year increments at a reduced cost-per-year.

My Safe Florida Home Program (Program)

Section 2 amends s. 215.5586, F.S. to:

- Define the terms "attached", "detached", and "single-family".
- Provide that a home for which the inspection is sought must be a single-family unit on an individual parcel of land that is:
    - A detached residential property; or
    - An attached residential property not exceeding three stories.
- Provide that an applicant may submit a subsequent hurricane mitigation inspection application for the same home if more than 24 months have passed since the applicant received a hurricane mitigation inspection under this section, and the applicant has not received a grant payment through the program for that inspection.
- Provide that a grant may be spent on replacing a roof covering.
- Provide that improvements must be identified by the final hurricane mitigation inspection to receive grant funds.
- Provide that the Program may accept a certification directly from an applicant attesting to his or her age if the applicant provides such certification in a signed or electronically verified statement made under penalty of perjury.

Section 3 amends s. 215.96, F.S., relating to the Coordinating Council, to add the executive director of the Department of Revenue and to eliminate members of obsolete organizations. The Coordinating Council must review and recommend to the Financial Management Information Board solutions and policy alternatives to ensure coordination between functional owners of the various information subsystems described in ss. 215.90-215.96, F.S. The section also revises and

reorganizes the duties and powers of the council as it relates to the Florida Financial Management Information System to include:

- Review and coordinate annual workplans to ensure that the Florida Financial Management Information System remains aligned across participating entities.
- Must ensure that each participating entity submits an annual work plan by October 1 of each year.
- Review and discuss the workplans, identify potential impacts or conflicts, facilitate resolutions when practicable, and expedite unresolved issues as appropriate.

DFS Procurement of Insurance, Excess Insurance, Reinsurance, and Services

Section 4 amends s. 284.08, F.S., relating to insurance coverage of state buildings, to authorize DFS to determine necessary property insurance coverage and to directly purchase insurance, excess insurance, and reinsurance rather than through the Department of Management Services (DMS), notwithstanding the requirements of s. 287.022(1), F.S. This provision provides that the procedures for purchasing insurance, whether the purchase is made by the Department of Management Services or by the agencies, must be the same as those established for the purchase of commodities. The DFS is also authorized to contract with an insurance broker or reinsurance broker to market the insurance program, and to facilitate the purchase of insurance, reinsurance, and excess insurance on behalf of DFS. Currently, such coverage must be procured through the Department of Management Services, pursuant to part I of ch. 287, F.S.

Section 5 amends s. 284.33, F.S., relating to the procurement of insurance, reinsurance, and services, to authorize DFS to directly purchase insurance, reinsurance, and excess insurance as necessary, rather than through the Department of Management Services, notwithstanding the provisions of s. 287.022(1), F.S. This provision provides that the procedures for purchasing insurance, whether the purchase is made by the Department of Management Services or by the agencies, must be the same as those established for the purchase of commodities. Further, DFS may contract with an insurance or reinsurance broker to market the insurance program and facilitate the purchase of insurance, excess insurance, and reinsurance on behalf of DFS. Currently, such coverage must be procured through the Department of Management Services, pursuant to part I of ch. 287, F.S.

Workers' Compensation Utilization and Reimbursement Disputes and the Three-Member Panel

Section 6 amends s. 440.13, F.S., to allow for reimbursement dispute petitions to be served via common carrier with verifiable tracking methods, in addition to being served via certified mail. The section lengthens the response time a provider has to petition the Division of Workers' Compensation to resolve a dispute from 45 days to 60 days after receipt of notice of disallowance or adjustment of a payment by a carrier. This section is further amended to require DFS to submit a three-member panel biennial report every five years, rather than every two years.

Funeral, Cemetery, and Consumer Services Licensure

Section 7 creates s. 497.1411, F.S., to provide DFS the authority to permanently disqualify a licensure applicant who has been found guilty of or has pleaded guilty or nolo contendere to, regardless of adjudication, a felony of the first degree, any felony directly or indirectly involving conduct regulated under ch. 497, F.S., or a felony involving moral turpitude. An applicant who has been found guilty of or has pleaded guilty or nolo contendere to some other crime, regardless of adjudication, is subject to:

- A 10-year disqualifying period for all felonies not requiring permanent disqualification; however, an applicant who has completed at least one-half of the disqualifying period may apply for a probationary license for the remainder of the disqualifying period if, during that time, the applicant has not been found guilty of, or has not entered a plea of guilty or nolo contendere to, any offense.
- A 5-year disqualifying period for all misdemeanors directly related to ch. 497, F.S.

The Board of Funeral, Cemetery, and Consumer Services (Board) is required to adopt rules to administer these provisions. Such rules must provide for additional disqualifying periods due to the commitment of multiple crimes and may include other factors reasonably related to the applicant's criminal history and must provide for mitigating and aggravating factors. However, mitigation may not reduce any disqualifying period to less than 5 years and may not be applied to reduce the 5-year disqualifying period for all misdemeanors directly related to ch. 497, F.S.

The disqualifying period begins upon the applicant's final release from supervision or upon completion of the applicant's criminal sentence. The Board may not approve issuance of a license to an applicant until the applicant provides proof that all related fines, court costs, fees, and court-ordered restitution have been paid.

After the disqualifying period has expired, the applicant has the burden to demonstrate that he or she has been rehabilitated, does not pose a risk to the public, is fit and trustworthy to engage in business regulated by ch. 497, F.S., and is otherwise qualified for licensure. An applicant who has been found guilty of, or has pleaded guilty or nolo contendere to, a crime in subsection (2) or subsection (3), and who has subsequently been granted a pardon or the restoration of civil rights is not barred or disqualified from licensure; however, such a pardon or restoration of civil rights does not require the Board to award such license.

If an applicant clearly and convincingly demonstrates that he or she would not pose a risk to persons or property if licensed, the Board may grant an exemption from such disqualification to any person disqualified under subsection (3) if:

- The applicant has paid in full any fee, fine, fund, lien, civil judgment, restitution, or cost of prosecution imposed by the court as part of the judgment and sentence for any disqualifying offense; and
- At least 2 years have elapsed since the applicant completed or has been lawfully released from confinement, supervision, or nonmonetary condition imposed by the court for a disqualifying offense.

The disqualification periods do not apply to the renewal of a license or to a new application for licensure if the applicant has an active license as of July 1, 2026, and the applicable criminal

history was considered by the board on the prior approval of any active license or licenses held by the applicant.

Section 8 amends s. 497.142, F.S., to remove the 10-year limitation on the disclosure of an applicant's criminal history and to require the disclosure of any felony, not just those felonies directly or indirectly related to or involving any aspect of the practice or business of funeral directing, embalming, direct disposition, cremation, funeral or cemetery preneed sales, funeral establishment operations, cemetery operations, or cemetery monument or marker sales or installation.

Division of Insurance Agent and Agency Services

Section 9 amends s. 626.171, F.S., to remove reference to the unused licensure category of "reinsurance intermediary" and to authorize the DFS to accept the uniform application for resident agents and adjusters. The bill further provides that the submission by applicants of cellular telephone numbers to the DFS for the purpose of two-factor authentication of secure login credentials is voluntary. The bill also expands the current exemption for an insurance agent application filing fee to include any veteran honorably discharged from the United States Armed Forces or their spouses by removing the limitation of the exemption from the fee if the application is submitted within 24 months of their separation of service.

Section 10 amends s. 626.292, F.S., to remove the requirement for persons transferring a license from another state to cancel the license in another state before the DFS issues the license in Florida for resident agent or all-lines adjuster. The bill provides that an applicant may hold a resident license in another state for 30 days after the Florida resident license has been issued to facilitate the transfer of licensure between states.

Grounds for Refusal, Suspension, or Revocation

Section 11 amends s. 626.611, F.S., relating to the penalties DFS may impose for actions that constitute grounds for mandatory refusal, suspension, or revocation of licensure to include requiring license reexamination. The bill also specifies that the ground for discipline for failure to pass to the satisfaction of DFS any examination required under the Florida Insurance Code, includes cheating on an examination required for licensure or violating test center or examination procedures.

Section 12 amends s. 626.621, F.S., regarding the penalties DFS may impose for actions that constitute grounds for a discretionary action against a licensee or applicant for licensure, to provide that in addition to application denial, renewal denial, suspension, or revocation of a license or an appointment of an agent, adjuster, customer representative, service representative, or managing general agent, for a violation of this section, the DFS may require license reexamination. This section provides that cheating on an examination required for licensure or violating test center or examination procedures published orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator is a violation of the section.

Insurance Agents

Section 13 amends s. 626.731, F.S., to remove the provision that an applicant from another state for a general lines agent's license may be deemed a "bona fide resident" of Florida if the applicant furnishes a letter of clearance satisfactory to the DFS that the resident licenses from the other state have been canceled or changed to a nonresident basis and that such license is in good standing.

Section 14 amends s. 626.785, F.S., to remove the provision that an applicant from another state for a life insurance agent's license may be deemed a "bona fide resident" of Florida if the applicant furnishes a letter of clearance satisfactory to the DFS that the resident licenses from the other state have been canceled or changed to a nonresident basis and that such license is in good standing.

Section 15 amends s. 626.831, F.S., to remove the provision that an applicant from another state for a health insurance agent's license may be deemed a "bona fide resident" of Florida if the applicant furnishes a letter of clearance satisfactory to the DFS that the resident licenses from the other state have been canceled or changed to a nonresident basis and that such license is in good standing.

Public Adjuster

Section 16 amends s. 626.854, F.S., to provide that a public adjuster, public adjuster apprentice, or public adjusting firm must respond with specific information to a written or electronic request for claims status from a claimant or insured or their designated representative within 14 days after the date of the request and shall document in the file the response or information provided.

Bail Bond Agents and Agencies

Section 17 amends s. 648.34, F.S., to remove the requirement that a bail bond applicant must provide a recent photograph as part of the application process since their photo is already taken by the examination vendor who issues the license badge.

Section 18 amends s. 648.382, F.S., to require that prior to any insurer or managing general agent appointing a bail bond agent or bail bond agency, the insurer or agent must obtain, rather than submit, all of the required information.

Florida Disposition of Unclaimed Property Act (Act)
(Sections 19-73)

The Act, which is codified in ch. 717, F.S., is substantially revised by replacing the term, "unclaimed property," with the term, "abandoned property." Section 19 renames The Act the "Florida Disposition of Abandoned Personal Property Act." Technical, conforming changes are made in the Act to use the term, "apparent owner," instead of "owner."

Section 20 amends s. 717.101, F.S., to revise and create definitions. The bill creates a definition of the term, "abandoned property," which means property held by a holder for which all the following are true:

- The apparent owner has shown no activity or indication of interest for the duration of the applicable dormancy period established under this chapter.
- The holder has complied with the due diligence requirements set forth in this chapter, including the issuance of notice to the apparent owner, and has received no response or contact sufficient to demonstrate continued interest in the property.

The bill revises the definition of the term, "apparent owner," to mean the person whose name appears on the record of the holder as the owner of the abandoned property, but whose status as the true owner entitled to receive the property may be subject to change due to the passage of time or changes in circumstances.

The definition of the term, "claimant," is revised to expressly exclude locators, who engage in locating owners of abandoned property for a fee but are not registered with DFS. A locator is defined to mean a private individual or business that locates owners of abandoned property in exchange for a fee, typically a percentage of the recovered property. A locator is not an employee or agent of the state and is not registered with DFS.

The definition of the term, "holder," is revised to mean a person who is in possession of property belonging to another or whop owes a debt or an obligation to another person, including but not limited to, financial institutions, insurance companies, corporations, partnerships, fiduciaries, and government agencies.

The definition of the term, "intangible property," is amended to specify the term does not include a non-freely transferable security; or a security that is subject to a lien, legal hold, or restriction evidenced on the records of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts the holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security. The bill creates a definition of the term, "non-freely transferable security."

The bill revises the definitions of the terms, "owner" and "record." The bill repeals obsolete terms.

Section 21 amends s. 717.102, F.S., to provide that, unless otherwise specified, the dormancy period is five years from the date the property becomes payable or distributable. Property must be considered payable or distributable property once the holder's obligation to pay or deliver the property arises, regardless of whether the apparent owner or authorized representative has failed to demand or to present documents required to receive payment.

Further, the section provides that a presumption that property is abandoned may be rebutted by the affirmative demonstration of continued interest by the apparent owner or authorized representative. The section clarifies how an apparent owner may demonstrate continued interest in the property. Routine automatic transactions previously excluded are not considered an indication of continued interest.

Section 22 amends s. 717.103, F.S., to clarify the conditions under which intangible property becomes subject to the custody of DFS. It expressly ties custody to the expiration of the applicable dormancy period and the completion of required due diligence by the holder, reinforcing the distinction between property that is merely presumed abandoned and property that is reportable and transferable to state custody.

Sections 23 repeals s. 717.1035, F.S., an obsolete provision.

Section 24 amends s. 717.104, F.S., to update dormancy provisions for traveler's checks and money orders to align owner-interest standards with s. 717.102, F.S. These changes promote uniform treatment across property types and reflect modern communication and recordkeeping practices

Sections 25, 26, 28, 29, 30, 31, 33-38,42, 43, 45-47, 49-50, 52-63, 65-66, 68, and 70-71. These sections make technical updates to reflect the change from "unclaimed property" to "abandoned property," as well as updating the term, "owner" with the term, "apparent owner," and use of the term, "authorized representative."

Section 27 amends s. 717.106, F.S., to update dormancy provisions for bank deposits to align owner-interest standards with those in s. 717.102, F.S. These changes promote uniform treatment across property types and reflect modern communication and recordkeeping practices.

Section 32 amends s. 717.1101, F.S., to revise dormancy triggers for equity and debt interests of business associations by reinstating returned mail as a dormancy trigger and extending the dormancy period tied to owner-initiated activity from three to five years. The bill provides that stock, other equity interests, or debt of a business association is presumed abandoned if on the date of the earliest of any of the following:

- Three years after the communication sent by the holder by first class mail is returned to holder undelivered by the United States Postal Service. If such returned communication is resent within one month to the apparent owner, the three-year dormancy period does not begin until the day the resent item is returned undeliverable.
- Five years after the most recent communication of any account was initiated by the apparent owner or their authorized representative which demonstrates continued interest in the account.

The bill provides that if a holder does not send communications to the apparent holder of a security by first class mail annually, the holder must attempt to confirm the apparent owner's interest in the equity interest by sending the apparent owner an e-mail communication not later than three years after the apparent owner's or authorized representative's last demonstration of continued interest.

The holder is required to attempt to contact the apparent owner promptly by first class mail if the holder does not have an email address or believes the email address is invalid. If the holder's first class mail is returned to the holder, the equity interest is presumed abandoned.

These changes better reflect meaningful owner inactivity and provide additional time and opportunity for owners to maintain or reestablish contact before the property is presumed abandoned.

Section 39 amends s. 717.117, F.S., to enhance holder due-diligence requirements by enhancing notice obligations and requiring more detailed, consumer-focused disclosures. Holders of property presumed abandoned that has a value of $50 or more must use due diligence to locate and notify apparent owners by first class mail. For higher-value property of $1,000 or more, holders must send a second notice by certified mail. Property is presumed abandoned upon the expiration of the applicable dormancy period in ch. 717, F.S., The section also requires holders to certify that reports are complete and that all due diligence requirements have been satisfied, improving reporting accuracy and accountability. Additionally, the section provides that securities identified as non-freely transferable or worthless are not reportable, reducing administrative burden and preventing delays in claims processing.

Section 40 amends s. 717.118, F.S., to revise the notice provisions provided by DFS to ensure owners receive clear, accessible, and cost-effective notice after property is reported. DFS must use cost-effective means to make at least one active attempt to notify apparent owners of abandoned property valued at $50 or more, abandoned tangible property and abandoned shares of stock for which a reported address or taxpayer identification number is available. It updates requirements for the publicly searchable electronic database to include owners with property valued at $10 or more, improving transparency and owner access.

Section 41 amends s. 717.119, F.S., to clarify procedures for handling firearms discovered in abandoned safe-deposit boxes and requires a certified copy of a death certificate before the department may release wills or trust instruments, thereby protecting sensitive documents.

Section 44 amends s, 717.123, F.S., to revise the structure governing the Unclaimed Property Trust Fund by eliminating the current $15 million balance cap. The bill requires the Revenue Estimating Conference to determine the amount of funds DFS needs to retain on an annual basis to make prompt payment of claims and the administrative costs incurred by DFS in administering and enforcing the provisions of ch. 717, F.S. The Revenue Estimating Conference is also tasked with determining the amount of funds that DFS must transfer to the State School Fund on annual basis. The revised framework ensures sufficient funds are retained to pay claims and administer the program while continuing transfers to the State School Trust Fund in accordance with statutory forecasting. The bill also renames Unclaimed Property Trust Fund the Abandoned Property Trust Fund.

Section 48 amends s. 717.12404, F.S., to strengthen the claim verification requirements for certain claims, including those submitted on behalf of active corporations to include a valid driver's license of the person acting on behalf of the corporation, business entity, or trust.

Section 51 amends s. 717.1241, F.S., to strengthen the claim verification requirements for conflicting claims for the same abandoned property, including those submitted on behalf of active corporations, by requiring additional identification. It clarifies the definition of "conflicting claim" and standardizes procedures for handling conflicting claims, promoting fairness and consistency in claims determinations.

Sections 64 and 67 amend ss. 717.1322 and 717.1341, F.S. to clarify which acts constitute violations of ch. 717, F.S., and the procedures available to DFS for administrative and civil enforcement.

Section 69 amends s. 717.1356, F.S., to reorganize provisions governing the purchase of abandoned property. The section maintains existing restrictions on claimant representatives while creating a new provision governing purchases by persons or entities other than claimant representatives. The section establishes detailed disclosure and documentation requirements, including minimum formatting standards, notarization, and consumer-protection safeguards to ensure owners receive a substantial portion of the property's value. A seller may cancel a purchase agreement within 15 business days after the date on which the purchase agreement was executed. A copy of an executed purchase agreement must be filed with the purchaser's claim, along with proof that the purchaser has made payment in full, and all other required documentation.

Sections 72 amends s. 717.139, F.S., to provide Legislative intent and findings and clarify the public purpose underlying Chapter 717, F.S., reinforcing the program's role as a consumer protection program designed to safeguard abandoned property and facilitate its return to rightful owners through a consistent custodial framework. The section provides that it is the intent of the Legislature that property reported under ch. 717, F.S., remains the property of the owner, and the State of Florida acts solely as a custodian, not as the owner, of such property.

Section 73 amends s. 717.1400, F.S., to clarify registration requirements and ongoing standards for claimant representatives, including disclosure obligations, minimum activity thresholds, and grounds for revocation.

Sections 74 and 75 provide technical conforming changes to update statutory cross references.

Section 75 amends s. 626.9541, F.S., to conform a cross-reference to s. 626.785, F.S., necessitated by changes made in this bill.

Section 76 reenacts s. 772.13, F.S., for the purpose of incorporating a change within 717.101, F.S.

Effective Date

Section 77 provides that 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:

The increased due diligence requirements for abandoned property may result in increased administrative costs on holders of financial accounts and securities.

C. Government Sector Impact:

According to the Department of Financial Services, the following provisions will have a fiscal impact:[96]

- Authorizing the state to prepay for multiyear licenses is expected to save 10-20 percent from advance pay from a one-year contract to a three-year period.
- Extending the length of time members of the military, veterans, and their spouses to would be exempt from the insurance agent application licensing fee beyond 24 months is expected to have a minimum fiscal impact on revenues.
- Revising provisions of the unclaimed property program, such as enhanced owner notification requirements, including additional written notice for higher value property, will increase postage, mailing, and data research costs.

VI. Technical Deficiencies:

Sections 3 and 4 of the bill provide "notwithstanding the requirements of s. 287.022(1), F.S., DFS is authorized to procure insurance coverage directly without going through the Department of Management Services' procurement process. However, s. 287.022(1), F.S., provides that the procedures for purchasing insurance, whether the purchase is made by the DMS or by the agencies, shall be the same as those set forth herein for the purchase of commodities. It appears that this provision may exempt DFS from the general procurement provisions of ch. 287, F.S., for the procurement of insurance coverage and insurance and reinsurance brokers.

[96] Department of Financial Services, 2026 Legislative Bill Analysis of SB 1542 (Jan. 28, 2026). On file with Banking and Insurance Committee staff).

Line 3682 refers to a Florida-certified public account, which should be accountant instead of an account.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill amends sections 215.422, 215.5586, 215.96, 284.08, 284.33, 440.13, 497.142, 626.171, 626.292, 626.611, 626.621, 626.731, 626.785, 626.831, 626.854, 648.34, 648.382, 717.001, 717.101, 717.102, 717.103, 717.104, 717.1045, 717.105, 717.106, 717.107, 717.1071, 717.108, 717.109, 717.1101, 717.111, 717.112, 717.1125, 717.113, 717.115, 717.116, 717.117, 717.118, 717.119, 717.1201, 717.122, 717.123, 717.1235, 717.124, 717.12403, 717.12404, 717.12405, 717.12406, 717.1241, 717.1242, 717.1243, 717.1244, 717.1245, 717.125, 717.126, 717.1261, 717.1262, 717.129, 717.1301, 717.1315, 717.132, 717.1322, 717.133, 717.1333, 717.1341, 717.135, 717.138, 717.1382, 717.139, 717.1400, 197.582, 626.9541, 772.13 of the Florida Statutes.

This bill creates sections 497.1411 and 717.1356 of the Florida Statutes.

This bill repeals section 717.1035 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.

466478

LEGISLATIVE ACTION

Senate . House

. . . . . .

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

Senate Amendment (with title amendment)

Delete lines 889 - 1280
and insert:

Section 9. Subsection (3) of section 626.0428, Florida Statutes, is amended to read:

626.0428 Agency personnel powers, duties, and limitations.—

(3) An employee or an authorized representative located at a designated branch of an agent or agency may not initiate contact with any person for the purpose of soliciting insurance

466478

unless licensed and appointed as an agent or customer representative. As to title insurance, an employee of an agent or agency may not initiate contact with any individual proposed insured for the purpose of soliciting title insurance unless licensed as a title insurance agent or exempt from such licensure pursuant to s. 626.8417(4) ~~and (5)~~.

Section 10. Section 626.171, Florida Statutes, is amended to read:

626.171 Application for license as an agent, customer representative, adjuster, or service representative~~, or reinsurance intermediary~~.—

(1) The department may not issue a license as agent, customer representative, adjuster, or service representative~~, or reinsurance intermediary~~ to any person except upon written application filed with the department, meeting the qualifications for the license applied for as determined by the department, and payment in advance of all applicable fees. The application must be made under the oath of the applicant and be signed by the applicant. An applicant may permit a third party to complete, submit, and sign an application on the applicant's behalf, but is responsible for ensuring that the information on the application is true and correct and is accountable for any misstatements or misrepresentations. The department shall accept the uniform application for resident and nonresident agent and adjuster licensing. The department may adopt revised versions of the uniform application by rule.

(2) In the application, the applicant must include all of the following ~~shall set forth~~:

(a) The applicant's ~~His or her~~ full name, age, social

466478

security number, residence address, business address, mailing address, contact telephone numbers, including a business telephone number, and e-mail address.

(b) A statement indicating the method the applicant used or is using to meet any required prelicensing education, knowledge, experience, or instructional requirements for the type of license applied for.

(c) Whether the applicant ~~he or she~~ has been refused or has voluntarily surrendered or has had suspended or revoked a license to solicit insurance by the department or by the supervising officials of any state.

(d) Whether any insurer or any managing general agent claims the applicant is indebted under any agency contract or otherwise and, if so, the name of the claimant, the nature of the claim, and the applicant's defense thereto, if any.

(e) Proof that the applicant meets the requirements for the type of license for which he or she is applying.

(f) The applicant's gender (male or female).

(g) The applicant's native language.

(h) The highest level of education achieved by the applicant.

(i) The applicant's race or ethnicity (African American, white, American Indian, Asian, Hispanic, or other).

(j) Such other or additional information as the department may deem proper to enable it to determine the character, experience, ability, and other qualifications of the applicant to hold himself or herself out to the public as an insurance representative.

However, the application must contain a statement that an applicant is not required to disclose his or her race or ethnicity, gender, or native language, that he or she will not be penalized for not doing so, and that the department will use this information exclusively for research and statistical purposes and to improve the quality and fairness of the examinations. The department may ~~shall~~ make provisions for applicants to voluntarily submit their cellular telephone numbers as part of the application process solely ~~on a voluntary basis only~~ for the purpose of two-factor authentication of secure login credentials ~~only~~.

(3) Each application must be accompanied by payment of any applicable fee.

(4) An applicant for a license issued by the department under this chapter must submit a set of the individual applicant’s fingerprints, or, if the applicant is not an individual, a set of the fingerprints of the sole proprietor, majority owner, partners, officers, and directors, to the department and must pay the fingerprint processing fee set forth in s. 624.501. Fingerprints must be processed in accordance with s. 624.34 and used to investigate the applicant’s qualifications pursuant to s. 626.201. The fingerprints must be taken by a law enforcement agency or other department-approved entity. The department may not approve an application for licensure as an agent, customer ~~service~~ representative, adjuster, or service representative~~, or reinsurance intermediary~~ if fingerprints have not been submitted.

(5) The application for license filing fee prescribed in s. 624.501 is not subject to refund.

(6) Members of the United States Armed Forces and their spouses, and veterans of the United States Armed Forces who have separated from service ~~within 24 months~~ before application for licensure, are exempt from the application filing fee prescribed in s. 624.501. Qualified individuals must provide a copy of a military identification card, military dependent identification card, military service record, military personnel file, veteran record, discharge paper or separation document that indicates such members are currently in good standing or such veterans were honorably discharged.

(7) Pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, each party is required to provide his or her social security number in accordance with this section. Disclosure of social security numbers obtained through this requirement must be limited to the purpose of administration of the Title IV-D program for child support enforcement.

Section 11. Paragraph (c) of subsection (2) of section 626.292, Florida Statutes, is amended to read:

626.292 Transfer of license from another state.—

(2) To qualify for a license transfer, an individual applicant must meet the following requirements:

(c) The individual must submit a completed application for this state which is received by the department within 90 days after the date the individual became a resident of this state, along with payment of the applicable fees set forth in s. 624.501 and submission of the following documents:

1. A certification issued by the appropriate official of the applicant’s home state identifying the type of license and

466478

lines of authority under the license and stating that~~, at the time the license from the home state was canceled,~~ the applicant was in good standing in that state or that the state's Producer Database records, maintained by the National Association of Insurance Commissioners, its affiliates, or subsidiaries, indicate that the agent or all-lines adjuster is or was licensed in good standing for the line of authority requested. An applicant may hold a resident license in another state for 30 days after the Florida resident license has been issued to facilitate the transfer of licensure between states.

2. A set of the applicant's fingerprints in accordance with s. 626.171(4).

Section 12. Subsection (1) of section 626.611, Florida Statutes, is amended to read:

626.611 Grounds for compulsory refusal, suspension, or revocation of agent's, title agency's, adjuster's, customer representative's, service representative's, or managing general agent's license or appointment.—

(1) The department shall require license reexamination, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent, and it shall suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist:

(a) Lack of one or more of the qualifications for the license or appointment as specified in this code.

466478

(b) Material misstatement, misrepresentation, or fraud in obtaining the license or appointment or in attempting to obtain the license or appointment.

(c) Failure to pass to the satisfaction of the department any examination required under this code, including cheating on an examination required for licensure or violating test center or examination procedures delivered orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator.

(d) If the license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this code.

(e) Willful misrepresentation of any insurance policy or annuity contract or willful deception with regard to any such policy or contract, done either in person or by any form of dissemination of information or advertising.

(f) If, as an adjuster, or agent licensed and appointed to adjust claims under this code, he or she has materially misrepresented to an insured or other interested party the terms and coverage of an insurance contract with intent and for the purpose of effecting settlement of claim for loss or damage or benefit under such contract on less favorable terms than those provided in and contemplated by the contract.

(g) Demonstrated lack of fitness or trustworthiness to engage in the business of insurance.

(h) Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.

(i) Fraudulent or dishonest practices in the conduct of

business under the license or appointment.

(j) Misappropriation, conversion, or unlawful withholding of moneys belonging to insurers or insureds or beneficiaries or to others and received in conduct of business under the license or appointment.

(k) Unlawfully rebating, attempting to unlawfully rebate, or unlawfully dividing or offering to divide his or her commission with another.

(l) Having obtained or attempted to obtain, or having used or using, a license or appointment as agent or customer representative for the purpose of soliciting or handling "controlled business" as defined in s. 626.730 with respect to general lines agents, s. 626.784 with respect to life agents, and s. 626.830 with respect to health agents.

(m) Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of this code.

(n) Having been found guilty of or having pleaded guilty or nolo contendere to a misdemeanor directly related to the financial services business, any felony, or any crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

(o) Fraudulent or dishonest practice in submitting or aiding or abetting any person in the submission of an application for workers' compensation coverage under chapter 440 containing false or misleading information as to employee

466478

payroll or classification for the purpose of avoiding or reducing the amount of premium due for such coverage.

(p) Sale of an unregistered security that was required to be registered, pursuant to chapter 517.

(q) In transactions related to viatical settlement contracts as defined in s. 626.9911:

1. Commission of a fraudulent or dishonest act.

2. No longer meeting the requirements for initial licensure.

3. Having received a fee, commission, or other valuable consideration for his or her services with respect to viatical settlements that involved unlicensed viatical settlement providers or persons who offered or attempted to negotiate on behalf of another person a viatical settlement contract as defined in s. 626.9911 and who were not licensed life agents.

4. Dealing in bad faith with viators.

Section 13. Section 626.621, Florida Statutes, is amended to read:

626.621 Grounds for discretionary refusal, suspension, or revocation of agent's, adjuster's, customer representative's, service representative's, or managing general agent's license or appointment.—The department may, in its discretion, require a license reexamination, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, adjuster, customer representative, service representative, or managing general agent, and it may suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds

466478

exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 626.611:

(1) Any cause for which issuance of the license or appointment could have been refused had it then existed and been known to the department.

(2) Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment.

(3) Violation of any lawful order or rule of the department, commission, or office.

(4) Failure or refusal, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.

(5) Violation of the provision against twisting, as defined in s. 626.9541(1)(l).

(6) In the conduct of business under the license or appointment, engaging in unfair methods of competition or in unfair or deceptive acts or practices, as prohibited under part IX of this chapter, or having otherwise shown himself or herself to be a source of injury or loss to the public.

(7) Willful overinsurance of any property or health insurance risk.

(8) If a life agent, violation of the code of ethics.

(9) Cheating on an examination required for licensure or violating test center or examination procedures published orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator. Communication of test center and examination procedures must be clearly established and documented.

(10) Failure to inform the department in writing within 30 days after pleading guilty or nolo contendere to, or being convicted or found guilty of, any felony or a crime punishable by imprisonment of 1 year or more under the law of the United States or of any state thereof, or under the law of any other country without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the case.

(11) Knowingly aiding, assisting, procuring, advising, or abetting any person in the violation of or to violate a provision of the insurance code or any order or rule of the department, commission, or office.

(12) Has been the subject of or has had a license, permit, appointment, registration, or other authority to conduct business subject to any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court of competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or option exchange, or national securities, commodities, or option association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association.

(13) Failure to comply with any civil, criminal, or administrative action taken by the child support enforcement program under Title IV-D of the Social Security Act, 42 U.S.C. ss. 651 et seq., to determine paternity or to establish, modify, enforce, or collect support.

466478

(14) Directly or indirectly accepting any compensation, inducement, or reward from an inspector for the referral of the owner of the inspected property to the inspector or inspection company. This prohibition applies to an inspection intended for submission to an insurer in order to obtain property insurance coverage or establish the applicable property insurance premium.

(15) Denial, suspension, or revocation of, or any other adverse administrative action against, a license to practice or conduct any regulated profession, business, or vocation by this state, any other state, any nation, any possession or district of the United States, any court, or any lawful agency thereof.

(16) Taking an action that allows the personal financial or medical information of a consumer or customer to be made available or accessible to the general public, regardless of the format in which the record is stored.

(17) Initiating in-person or telephone solicitation after 9 p.m. or before 8 a.m. local time of the prospective customer unless requested by the prospective customer.

(18) Cancellation of the applicant's, licensee's, or appointee's resident license in a state other than Florida.

Section 14. Subsection (1) of section 626.731, Florida Statutes, is amended to read:

626.731 Qualifications for general lines agent's license.—

(1) The department may ~~shall~~ not grant or issue a license as general lines agent to any individual found by it to be untrustworthy or incompetent or who does not meet ~~each~~ all of the following qualifications:

(a) The applicant is a natural person at least 18 years of age.

(b) The applicant is 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. ~~An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of this paragraph, 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 such 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.~~

(c) The applicant's place of business will be located in this state and he or she will be actively engaged in the business of insurance and will maintain a place of business, the location of which is identifiable by and accessible to the public.

(d) The license is not being sought for the purpose of writing or handling controlled business, in violation of s. 626.730.

(e) The applicant is qualified as to knowledge, experience, or instruction in the business of insurance and meets the requirements provided in s. 626.732.

(f) The applicant has passed any required examination for license required under s. 626.221.

Section 15. Subsection (2) of section 626.785, Florida Statutes, is amended to read:

626.785 Qualifications for license.—

~~(2) An individual who is a bona fide resident of this state~~

~~shall be deemed to meet the residence requirement of paragraph (1)(b), 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 such 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.~~

Section 16. Section 626.831, Florida Statutes, is amended to read:

626.831 Qualifications for license.—

~~(1)~~ The department may ~~shall~~ not grant or issue a license as health agent as to any individual found by it to be untrustworthy or incompetent, or who does not meet all of the following qualifications:

(1)~~(a)~~ Is ~~Must be~~ a natural person of at least 18 years of age.

(2)~~(b)~~ Is ~~Must be~~ 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.

(3)~~(c)~~ Is ~~Must~~ not ~~be~~ an employee of the United States Department of Veterans Affairs or state service office, as referred to in s. 626.833.

(4)~~(d)~~ Has taken ~~Must take~~ and passed ~~pass~~ any examination for license required under s. 626.221.

(5)~~(e)~~ Is ~~Must be~~ qualified as to knowledge, experience, or instruction in the business of insurance and meets ~~meet~~ the requirements relative thereto provided in s. 626.8311.

~~(2) An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of paragraph (1)(b), 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 such 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.~~

Section 17. Subsections (4) and (5) of section 626.8417, Florida Statutes, are amended to read:

626.8417 Title insurance agent licensure; exemptions.—

(4) Title insurers, acting through designated corporate officers, or attorneys duly admitted to practice law in this state and in good standing with The Florida Bar are exempt from the provisions of this chapter relating to title insurance licensing and appointment requirements.

~~(5) An insurer may designate a corporate officer of the insurer to occasionally issue and countersign binders, commitments, and policies of title insurance. The designated officer is exempt from the provisions of this chapter relating to title insurance licensing and appointment requirements while the officer is acting within the scope of the designation.~~

Section 18. Subsection (24) is added to section 626.854, Florida Statutes, to read:

626.854 "Public adjuster" defined; prohibitions.—The Legislature finds that it is necessary for the protection of the public to regulate public insurance adjusters and to prevent the unauthorized practice of law.


466478

(24) A public adjuster, public adjuster apprentice, or public adjusting firm must respond with specific information to a written or electronic request for claims status from a claimant or insured or their designated representative within 14 days after the date of the request and shall document in the file the response or information provided.

Section 19. Section 627.797, Florida Statutes, is repealed.

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

And the title is amended as follows:

Delete lines 75 - 101

and insert:

application; amending s. 626.0428, F.S.; conforming a provision to changes made by the act; amending s. 626.171, F.S.; deleting reinsurance intermediaries from certain application requirements; revising the list of persons from whom the department is required to accept uniform applications; making clarifying changes regarding the voluntary submission of cellular telephone numbers; revising the exemption from the application filing fee for members of the United States Armed Forces; amending s. 626.292, F.S.; revising applicant requirements for a license transfer; amending s. 626.611, F.S.; requiring the department to require license reexamination of certain persons, and suspend or revoke the eligibility to hold a license or appointment of such persons under certain circumstances; amending the grounds for suspension or revocation; amending 626.621, F.S.; authorizing the

department to require a reexamination of certain persons; amending s. 626.731, F.S.; revising the qualifications for a general lines agent’s license; amending s. 626.785, F.S.; revising the qualifications for a life agent’s license; amending s. 626.831, F.S.; revising the qualifications for a health agent’s license; amending s. 626.8417, F.S.; revising the persons who are exempt from certain provisions relating to title insurance licensing and appointment requirements; amending s. 626.854, F.S.; requiring a public adjuster, public adjuster apprentice, or public adjusting firm to respond with specific information within a specified timeframe and document in the file the response or information provided; repealing s. 627.797, F.S., relating to agents exempt from title insurance licensing; amending s.

By Senator Truenow

13-01051B-26 20261452__

A bill to be entitled

An act relating to the Department of Financial Services; amending s. 215.422, F.S.; revising the Chief Financial Officer's rulemaking authority; amending s. 215.5586, F.S.; defining terms; revising eligibility requirements for a hurricane mitigation inspection under the My Safe Florida Home Program; revising the circumstances under which applicants may submit a subsequent hurricane mitigation inspection; deleting the requirement that licensed inspectors must determine mitigation measures during initial inspections of eligible homes; deleting inspectors' authorization to inspect townhouses; revising the criteria for eligibility for a hurricane mitigation grant; revising the grant's applicant requirements; revising the improvements that grants may be used for; requiring that improvements be identified in the final hurricane mitigation inspection to receive grant funds; deleting a provision related to grants for townhouses; authorizing the program to accept a specified certification directly from applicants; requiring applicants who receive grants to finalize construction and request a final inspection within a specified timeframe; specifying that an application is deemed abandoned, rather than withdrawn, under certain circumstances; amending s. 215.96, F.S.; revising the composition of the coordinating council; deleting a requirement for the design and coordination staff; requiring minutes of meetings to be available to

13-01051B-26 20261452__

interested persons; revising the composition of ex officio members of the council; revising the duties, powers, and responsibilities of the council; amending s. 284.08, F.S.; authorizing the department to determine what property insurance coverage is necessary; authorizing the department to purchase certain insurance coverages; authorizing the department to contract with insurance or reinsurance brokers for certain purposes; amending s. 284.33, F.S.; authorizing the department to purchase certain insurance coverages; authorizing the department to contract with insurance or reinsurance brokers for certain purposes; amending s. 440.13, F.S.; revising the timeframe in which health care providers must petition the department to resolve utilization and reimbursement disputes; revising petition service requirements; revising the timeframe in which the panel determining the statewide schedule of maximum reimbursement allowances must submit certain recommendations to the Legislature; creating s. 497.1411, F.S.; defining the term "applicant"; specifying that certain applicants are permanently barred from licensure; specifying that certain applicants are subject to disqualifying periods; requiring the Board of Funeral, Cemetery, and Consumer Services to adopt rules; specifying requirements, authorizations, and prohibitions for such rules; specifying when a disqualifying period begins; specifying that the applicant has certain burdens to

demonstrate that he or she is qualified for licensure; specifying that certain applicants who have been granted a pardon or restoration of civil rights are not barred or disqualified from licensure; specifying that such pardon or restoration does not require the board to award a license; authorizing the board to grant an exemption from disqualification under certain circumstances; specifying requirements for the applicant in order for the board to grant an exemption; specifying that the board has discretion to grant or deny an exemption; specifying that certain decisions are subject to ch. 120, F.S.; providing applicability and construction; amending s. 497.142, F.S.; prohibiting an application from being deemed complete under certain circumstances; revising the list of crimes to be disclosed on a license application; amending s. 626.171, F.S.; deleting reinsurance intermediaries from certain application requirements; revising the list of persons from whom the department is required to accept uniform applications; making clarifying changes regarding the voluntary submission of cellular telephone numbers; revising the exemption from the application filing fee for members of the United States Armed Forces; amending s. 626.292, F.S.; revising applicant requirements for a license transfer; amending s. 626.611, F.S.; requiring the department to require license reexamination of certain persons, and suspend or revoke the eligibility to hold a license or

appointment of such persons under certain circumstances; amending the grounds for suspension or revocation; amending 626.621, F.S.; authorizing the department to require an reexamination of certain persons; amending s. 626.731, F.S.; revising the qualifications for a general lines agent's license; amending s. 626.785, F.S.; revising the qualifications for a life agent's license; amending s. 626.831, F.S.; revising the qualifications for a health agent's license; amending s. 626.854, F.S.; requiring a public adjuster, public adjuster apprentice, or public adjusting firm to respond with specific information within a specified timeframe and document in the file the response or information provided; amending s. 648.34, F.S.; revising requirements for bail bond agent applicants; amending s. 648.382, F.S.; requiring officers or officials of the appointing insurer to obtain, rather than submit, certain information; amending s. 717.001, F.S.; revising the short title; amending s. 717.101, F.S.; revising and adding definitions; amending s. 717.102, F.S.; providing that certain intangible property is presumed abandoned; deleting a provision relating to the presumption that certain intangible property is presumed unclaimed; specifying the dormancy period for property presumed abandoned; requiring that property be considered payable or distributable under certain circumstances; deleting a provision relating to when property is payable or distributable; revising a presumption;

providing that property shall be presumed abandoned under certain circumstances; providing an exception; amending s. 717.103, F.S.; requiring that intangible property be subject to the custody of the department under certain circumstances; amending criteria for when intangible property is subject to the custody of the department; repealing s. 717.1035, F.S., relating to property originated or issued by this state, any political subdivision of this state, or any entity incorporated, organized, created, or otherwise located in the state; amending ss. 717.104, 717.1045, 717.105, 717.106, 717.107, 717.1071, 717.108, and 717.109, F.S.; conforming provisions to changes made by the act; amending s. 717.1101, F.S.; revising the timelines and conditions under which stock, other equity interests, or debt of a business association is considered abandoned; requiring the holder to attempt to confirm the apparent owner's interest in the equity interest by sending an e-mail communication under certain circumstances; requiring the holder to attempt to contract the apparent owner by first-class United States mail under certain circumstances; specifying that equity interest is presumed abandoned under certain circumstances; revising when unmatured, unredeemed, matured, or redeemed debt is presumed abandoned; specifying that the applicable dormancy period ceases under certain circumstances; revising the timeframe that a sum held for or owing by a business association is presumed abandoned; amending

ss. 717.111, 717.112, 717.1125, 717.113, 717.115, and 717.116, F.S.; conforming provisions to changes made by the act; amending s. 717.117, F.S.; specifying that property is presumed abandoned upon the expiration of the applicable dormancy periods; specifying that property is not deemed abandoned for certain purposes until the holder meets certain requirements; requiring holders of property presumed abandoned that has a specified value to use due diligence to locate and notify the apparent owner; requiring, before a specified timeframe, a holder in possession of presumed abandoned property to send a specified written notice to the apparent owner; specifying the method of delivery of such notice; requiring, before a specified timeframe, the holder to send a second written notice under certain circumstances; authorizing the reasonable cost for the notice to be deducted from the property; specifying that a signed return receipt constitutes an affirmative demonstration of continued interest; specifying requirements of the written notice; requiring holders of abandoned property to submit a specified report to the department; prohibiting certain balances, overpayments, deposits, and refunds from being reported as abandoned property; prohibiting certain securities from being included in the report; requiring the holder to report and deliver such securities under certain circumstances; requiring the report to be signed and verified and contain a

specified statement; deleting certain provisions relating to the due diligence and notices to apparent owners; amending s. 717.118, F.S.; revising the state's obligation to notify apparent owners that their abandoned property has been reported and remitted to the department; requiring the department to use a cost-effective means to make an attempt to notify certain apparent owners; specifying requirements for the notice; requiring the department to maintain a specified website; revising applicability; amending s. 717.119, F.S.; conforming provisions to changes made by the act; revising requirements for firearms or ammunition found in an abandoned safe-deposit box or safekeeping repository; revising requirements if a will or trust instrument is included among the contents of an abandoned safe-deposit box or safekeeping repository; amending ss. 717.1201 and 717.122, F.S.; conforming provisions to changes made by the act; amending s. 717.123, F.S.; conforming provisions to changes made by the act; revising the name of a certain trust fund; revising the amount the department must retain from certain funds received; revising a required transfer of funds to the State School Fund; amending s. 717.1235, F.S.; conforming provisions to changes made by the act; amending s. 717.124, F.S.; conforming provisions to changes made by the act; deleting provisions related to requirements of claimant's representatives; specifying that the department is authorized to make a

distribution of property or money in accordance with a specified agreement under certain circumstances; requiring shares of securities to be delivered directly to the claimant under certain circumstances; deleting a provision authorizing the department to develop a process by which a buyer of unclaimed property may electronically submit certain images and documents; deleting provisions relating to a buyer of unclaimed property's filing of a claim; amending s. 717.12403, F.S.; conforming provisions to changes made by the act; amending s. 717.12404, F.S.; requiring claims on behalf of an active corporation to include a specified driver license; conforming provisions to changes made by the act; amending ss. 717.12405 and 717.12406, F.S.; conforming provisions to changes made by the act; amending s. 717.1241, F.S.; defining the term "conflicting claim"; conforming provisions to changes made by the act; revising requirements for remitting property when conflicting claims have been received by the department; amending ss. 717.1242, 717.1243, 717.1244, 717.1245, 717.125, 717.126, 717.1261, 717.1262, 717.129, 717.1301, 717.1315, and 717.132, F.S.; conforming provisions to changes made by the act; amending s. 717.1322, F.S.; revising the acts that constitute grounds for administrative enforcement action by the department; conforming provisions to changes made by the act; amending ss. 717.133, 717.1333, and 717.1341, F.S.; conforming provisions to changes made by the act; amending s.

717.135, F.S.; conforming provisions to changes made by the act; deleting applicability; creating s. 717.1356, F.S.; specifying that agreements for the purchase of abandoned property reported to the department are valid only under certain circumstances; authorizing the seller to cancel a purchase agreement without penalty or obligation within a specified timeframe; specifying that the agreement must contain certain language; requiring a copy of an executed Florida Abandoned Property Purchase Agreement be filed with the purchaser's claim; prohibiting the department from approving the claim under certain circumstances; specifying that certain purchase agreements are enforceable only by the seller; amending s. 717.138, F.S.; conforming provisions to changes made by the act; amending s. 717.1382, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; amending s. 717.139, F.S.; providing legislative findings; revising a statement of public policy; deleting a legislative declaration; providing legislative intent; prohibiting title to abandoned property from transferring to the state except under certain circumstances; amending s. 717.1400, F.S.; requiring an individual to meet certain requirements in order to file claims as a claimant representative; revising application requirements for registering as a claimant representative; requiring claimant representatives to file and obtain payment on a specified number of claims within a specified

timeframe to maintain active registration; requiring the department to notify the claimant representative in writing and provide a certain timeframe to demonstrate compliance or good cause for noncompliance under certain circumstances; requiring the department to revoke a registration under certain circumstances; prohibiting a claimant representative from reapplying under certain circumstances; amending ss. 197.582 and 626.9541, F.S.; conforming cross-references; reenacting s. 772.13(6)(a), F.S., relating to postjudgment execution proceedings to enforce a judgment entered against a terrorist party, to incorporate the amendment made to s. 717.101, F.S., in a reference thereto; providing an effective date.

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

Section 1. Subsection (15) of section 215.422, Florida Statutes, is amended to read:

215.422 Payments, warrants, and invoices; processing time limits; dispute resolution; agency or judicial branch compliance.—

(15) The Chief Financial Officer may adopt rules to authorize advance payments for goods and services, including, but not limited to, maintenance agreements and subscriptions, such as prepaid multiyear software licenses. Such rules shall provide objective criteria for determining when it is in the best interest of the state to make payments in advance and shall also provide for adequate protection to ensure that such goods

or services will be provided.

Section 2. Paragraphs (a) through (e) of subsection (1), subsections (2) and (3), paragraph (a) of subsection (8), and subsection (10) of section 215.5586, Florida Statutes, are amended to read:

215.5586 My Safe Florida Home Program.—There is established within the Department of Financial Services the My Safe Florida Home Program. The department shall provide fiscal accountability, contract management, and strategic leadership for the program, consistent with this section. This section does not create an entitlement for property owners or obligate the state in any way to fund the inspection or retrofitting of residential property in this state. Implementation of this program is subject to annual legislative appropriations. It is the intent of the Legislature that, subject to the availability of funds, the My Safe Florida Home Program provide licensed inspectors to perform hurricane mitigation inspections of eligible homes and grants to fund hurricane mitigation projects on those homes. The department shall implement the program in such a manner that the total amount of funding requested by accepted applications, whether for inspections, grants, or other services or assistance, does not exceed the total amount of available funds. If, after applications are processed and approved, funds remain available, the department may accept applications up to the available amount. The program shall develop and implement a comprehensive and coordinated approach for hurricane damage mitigation pursuant to the requirements provided in this section.

(1) HURRICANE MITIGATION INSPECTIONS.—

(a)1. For the purposes of this paragraph, the term:

a. "Attached" means a dwelling unit that shares a wall with another dwelling unit.

b. "Detached" means a dwelling that does not share a wall with another dwelling unit or building and has greater than zero clearance between it and any other building. This term includes a garage that is located under a contiguous roof with a residence.

c. "Single-family" means a residence designed for and containing only one dwelling unit.

2. An applicant is ~~To be~~ eligible for a hurricane mitigation inspection under the program if all of the following conditions are met:

a.~~1.~~ The ~~A~~ home for which the inspection is sought is ~~must be~~ a single-family~~,~~ unit on an individual parcel of land that is:

(I) A detached residential property; or

(II) An attached residential property not exceeding three stories. ~~A townhouse as defined in s. 481.203;~~

b.~~2.~~ The ~~A~~ home for which the inspection is sought is ~~must be~~ site-built and owner-occupied.~~; and~~

c.~~3.~~ The applicant is ~~homeowner must have been~~ granted a homestead exemption on the home under chapter 196.

(b)1. An application for a hurricane mitigation inspection must contain a signed or electronically verified statement made under penalty of perjury that the applicant has submitted only one inspection application on the home or that the application is allowed under subparagraph 2., and the application must have documents attached which demonstrate that the applicant meets

the requirements of paragraph (a).

2. An applicant may submit a subsequent hurricane mitigation inspection application for the same home only if:

a. The original hurricane mitigation inspection application has been denied or withdrawn because of material errors or omissions in the application;

b. The original hurricane mitigation inspection application was denied or withdrawn because the applicant ~~home~~ did not meet the eligibility criteria for an inspection at the time of the previous application, and the applicant ~~homeowner~~ reasonably believes that he or she is ~~the home~~ now ~~is~~ eligible for an inspection; ~~or~~

c. The program's eligibility requirements for an inspection have changed since the original application date, and the applicant reasonably believes that her or she ~~the home~~ is eligible under the new requirements; or~~.~~

d. More than 24 months have passed since the applicant received a hurricane mitigation inspection under this section, and the applicant has not received a grant payment through the program for that inspection.

(c) An applicant meeting the requirements of paragraph (a) may receive an inspection of the ~~a~~ home through ~~under~~ the program without being eligible for a grant under subsection (2) or applying for such grant.

(d) Licensed inspectors are to provide initial ~~home~~ inspections of eligible homes to determine ~~what mitigation measures are needed,~~ what insurance premium discounts may be available~~,~~ and what improvements to existing residential properties are needed to reduce the property's vulnerability to

hurricane damage. ~~An inspector may inspect a townhouse as defined in s. 481.203 to determine if opening protection mitigation as listed in subparagraph (2)(c)1. would provide improvements to mitigate hurricane damage.~~

(e) The department shall contract with wind certification entities to provide hurricane mitigation inspections. The initial inspections provided to applicants ~~homeowners~~, at a minimum, must include:

1. A home inspection and report that summarizes the inspection results and identifies recommended improvements an applicant ~~a homeowner~~ may make ~~take~~ to mitigate hurricane damage.

2. A range of cost estimates regarding the recommended mitigation improvements.

3. Information regarding estimated premium discounts, correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.

(2) HURRICANE MITIGATION GRANTS.—Financial grants shall be used by applicants ~~homeowners~~ to make improvements recommended by an initial inspection which increase a home's resistance to hurricane damage.

(a) An applicant ~~A homeowner~~ is eligible for a hurricane mitigation grant if all of the following criteria are met:

1. The applicant ~~home~~ must be eligible for an inspection under subsection (1).

2. The home must be a dwelling with an insured value of $700,000 or less. Applicants ~~Homeowners~~ who are low-income persons, as defined in s. 420.0004(11), are exempt from this

requirement.

3. The home must undergo an initial ~~acceptable~~ hurricane mitigation inspection through the program as provided in subsection (1).

4. The ~~building permit application for initial construction of the~~ home must have been built ~~made~~ before January 1, 2008, as reflected on the county property appraiser's website.

5. The applicant ~~homeowner~~ must agree to make his or her home available for a final inspection once a mitigation project is completed.

6. The applicant ~~homeowner~~ must agree to provide to the department information received from the applicant's ~~homeowner's~~ insurer identifying the discounts realized by the applicant ~~homeowner~~ because of the mitigation improvements funded through the program.

7.a. The applicant ~~homeowner~~ must be a low-income person or moderate-income person as defined in s. 420.0004.

b. The hurricane mitigation inspection must have occurred within the previous 24 months from the date of application.

c. Notwithstanding subparagraph 2., applicants ~~homeowners~~ who are low-income persons, as defined in s. 420.0004(11), are not exempt from the requirement that the home must be a dwelling with an insured value of $700,000 or less.

d. This subparagraph expires July 1, 2026.

(b)1. An application for a grant must contain a signed or electronically verified statement made under penalty of perjury that the applicant has submitted only one grant application or that the application is allowed under subparagraph 2., and the application must have documents attached demonstrating that the

applicant meets the requirements of paragraph (a).

2. An applicant may submit a subsequent grant application if:

a. The original grant application was denied or withdrawn because the application contained errors or omissions;

b. The original grant application was denied or withdrawn because the applicant ~~home~~ did not meet the eligibility criteria for a grant at the time of the previous application, and the applicant ~~homeowner~~ reasonably believes that he or she is ~~the home~~ now is eligible for a grant; or

c. The program's eligibility requirements for a grant have changed since the original application date, and the applicant reasonably believes that he or she is ~~an~~ eligible ~~homeowner~~ under the new requirements.

3. A grant application must include a statement from the applicant ~~homeowner~~ which contains the name and state license number of the contractor that the applicant ~~homeowner~~ acknowledges as the intended contractor for the mitigation work. The program must ~~electronically~~ verify that the contractor's state license number is valid ~~accurate and up to date before grant approval~~.

(c) All grants must be matched on the basis of $1 provided by the applicant for $2 provided by the state up to a maximum state contribution of $10,000 toward the actual cost of the mitigation project, except as provided in paragraph (h).

(d) All hurricane mitigation performed under the program must be based upon the securing of all required local permits and inspections and must be performed by properly licensed contractors.

(e) When recommended by an initial ~~a~~ hurricane mitigation inspection, grants for eligible applicants ~~homes~~ may be used for all of the following improvements:

1. Opening protection improvements, including:

a. Exterior doors.~~,~~

b. Garage doors.~~,~~

c. Windows.~~, and~~

d. Skylights.

2. Roof improvements, including:

a. Reinforcing roof-to-wall connections.

b.~~3.~~ Improving the strength of roof-deck attachments.

c.~~4.~~ Installing secondary water resistance for roof and replacing the roof covering.

(f) Improvements must be identified by the final hurricane mitigation inspection to receive grant funds ~~When recommended by a hurricane mitigation inspection, grants for townhouses, as defined in s. 481.203, may only be used for opening protection~~.

(g) The department may require that improvements be made to all openings, including exterior doors, garage doors, windows, and skylights, as a condition of reimbursing an applicant ~~a homeowner~~ approved for a grant. The department may adopt, by rule, the maximum grant allowances for any improvement allowable under paragraph (e) ~~or paragraph (f)~~.

(h) Low-income applicants ~~homeowners~~, as defined in s. 420.0004(11), who otherwise meet the applicable requirements of this subsection are eligible for a grant of up to $10,000 and are not required to provide a matching amount to receive the grant.

(i)1. The department shall develop a process that ensures

the most efficient means to collect and verify inspection applications and grant applications to determine eligibility. The department may direct hurricane mitigation inspectors to collect and verify grant application information or use the Internet or other electronic means to collect information and determine eligibility.

2. The department shall prioritize the review and approval of such inspection applications and grant applications in the following order:

a. First, applications from low-income persons, as defined in s. 420.0004, who are at least 60 years old;

b. Second, applications from all other low-income persons, as defined in s. 420.0004;

c. Third, applications from moderate-income persons, as defined in s. 420.0004, who are at least 60 years old;

d. Fourth, applications from all other moderate-income persons, as defined in s. 420.0004; and

e. Last, all other applications.

3. The department shall start accepting inspection applications and grant applications no earlier than the effective date of a legislative appropriation funding inspections and grants, as follows:

a. Initially, from applicants prioritized under sub-subparagraph 2.a.;

b. From applicants prioritized under sub-subparagraph 2.b., beginning 15 days after the program initially starts accepting applications;

c. From applicants prioritized under sub-subparagraph 2.c., beginning 30 days after the program initially starts accepting

applications;

d. From applicants described in sub-subparagraph 2.d., beginning 45 days after the program initially starts accepting applications; and

e. From all other applicants, beginning 60 days after the program initially starts accepting applications.

4. The program may accept a certification directly from a low-income applicant ~~homeowner~~ or moderate-income applicant ~~homeowner~~ who meets the requirements of s. 420.0004(11) or (12), respectively, if the applicant ~~homeowner~~ provides such certification in a signed or electronically verified statement made under penalty of perjury.

5. The program may accept a certification directly from an applicant attesting to his or her age if the applicant provides such certification in a signed or electronically verified statement made under penalty of perjury.

(j) An applicant ~~A homeowner~~ who receives a grant shall finalize construction and request a final inspection~~, or request an extension for an additional 6 months,~~ within 18 months ~~1 year~~ after grant application approval. If an applicant ~~a homeowner~~ fails to comply with this paragraph, his or her application is deemed abandoned and the grant money reverts to the department.

(3) REQUESTS FOR INFORMATION.—The department may request that an applicant provide additional information. An application is deemed abandoned ~~withdrawn~~ by the applicant if the department does not receive a response to its request for additional information within 60 days after the notification of any apparent error or omission.

(8) CONTRACT MANAGEMENT.—

(a) The department may contract with third parties for grants management, inspection services, contractor services for low-income applicants ~~homeowners~~, information technology, educational outreach, and auditing services. Such contracts are considered direct costs of the program and are not subject to administrative cost limits. The department shall contract with providers that have a demonstrated record of successful business operations in areas directly related to the services to be provided and shall ensure the highest accountability for use of state funds, consistent with this section.

(10) REPORTS.—The department shall make an annual report on the activities of the program that shall account for the use of state funds and indicate the number of inspections requested, the number of inspections performed, the number of grant applications received, the number and value of grants approved, and the estimated average annual amount of insurance premium discounts and total estimated annual amount of insurance premium discounts applicants ~~homeowners~~ received from insurers as a result of mitigation funded through the program. The report must be delivered to the President of the Senate and the Speaker of the House of Representatives by February 1 of each year.

Section 3. Subsections (2) and (3) of section 215.96, Florida Statutes, are amended to read:

215.96 Coordinating council and design and coordination staff.—

(2) The coordinating council shall consist of the Chief Financial Officer; the Commissioner of Agriculture; the Attorney General; the Secretary of Management Services; the state chief information officer; the executive director of the Department of

Revenue; and the Director of Planning and Budgeting, Executive Office of the Governor, or their designees. The Chief Financial Officer, or his or her designee, shall be chair of the council, and the design and coordination staff shall provide administrative and clerical support to the council and the board. ~~The design and coordination staff shall maintain the~~ Minutes of each meeting shall be ~~and make such minutes~~ available to any interested person. The Auditor General, the State Courts Administrator, a ~~an executive officer of the Florida Association of~~ state agency administrative services director selected by the council ~~Directors~~, and a ~~an executive officer of the Florida Association of~~ state budget officer selected by the council ~~Officers~~, or their designees, shall serve without voting rights as ex officio members of the council. The chair may call meetings of the council as often as necessary to transact business; however, the council shall meet at least once a year. Action of the council shall be by motion, duly made, seconded and passed by a majority of the council voting in the affirmative for approval of items that are to be recommended for approval to the Financial Management Information Board.

(3) The coordinating council, assisted by the design and coordination staff, shall have the following duties, powers, and responsibilities pertaining to the Florida Financial Management Information System:

(a) To review and coordinate annual workplans to ensure that the Florida Financial Management Information System remains aligned across participating entities. The coordination council shall ensure that each participating entity submits an annual workplan by October 1 of each year. The coordinating council

shall review and discuss the workplans, identify potential impacts or conflicts, facilitate resolutions when practicable, and expedite unresolved issues as appropriate.

(b) To conduct such studies and to establish committees, workgroups, and teams to develop recommendations for rules, policies, procedures, principles, and standards to the board as necessary to assist the board in its efforts to design, implement, and perpetuate a financial management information system, including, but not limited to, the establishment of common data codes, and the development of integrated financial management policies that address the information and management needs of the functional owner subsystems. The coordinating council shall make available a copy of the approved plan in writing or through electronic means to each of the coordinating council members, the fiscal committees of the Legislature, and any interested person.

(c) ~~(b)~~ To recommend to the board solutions, policy alternatives, and legislative budget request issues that will provide ~~ensure~~ a framework for the timely, positive, preplanned, and prescribed data transfer between information subsystems ~~and to recommend to the board solutions, policy alternatives, and legislative budget request issues that ensure the availability of data and information that support state planning, policy development, management, evaluation, and performance monitoring~~.

~~(c) To report to the board all actions taken by the coordinating council for final action.~~

~~(d) To review the annual work plans of the functional owner information subsystems by October 1 of each year. The review shall be conducted to assess the status of the Florida Financial~~

~~Management Information System and the functional owner subsystems in regard to the provisions of s. 215.91. The coordinating council, as part of the review process, may make recommendations for modifications to the functional owner information subsystems annual work plans.~~

Section 4. Section 284.08, Florida Statutes, is amended to read:

284.08 Purchase of insurance, excess insurance, reinsurance, and services ~~Reinsurance on excess coverage and approval by Department of Management Services~~.—Notwithstanding the requirements of s. 287.022(1), the Department of Financial Services shall determine what property insurance ~~excess~~ coverage is necessary and may purchase insurance, excess insurance, and reinsurance as necessary to provide insurance coverages authorized by this part ~~thereon upon approval by the Department of Management Services~~. The Department of Financial Services may contract with an insurance or reinsurance broker to market the insurance program and facilitate the purchase of insurance, excess insurance, and reinsurance on behalf of the department.

Section 5. Section 284.33, Florida Statutes, is amended to read:

284.33 Purchase of insurance, reinsurance, excess insurance, and services.—

(1) Notwithstanding the requirements of s. 287.022(1), the Department of Financial Services is authorized to purchase ~~provide~~ insurance, ~~specific~~ excess insurance, and reinsurance ~~aggregate excess insurance through the Department of Management Services, pursuant to the provisions of part I of chapter 287,~~ as necessary to provide insurance coverages authorized by this

part, consistent with market availability. The Department of Financial Services may contract with an insurance or reinsurance broker to market the insurance program and facilitate the purchase of insurance, excess insurance, and reinsurance on behalf of the department. ~~However,~~ The Department of Financial Services may directly purchase annuities by using a structured settlement insurance consulting firm selected by the department to assist in the settlement of claims being handled by the Division of Risk Management. The selection of the structured settlement insurance services consultant shall be made by using competitive sealed proposals. The consulting firm shall act as an agent of record for the department in procuring the best annuity products available to facilitate structured settlement of claims, considering price, insurer financial strength, and the best interests of the state risk management program. Purchase of annuities by the department using a structured settlement method is excepted from competitive sealed bidding or proposal requirements. The Department of Financial Services is further authorized to purchase such risk management services, including, but not limited to, risk and claims control; safety management; and legal, investigative, and adjustment services, as may be required and pay claims. The department may contract with a service organization for such services and advance money to such service organization for deposit in a special checking account for paying claims made against the state under ~~the provisions of~~ this part. The special checking account shall be maintained in this state in a bank or savings association organized under the laws of this state or of the United States. The department may replenish such account as often as necessary

upon the presentation by the service organization of documentation for payments of claims equal to the amount of the requested reimbursement.

(2) ~~Nothing contained in~~ Chapter 287 may not ~~shall~~ be construed as requiring written agreements for health and mental health services or drugs in the examinations, diagnoses, or treatments of sick or injured employees or other benefits as required by ~~the provisions of~~ chapter 440.

Section 6. Paragraph (a) of subsection (7) and paragraph (j) of subsection (12) of section 440.13, Florida Statutes, are amended to read:

440.13 Medical services and supplies; penalty for violations; limitations.—

(7) UTILIZATION AND REIMBURSEMENT DISPUTES.—

(a) Any health care provider who elects to contest the disallowance or adjustment of payment by a carrier under subsection (6) must, within 60 ~~45~~ days after receipt of notice of disallowance or adjustment of payment, petition the department to resolve the dispute. The petitioner must serve, by the United States Postal Service certified mail or by common carrier with verifiable tracking methods, a copy of the petition on the carrier and on all affected parties listed on the notice of disallowance or adjustment ~~by certified mail~~. The petition must be accompanied by all documents and records that support the allegations contained in the petition. Failure of a petitioner to submit such documentation to the department results in dismissal of the petition.

(12) CREATION OF THREE-MEMBER PANEL; GUIDES OF MAXIMUM REIMBURSEMENT ALLOWANCES.—

(j) In addition to establishing the uniform schedule of maximum reimbursement allowances, the panel shall:

1. Take testimony, receive records, and collect data to evaluate the adequacy of the workers' compensation fee schedule, nationally recognized fee schedules and alternative methods of reimbursement to health care providers and health care facilities for inpatient and outpatient treatment and care.

2. Survey health care providers and health care facilities to determine the availability and accessibility of workers' compensation health care delivery systems for injured workers.

3. Survey carriers to determine the estimated impact on carrier costs and workers' compensation premium rates by implementing changes to the carrier reimbursement schedule or implementing alternative reimbursement methods.

4. Submit recommendations on or before January 15, 2031 ~~2017~~, and every 5 years ~~biennially~~ thereafter, to the President of the Senate and the Speaker of the House of Representatives on methods to improve the workers' compensation health care delivery system.

The department, as requested, shall provide data to the panel, including, but not limited to, utilization trends in the workers' compensation health care delivery system. The department shall provide the panel with an annual report regarding the resolution of medical reimbursement disputes and any actions pursuant to subsection (8). The department shall provide administrative support and service to the panel to the extent requested by the panel. The department may adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this

subsection. For prescription medication purchased under the requirements of this subsection, a dispensing practitioner shall not possess such medication unless payment has been made by the practitioner, the practitioner's professional practice, or the practitioner's practice management company or employer to the supplying manufacturer, wholesaler, distributor, or drug repackager within 60 days of the dispensing practitioner taking possession of that medication.

Section 7. Section 497.1411, Florida Statutes, is created to read:

497.1411 Disqualification of applicants and licenses; penalties against licensees; rulemaking.—

(1) For purposes of this section, the term "applicant" means an individual applying for licensure or relicensure under this chapter, or an officer, director, majority owner, partner, manager, or other person who manages or controls an entity applying for licensure or relicensure under this chapter.

(2) An applicant who has been found guilty of or has pleaded guilty or nolo contendere to any of the following offenses, regardless of adjudication, is permanently barred from licensure under this chapter:

(a) A felony of the first degree.

(b) A felony involving conduct prohibited under chapter 497, chapter 787, chapter 794, chapter 796, chapter 800, chapter 825, chapter 827, or chapter 847.

(c) A felony involving moral turpitude.

(3) An applicant who has been found guilty of, or has entered a plea of guilty or nolo contendere to an offense not subject to the permanent bar under subsection (2), regardless of

adjudication, is subject to the following disqualifying periods:

(a) A 10-year disqualifying period for any felony to which the permanent bar in subsection (2) does not apply. Notwithstanding subsection (4), an applicant who has completed at least one-half of the disqualifying period may apply for a probationary license for the remainder of the disqualifying period if, during that time, the applicant has not been found guilty of, or has not entered a plea of guilty or nolo contendere to, any offense.

(b) A 5-year disqualifying period for all misdemeanors directly related to chapter 497.

(4) The board shall adopt rules to administer this section. Such rules must provide additional disqualifying periods for applicants who have committed multiple criminal offenses and may provide additional factors for disqualification reasonably related to the applicant's criminal history. The rules must also establish mitigating and aggravating factors. However, mitigation may not reduce any disqualifying period to less than 5 years and may not be applied to reduce the 5-year disqualifying period provided in paragraph (3)(b).

(5) For purposes of this section, a disqualifying period begins upon the applicant's final release from supervision or upon completion of the applicant's criminal sentence. The board may not approve issuance of a license to an applicant until the applicant provides proof that all related fines, court costs, fees, and court-ordered restitution have been paid.

(6) After the disqualifying period has expired, the burden is on the applicant to demonstrate to the board that he or she has been rehabilitated, does not pose a risk to the public, is

fit and trustworthy to engage in business regulated by this chapter, and is otherwise qualified for licensure.

(7) Notwithstanding subsections (2) and (3), an applicant who has been found guilty of, or has pleaded guilty or nolo contendere to, a crime in subsection (2) or subsection (3), and who has subsequently been granted a pardon or the restoration of civil rights pursuant to chapter 940 and s. 8, Art. IV of the State Constitution, or a pardon or the restoration of civil rights under the laws of another jurisdiction with respect to a conviction in that jurisdiction, is not barred or disqualified from licensure under this chapter; however, such a pardon or restoration of civil rights does not require the board to award such license.

(8)(a) The board may grant an exemption from disqualification to any person disqualified from licensure under subsection (3) if:

1. The applicant has paid in full any fee, fine, fund, lien, civil judgment, restitution, or cost of prosecution imposed by the court as part of the judgment and sentence for any disqualifying offense; and

2. At least 2 years have elapsed since the applicant completed or has been lawfully released from confinement, supervision, or any nonmonetary condition imposed by the court for a disqualifying offense.

(b) For the board to grant an exemption under this subsection, the applicant must clearly and convincingly demonstrate that he or she would not pose a risk to persons or property if licensed under this chapter, evidence of which must include, but need not be limited to, facts and circumstances

surrounding the disqualifying offense, the time that has elapsed since the offense, the nature of the offense and harm caused to the victim, the applicant's history before and after the offense, and any other evidence or circumstances indicating that the applicant will not present a danger if licensed or certified.

(c) The board has discretion whether to grant or deny an exemption under this subsection. The board's decision is subject to chapter 120.

(9) The disqualification periods provided in this section do not apply to the renewal of a license or to a new application for licensure if the applicant has an active license as of July 1, 2026, and the applicable criminal history was considered by the board on the prior approval of any active license held by the applicant. This section does not affect any criminal history disclosure requirements of this chapter.

Section 8. Subsection (9) and paragraph (c) of subsection (10) of section 497.142, Florida Statutes, are amended to read:

497.142 Licensing; fingerprinting and criminal background checks.—

(9) If any applicant under this chapter has been~~, within the 10 years preceding the application under this chapter,~~ convicted or found guilty of, or entered a plea of nolo contendere to, regardless of adjudication, any crime in any jurisdiction, the application may ~~shall~~ not be deemed complete until such time as the applicant provides such certified true copies of the court records evidencing the conviction, finding, or plea, as required in this section or as the licensing authority may by rule require.

(10)

(c) Crimes to be disclosed are:

1. Any felony ~~or misdemeanor,~~ no matter when committed~~,~~ ~~that was directly or indirectly related to or involving any aspect of the practice or business of funeral directing, embalming, direct disposition, cremation, funeral or cemetery preneed sales, funeral establishment operations, cemetery operations, or cemetery monument or marker sales or installation~~.

2. Any misdemeanor, no matter when committed, that was directly or indirectly related to the practice or activities regulated under this chapter ~~Any other felony not already disclosed under subparagraph 1. that was committed within the 20 years immediately preceding the application under this chapter~~.

3. Any other misdemeanor not already disclosed under subparagraph 2. which ~~subparagraph 1. that~~ was committed within the 5 years immediately preceding the application under this chapter.

Section 9. Section 626.171, Florida Statutes, is amended to read:

626.171 Application for license as an agent, customer representative, adjuster, or service representative~~, or reinsurance intermediary~~.—

(1) The department may not issue a license as agent, customer representative, adjuster, or service representative~~, or reinsurance intermediary~~ to any person except upon written application filed with the department, meeting the qualifications for the license applied for as determined by the department, and payment in advance of all applicable fees. The

application must be made under the oath of the applicant and be signed by the applicant. An applicant may permit a third party to complete, submit, and sign an application on the applicant's behalf, but is responsible for ensuring that the information on the application is true and correct and is accountable for any misstatements or misrepresentations. The department shall accept the uniform application for resident and nonresident agent and adjuster licensing. The department may adopt revised versions of the uniform application by rule.

(2) In the application, the applicant must include all of the following ~~shall set forth~~:

(a) The applicant's ~~His or her~~ full name, age, social security number, residence address, business address, mailing address, contact telephone numbers, including a business telephone number, and e-mail address.

(b) A statement indicating the method the applicant used or is using to meet any required prelicensing education, knowledge, experience, or instructional requirements for the type of license applied for.

(c) Whether the applicant ~~he or she~~ has been refused or has voluntarily surrendered or has had suspended or revoked a license to solicit insurance by the department or by the supervising officials of any state.

(d) Whether any insurer or any managing general agent claims the applicant is indebted under any agency contract or otherwise and, if so, the name of the claimant, the nature of the claim, and the applicant's defense thereto, if any.

(e) Proof that the applicant meets the requirements for the type of license for which he or she is applying.

(f) The applicant's gender (male or female).

(g) The applicant's native language.

(h) The highest level of education achieved by the applicant.

(i) The applicant's race or ethnicity (African American, white, American Indian, Asian, Hispanic, or other).

(j) Such other or additional information as the department may deem proper to enable it to determine the character, experience, ability, and other qualifications of the applicant to hold himself or herself out to the public as an insurance representative.

However, the application must contain a statement that an applicant is not required to disclose his or her race or ethnicity, gender, or native language, that he or she will not be penalized for not doing so, and that the department will use this information exclusively for research and statistical purposes and to improve the quality and fairness of the examinations. The department may ~~shall~~ make provisions for applicants to voluntarily submit their cellular telephone numbers as part of the application process solely ~~on a voluntary basis only~~ for the purpose of two-factor authentication of secure login credentials ~~only~~.

(3) Each application must be accompanied by payment of any applicable fee.

(4) An applicant for a license issued by the department under this chapter must submit a set of the individual applicant's fingerprints, or, if the applicant is not an individual, a set of the fingerprints of the sole proprietor,

majority owner, partners, officers, and directors, to the department and must pay the fingerprint processing fee set forth in s. 624.501. Fingerprints must be processed in accordance with s. 624.34 and used to investigate the applicant's qualifications pursuant to s. 626.201. The fingerprints must be taken by a law enforcement agency or other department-approved entity. The department may not approve an application for licensure as an agent, customer ~~service~~ representative, adjuster, or service representative~~, or reinsurance intermediary~~ if fingerprints have not been submitted.

(5) The application for license filing fee prescribed in s. 624.501 is not subject to refund.

(6) Members of the United States Armed Forces and their spouses, and veterans of the United States Armed Forces who have separated from service ~~within 24 months~~ before application for licensure, are exempt from the application filing fee prescribed in s. 624.501. Qualified individuals must provide a copy of a military identification card, military dependent identification card, military service record, military personnel file, veteran record, discharge paper or separation document that indicates such members are currently in good standing or such veterans were honorably discharged.

(7) Pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, each party is required to provide his or her social security number in accordance with this section. Disclosure of social security numbers obtained through this requirement must be limited to the purpose of administration of the Title IV-D program for child support enforcement.

Section 10. Paragraph (c) of subsection (2) of section 626.292, Florida Statutes, is amended to read:

626.292 Transfer of license from another state.—

(2) To qualify for a license transfer, an individual applicant must meet the following requirements:

(c) The individual must submit a completed application for this state which is received by the department within 90 days after the date the individual became a resident of this state, along with payment of the applicable fees set forth in s. 624.501 and submission of the following documents:

1. A certification issued by the appropriate official of the applicant's home state identifying the type of license and lines of authority under the license and stating that~~, at the time the license from the home state was canceled,~~ the applicant was in good standing in that state or that the state's Producer Database records, maintained by the National Association of Insurance Commissioners, its affiliates, or subsidiaries, indicate that the agent or all-lines adjuster is or was licensed in good standing for the line of authority requested. An applicant may hold a resident license in another state for 30 days after the Florida resident license has been issued to facilitate the transfer of licensure between states.

2. A set of the applicant's fingerprints in accordance with s. 626.171(4).

Section 11. Subsection (1) of section 626.611, Florida Statutes, is amended to read:

626.611 Grounds for compulsory refusal, suspension, or revocation of agent's, title agency's, adjuster's, customer representative's, service representative's, or managing general

agent's license or appointment.—

(1) The department shall require license reexamination, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent, and it shall suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist:

(a) Lack of one or more of the qualifications for the license or appointment as specified in this code.

(b) Material misstatement, misrepresentation, or fraud in obtaining the license or appointment or in attempting to obtain the license or appointment.

(c) Failure to pass to the satisfaction of the department any examination required under this code, including cheating on an examination required for licensure or violating test center or examination procedures published orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator.

(d) If the license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this code.

(e) Willful misrepresentation of any insurance policy or annuity contract or willful deception with regard to any such policy or contract, done either in person or by any form of dissemination of information or advertising.

(f) If, as an adjuster, or agent licensed and appointed to

adjust claims under this code, he or she has materially misrepresented to an insured or other interested party the terms and coverage of an insurance contract with intent and for the purpose of effecting settlement of claim for loss or damage or benefit under such contract on less favorable terms than those provided in and contemplated by the contract.

(g) Demonstrated lack of fitness or trustworthiness to engage in the business of insurance.

(h) Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.

(i) Fraudulent or dishonest practices in the conduct of business under the license or appointment.

(j) Misappropriation, conversion, or unlawful withholding of moneys belonging to insurers or insureds or beneficiaries or to others and received in conduct of business under the license or appointment.

(k) Unlawfully rebating, attempting to unlawfully rebate, or unlawfully dividing or offering to divide his or her commission with another.

(l) Having obtained or attempted to obtain, or having used or using, a license or appointment as agent or customer representative for the purpose of soliciting or handling "controlled business" as defined in s. 626.730 with respect to general lines agents, s. 626.784 with respect to life agents, and s. 626.830 with respect to health agents.

(m) Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of this code.

(n) Having been found guilty of or having pleaded guilty or nolo contendere to a misdemeanor directly related to the financial services business, any felony, or any crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

(o) Fraudulent or dishonest practice in submitting or aiding or abetting any person in the submission of an application for workers' compensation coverage under chapter 440 containing false or misleading information as to employee payroll or classification for the purpose of avoiding or reducing the amount of premium due for such coverage.

(p) Sale of an unregistered security that was required to be registered, pursuant to chapter 517.

(q) In transactions related to viatical settlement contracts as defined in s. 626.9911:

1. Commission of a fraudulent or dishonest act.

2. No longer meeting the requirements for initial licensure.

3. Having received a fee, commission, or other valuable consideration for his or her services with respect to viatical settlements that involved unlicensed viatical settlement providers or persons who offered or attempted to negotiate on behalf of another person a viatical settlement contract as defined in s. 626.9911 and who were not licensed life agents.

4. Dealing in bad faith with viators.

Section 12. Section 626.621, Florida Statutes, is amended

to read:

626.621 Grounds for discretionary refusal, suspension, or revocation of agent's, adjuster's, customer representative's, service representative's, or managing general agent's license or appointment.—The department may, in its discretion, require a license reexamination, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, adjuster, customer representative, service representative, or managing general agent, and it may suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 626.611:

(1) Any cause for which issuance of the license or appointment could have been refused had it then existed and been known to the department.

(2) Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment.

(3) Violation of any lawful order or rule of the department, commission, or office.

(4) Failure or refusal, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.

(5) Violation of the provision against twisting, as defined in s. 626.9541(1)(l).

(6) In the conduct of business under the license or appointment, engaging in unfair methods of competition or in

unfair or deceptive acts or practices, as prohibited under part IX of this chapter, or having otherwise shown himself or herself to be a source of injury or loss to the public.

(7) Willful overinsurance of any property or health insurance risk.

(8) If a life agent, violation of the code of ethics.

(9) Cheating on an examination required for licensure or violating test center or examination procedures published orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator. Communication of test center and examination procedures must be clearly established and documented.

(10) Failure to inform the department in writing within 30 days after pleading guilty or nolo contendere to, or being convicted or found guilty of, any felony or a crime punishable by imprisonment of 1 year or more under the law of the United States or of any state thereof, or under the law of any other country without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the case.

(11) Knowingly aiding, assisting, procuring, advising, or abetting any person in the violation of or to violate a provision of the insurance code or any order or rule of the department, commission, or office.

(12) Has been the subject of or has had a license, permit, appointment, registration, or other authority to conduct business subject to any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court of competent jurisdiction, administrative law proceeding, state agency,

federal agency, national securities, commodities, or option exchange, or national securities, commodities, or option association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association.

(13) Failure to comply with any civil, criminal, or administrative action taken by the child support enforcement program under Title IV-D of the Social Security Act, 42 U.S.C. ss. 651 et seq., to determine paternity or to establish, modify, enforce, or collect support.

(14) Directly or indirectly accepting any compensation, inducement, or reward from an inspector for the referral of the owner of the inspected property to the inspector or inspection company. This prohibition applies to an inspection intended for submission to an insurer in order to obtain property insurance coverage or establish the applicable property insurance premium.

(15) Denial, suspension, or revocation of, or any other adverse administrative action against, a license to practice or conduct any regulated profession, business, or vocation by this state, any other state, any nation, any possession or district of the United States, any court, or any lawful agency thereof.

(16) Taking an action that allows the personal financial or medical information of a consumer or customer to be made available or accessible to the general public, regardless of the format in which the record is stored.

(17) Initiating in-person or telephone solicitation after 9 p.m. or before 8 a.m. local time of the prospective customer

unless requested by the prospective customer.

(18) Cancellation of the applicant's, licensee's, or appointee's resident license in a state other than Florida.

Section 13. Subsection (1) of section 626.731, Florida Statutes, is amended to read:

626.731 Qualifications for general lines agent's license.—

(1) The department may ~~shall~~ not grant or issue a license as general lines agent to any individual found by it to be untrustworthy or incompetent or who does not meet each all of the following qualifications:

(a) The applicant is a natural person at least 18 years of age.

(b) The applicant is 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. ~~An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of this paragraph, 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 such 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.~~

(c) The applicant's place of business will be located in this state and he or she will be actively engaged in the business of insurance and will maintain a place of business, the location of which is identifiable by and accessible to the public.

(d) The license is not being sought for the purpose of writing or handling controlled business, in violation of s. 626.730.

(e) The applicant is qualified as to knowledge, experience, or instruction in the business of insurance and meets the requirements provided in s. 626.732.

(f) The applicant has passed any required examination for license required under s. 626.221.

Section 14. Subsection (2) of section 626.785, Florida Statutes, is amended to read:

626.785 Qualifications for license.—

~~(2) An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of paragraph (1)(b), 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 such 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.~~

Section 15. Section 626.831, Florida Statutes, is amended to read:

626.831 Qualifications for license.—

~~(1)~~ The department may ~~shall~~ not grant or issue a license as health agent as to any individual found by it to be untrustworthy or incompetent, or who does not meet all of the following qualifications:

(1)~~(a)~~ Is ~~Must be~~ a natural person of at least 18 years of age.

(2)~~(b)~~ Is ~~Must be~~ 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.

(3)~~(c)~~ Is ~~Must~~ not ~~be~~ an employee of the United States Department of Veterans Affairs or state service office, as referred to in s. 626.833.

(4)~~(d)~~ Has taken ~~Must take~~ and passed ~~pass~~ any examination for license required under s. 626.221.

(5)~~(e)~~ Is ~~Must be~~ qualified as to knowledge, experience, or instruction in the business of insurance and meets ~~meet~~ the requirements relative thereto provided in s. 626.8311.

~~(2) An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of paragraph (1)(b), 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 such 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.~~

Section 16. Subsection (24) is added to section 626.854, Florida Statutes, to read:

626.854 "Public adjuster" defined; prohibitions.—The Legislature finds that it is necessary for the protection of the public to regulate public insurance adjusters and to prevent the unauthorized practice of law.

(24) A public adjuster, public adjuster apprentice, or public adjusting firm must respond with specific information to

a written or electronic request for claims status from a claimant or insured or their designated representative within 14 days after the date of the request and shall document in the file the response or information provided.

Section 17. Subsection (4) of section 648.34, Florida Statutes, is amended to read:

648.34 Bail bond agents; qualifications.—

(4) The applicant shall furnish, with his or her application, a complete set of his or her fingerprints in accordance with s. 626.171(4) ~~and a recent credential-sized, fullface photograph of the applicant~~. The department may ~~shall~~ not authorize an applicant to take the required examination until the department has received a report from the Department of Law Enforcement and the Federal Bureau of Investigation relative to the existence or nonexistence of a criminal history report based on the applicant's fingerprints.

Section 18. Subsection (2) of section 648.382, Florida Statutes, is amended to read:

648.382 Appointment of bail bond agents and bail bond agencies; effective date of appointment.—

(2) Before any appointment, an appropriate officer or official of the appointing insurer must obtain all of the following information ~~submit~~:

(a) A certified statement or affidavit to the department stating what investigation has been made concerning the proposed appointee and the proposed appointee's background and the appointing person's opinion to the best of his or her knowledge and belief as to the moral character and reputation of the proposed appointee. In lieu of such certified statement or

affidavit, by authorizing the effectuation of an appointment for a licensee, the appointing entity certifies to the department that such investigation has been made and that the results of the investigation and the appointing person's opinion is that the proposed appointee is a person of good moral character and reputation and is fit to engage in the bail bond business.~~,~~

(b) An affidavit under oath on a form prescribed by the department, signed by the proposed appointee, stating that premiums are not owed to any insurer and that the appointee will discharge all outstanding forfeitures and judgments on bonds previously written. If the appointee does not satisfy or discharge such forfeitures or judgments, the former insurer shall file a notice, with supporting documents, with the appointing insurer, the former agent or agency, and the department, stating under oath that the licensee has failed to timely satisfy forfeitures and judgments on bonds written and that the insurer has satisfied the forfeiture or judgment from its own funds. Upon receipt of such notification and supporting documents, the appointing insurer shall immediately cancel the licensee's appointment. The licensee may be reappointed only upon certification by the former insurer that all forfeitures and judgments on bonds written by the licensee have been discharged. The appointing insurer or former agent or agency may, within 10 days, file a petition with the department seeking relief from this paragraph. Filing of the petition stays the duty of the appointing insurer to cancel the appointment until the department grants or denies the petition.~~,~~

(c) Any other information that the department reasonably requires concerning the proposed appointee.~~; and~~

(d) Effective January 1, 2025, a certification that the appointing entity obtained from each appointee the following sworn statement:

Pursuant to section 648.382(2)(b), Florida Statutes, I do solemnly swear that I owe no premium to any insurer or agency and that I will discharge all outstanding forfeitures and judgments on bonds that have been previously written. I acknowledge that failure to do this will result in my active appointments being canceled.

An appointed bail bond agency must have the attestation under this paragraph signed by its owner.

Section 19. Section 717.001, Florida Statutes, is amended to read:

717.001 Short title.—This chapter may be cited as the "Florida Disposition of Abandoned Personal ~~Unclaimed~~ Property Act."

Section 20. Present subsections (1) through (4), (5) through (8), (10) through (13), (15) through (20), (21), (22) through (28), and (31), (32), and (33) of section 717.101, Florida Statutes, are redesignated as subsections (4) through (7), (9) through (12), (13) through (16), (17) through (22), (24), (26) through (32), and (33), (34), and (35), respectively, new subsections (1), (2), (3), (8), (23), and (25) are added to that section, and present subsections (1), (2), (5), (6), (8), (9), (12), (14), (16), (18), (19), (20), (22), (25), (29), and (30) of that section are amended, to read:

717.101 Definitions.—As used in this chapter, unless the context otherwise requires:

(1) "Abandoned property" means property held by a holder for which all of the following are true:

(a) The apparent owner has shown no activity or indication of interest for the duration of the applicable dormancy period established under this chapter.

(b) The holder has complied with the due diligence requirements set forth in this chapter, including the issuance of notice to the apparent owner, and has received no response or contact sufficient to demonstrate continued interest in the property.

(2) "Abandoned Property Purchase Agreement" means the form adopted by the department pursuant to s. 717.135 which must be used, without modification or amendment, by a claimant representative to purchase abandoned property from an owner.

(3) "Abandoned Property Recovery Agreement" means the form adopted by the department pursuant to s. 717.135 which must be used, without modification or amendment, by a claimant representative to obtain consent and authority to recover abandoned property on behalf of a person.

(4) ~~(1)~~ "Aggregate" means the amounts reported for owners of abandoned ~~unclaimed~~ property of less than $10 or where there is no name for the individual or entity listed on the holder's records, regardless of the amount to be reported.

(5) ~~(2)~~ "Apparent owner" means the person whose name appears on the records of the holder as the owner of the abandoned property, but whose status as the true owner entitled to receive the property may be subject to change due to the passage of time

or changes in circumstances ~~person entitled to property held, issued, or owing by the holder~~.

(8) "Authorized representative" means a person or entity legally empowered to act on behalf of the apparent owner or his or estate, including, but not limited to, an agent, a fiduciary, a personal representative, a trustee, a legal heir, a guardian, or any other individual or entity authorized by law or agreement.

(9)~~(5)~~ "Banking or financial organization" means any and all banks, trust companies, private bankers, savings banks, industrial banks, safe-deposit companies, savings and loan associations, credit unions, savings associations, banking organizations, international bank agencies, cooperative banks, building and loan associations, and investment companies in this state, organized under or subject to the laws of this state or of the United States, including entities organized under 12 U.S.C. s. 611, but does not include federal reserve banks. The term also includes any corporation, business association, or other organization that:

(a) Is a wholly or partially owned subsidiary of any banking, banking corporation, or bank holding company that performs any or all of the functions of a banking organization; or

(b) Performs functions pursuant to the terms of a contract with any banking organization.

(10)~~(6)~~ "Business association" means any for-profit or nonprofit corporation other than a public corporation; joint stock company; investment company; unincorporated association or association of two or more individuals for business purposes,

whether or not for profit; partnership; joint venture; limited liability company; sole proprietorship; business trust; trust company; land bank; safe-deposit company; safekeeping depository; banking or financial organization; insurance company; federally chartered entity; utility company; transfer agent; or other business entity, whether or not for profit.

(12)~~(8)~~ "Claimant ~~Claimant's~~ representative" means an attorney who is a member in good standing with ~~of~~ The Florida Bar, a certified public accountant licensed in this state, or a private investigator ~~who is duly~~ licensed ~~to do business~~ in this ~~the~~ state, who is registered with the department, and authorized to file claims on behalf of persons with the department ~~by the claimant to claim unclaimed property on the claimant's behalf~~. The term does not include a person acting in a representative or fiduciary capacity, such as a personal representative, guardian, trustee, or attorney, whose representation is not contingent upon the discovery or location of abandoned ~~unclaimed~~ property, and it expressly excludes locators, who engage in locating owners of abandoned property for a fee but are not registered with the department~~; provided, however, that any agreement entered into for the purpose of evading s. 717.135 is invalid and unenforceable~~.

~~(9) "Credit balance" means an account balance in the customer's favor.~~

(15)~~(12)~~ "Due diligence" means the use of reasonable and prudent methods under particular circumstances to locate apparent owners of presumed abandoned property ~~inactive accounts~~ using the taxpayer identification number or social security number, if known, which may include, but are not limited to,

using a nationwide database, cross-indexing with other records of the holder, mailing to the last known address unless the last known address is known to be inaccurate, providing written notice as described in this chapter by electronic mail if an apparent owner has elected such delivery, or engaging a licensed agency or company capable of conducting such search and providing updated addresses.

~~(14) "Financial organization" means a savings association, savings and loan association, savings bank, industrial bank, bank, banking organization, trust company, international bank agency, cooperative bank, building and loan association, or credit union.~~

(18)~~(16)~~ "Holder" means a person who is in possession of property belonging to another or who owes a debt or an obligation to another person, including, but not limited to, financial institutions, insurance companies, corporations, partnerships, fiduciaries, and government agencies~~:~~

~~(a) A person who is in possession or control or has custody of property or the rights to property belonging to another; is indebted to another on an obligation; or is obligated to hold for the account of, or to deliver or pay to, the owner, property subject to this chapter; or~~

~~(b) A trustee in case of a trust~~.

(20)~~(18)~~ "Intangible property" includes, by way of illustration and not limitation:

(a) Moneys, checks, virtual currency, drafts, deposits, interest, dividends, and income.

(b) Credit balances, customer overpayments, security deposits and other instruments as defined by chapter 679,

refunds, unpaid wages, unused airline tickets, and unidentified remittances.

(c) Stocks, and other intangible ownership interests in business associations except for:

1. A non-freely transferable security; or

2. A security that is subject to a lien, legal hold, or restriction evidenced on the records of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts the holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security.

(d) Moneys deposited to redeem stocks, bonds, bearer bonds, original issue discount bonds, coupons, and other securities, or to make distributions.

(e) Amounts due and payable under the terms of insurance policies.

(f) Amounts distributable from a trust or custodial fund established under a plan to provide any health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit sharing, employee savings, supplemental unemployment insurance, or similar benefit.

(21)~~(19)~~ "Last known address" means a description of the location of the apparent owner sufficient for the purpose of the delivery of mail. For the purposes of identifying, reporting, and remitting property to the department ~~which is presumed to be unclaimed~~, the term ~~"last known address"~~ includes any partial description of the location of the apparent owner sufficient to establish the apparent owner was a resident of this state at the time of last contact with the apparent owner or at the time the property became due and payable.

(22)~~(20)~~ "Lawful charges" means charges against the property or the account in which the property is held ~~dormant accounts~~ that are authorized by statute for the purpose of offsetting the costs of maintaining the property or the account in which the property is held ~~dormant account~~.

(23) "Locator" means a private individual or business that locates owners of abandoned property in exchange for a fee, typically a percentage of the recovered property. Locators are not employees or agents of the state and are not registered with the department.

(25) "Non-freely transferable security" means a security that cannot be delivered to the administrator by the Depository Trust Clearing Corporation or similar custodian of securities providing post-trade clearing and settlement services to financial markets or cannot be delivered because there is no agent to effect transfer. The term includes a worthless security.

(26)~~(22)~~ "Owner" means the ~~a~~ person~~, or the person's legal representative,~~ entitled to receive or having a legal or equitable interest in the abandoned property. An owner establishes his or her entitlement by filing a valid claim with the department pursuant ~~or claim against property subject~~ to this chapter~~; a depositor in the case of a deposit; a beneficiary in the case of a trust or a deposit in trust; or a payee in the case of a negotiable instrument or other intangible property~~.

(29)~~(25)~~ "Record" means information that is captured or maintained in any format, including written, printed, electronic, audio, visual, or other forms, and that can be made

perceptible or understandable to a person, either directly or through technological means, including assistive technologies ~~inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form~~.

~~(29) "Unclaimed Property Purchase Agreement" means the form adopted by the department pursuant to s. 717.135 which must be used, without modification or amendment, by a claimant's representative to purchase unclaimed property from an owner.~~

~~(30) "Unclaimed Property Recovery Agreement" means the form adopted by the department pursuant to s. 717.135 which must be used, without modification or amendment, by a claimant's representative to obtain an owner's consent and authority to recover unclaimed property on the owner's behalf.~~

Section 21. Section 717.102, Florida Statutes, is amended to read:

717.102 Property presumed abandoned ~~unclaimed~~; general rule.—

(1) Except as otherwise provided by this chapter, all intangible property, including any income or increment thereon less any lawful charges, that is held, issued, or owing in the ordinary course of the holder's business and for which the apparent owner or authorized representative fails to demonstrate continued interest for more than the applicable dormancy period prescribed by this chapter shall be presumed abandoned ~~claim such property for more than 5 years after the property becomes payable or distributable is presumed unclaimed, except as otherwise provided by this chapter~~. Unless otherwise specified by law, the dormancy period shall be 5 years from the date the

property becomes payable or distributable. For the purposes of this chapter, property shall be considered payable or distributable once the holder's obligation to pay or deliver the property arises, regardless of whether the apparent owner or authorized representative has failed to demand or to present documents required to receive payment.

(2) ~~Property is payable or distributable for the purpose of this chapter notwithstanding the owner's failure to make demand or to present any instrument or document required to receive payment.~~

~~(3)~~ A presumption that property is abandoned may be ~~unclaimed is~~ rebutted by the affirmative demonstration of continued interest by the apparent owner or authorized representative ~~an apparent owner's expression of interest in the property~~. Such demonstration ~~An owner's expression~~ of continued interest ~~in property~~ includes, but is not limited to, any of the following:

(a) A record communicated by the apparent owner or authorized representative to the holder or its agent ~~of the holder~~ concerning the property or the account in which the property is held.~~;~~

(b) An oral communication by the apparent owner or authorized representative to the holder or its agent ~~of the holder~~ concerning the property or the account in which the property is held, if the holder or its agent contemporaneously records ~~makes~~ and preserves evidence ~~a record~~ of the ~~fact of the apparent owner's~~ communication.~~;~~

(c) Presentment of a check or other instrument for ~~of~~ payment of ~~a~~ dividends ~~dividend~~, interest ~~payment~~, or other

distributions related to the property. ~~distribution, with respect to an account, underlying security, or interest in a business association;~~

(d) Any account activity initiated ~~directed~~ by an apparent owner or authorized representative ~~in the account in which the property is held~~, including accessing the account or directing changes to information concerning the account~~,~~ or to the amount or type of property held, excluding routine automatic transactions previously authorized, ~~a direction by the apparent owner~~ to increase, decrease, or otherwise change the amount or type of property held in the account.~~;~~

(e) Any ~~A~~ deposit into or withdrawal from the property or the ~~an~~ account in which the property is held ~~at a financial organization~~, excluding ~~an~~ automatic deposits, withdrawals, or reinvestments ~~deposit or withdrawal~~ previously authorized by the apparent owner or authorized representative. ~~an automatic reinvestment of dividends or interest, which does not constitute an expression of interest; or~~

(f) Any other action by the apparent owner or authorized representative which reasonably demonstrates to the holder that the apparent owner or authorized representative is aware of and maintains an interest in ~~knows that~~ the property ~~exists~~.

(3)~~(4)~~ If a holder learns or receives confirmation of an apparent owner's death, the property shall be presumed abandoned ~~unclaimed~~ 2 years after the date of death, unless an authorized representative makes an affirmative demonstration ~~a fiduciary appointed to represent the estate of the apparent owner has made an expression~~ of interest in the property before the expiration of the 2-year period. This subsection may not be construed to

extend the otherwise applicable dormancy period prescribed by this chapter.

Section 22. Section 717.103, Florida Statutes, is amended to read:

717.103 General rules for taking custody of intangible abandoned ~~unclaimed~~ property.—Unless otherwise provided in this chapter or by other statute of this state, intangible property is subject to the custody of the department as abandoned ~~unclaimed~~ property when ~~if~~ the conditions leading to a presumption that the property is abandoned ~~unclaimed~~ as described in ss. 717.102 and 717.105-717.116 are satisfied and the holder has fulfilled all required due diligence obligations without receiving any response or claim from the apparent owner, and one or more of the following criteria apply:

(1) The last known address, as shown on the records of the holder, of the apparent owner is in this state.~~;~~

(2) The records of the holder do not identify the name of the apparent owner, but do reflect ~~the identity of the person entitled to the property, and it is established~~ that the last known address of the apparent owner ~~person entitled to the property~~ is in this state.~~;~~

(3) The records of the holder do not reflect the last known address of the apparent owner, but ~~and~~ it is established that either of the following conditions apply:

(a) The last known address of the apparent owner ~~person entitled to the property~~ is in this state.~~; or~~

(b) The holder is domiciled in this state, ~~a domiciliary~~ or is a government entity or ~~governmental~~ subdivision ~~or agency~~ of this state, and has not previously paid the property to the

state of the last known address of the apparent owner. ~~or other person entitled to the property;~~

(4) The last known address, as shown on the records of the holder, of the apparent owner ~~or other person entitled to the property~~ is in a jurisdiction ~~state~~ that does not have applicable ~~provide by law for the~~ escheat, abandoned, or unclaimed property laws ~~custodial taking of the property, or its escheat or unclaimed property law is not applicable to the property~~, and the holder is domiciled in this state ~~a domiciliary~~ or is a government entity ~~or governmental subdivision~~ or agency of this state.~~;~~

(5) The last known address, as shown on the records of the holder, of the apparent owner is in a foreign nation and the holder is domiciled in this state ~~a domiciliary~~ or is a government entity ~~or governmental subdivision or agency~~ of this state.~~; or~~

(6) The transaction out of which the property arose occurred in this state~~,~~ and both of the following are true:~~;~~

(a)~~1.~~ The last known address of the apparent owner ~~or other person entitled to the property~~ is unknown.~~; or~~

~~2. The last known address of the apparent owner or other person entitled to the property is in a state that does not provide by law for the escheat or custodial taking of the property, or its escheat or unclaimed property law is not applicable to the property; and~~

(b) The holder is domiciled in a jurisdiction ~~a domiciliary of a state~~ that does not have applicable ~~provide by law for the~~ escheat, abandoned, or ~~custodial taking of the property, or its escheat or~~ unclaimed property laws ~~law is not applicable to the~~

~~property~~.

Section 23. Section 717.1035, Florida Statutes, is repealed.

Section 24. Section 717.104, Florida Statutes, is amended to read:

717.104 Traveler's checks and money orders.—

(1) Subject to subsection (4), any sum payable on a traveler's check that has been outstanding for more than 15 years after its issuance is presumed abandoned ~~unclaimed~~ unless the apparent owner or authorized representative, within 15 years, has demonstrated a continued interest in the property in accordance with s. 717.102 ~~communicated in writing with the issuer concerning it or otherwise indicated an interest as evidenced by a memorandum or other record on file with the issuer~~.

(2) Subject to subsection (4), any sum payable on a money order or similar written instrument, other than a third party bank check, that has been outstanding for more than 7 years after its issuance is presumed abandoned ~~unclaimed~~ unless the apparent owner or authorized representative, within 7 years, has demonstrated a continued interest in the property in accordance with s. 717.102 ~~communicated in writing with the issuer concerning it or otherwise indicated an interest as evidenced by a memorandum or other record on file with the issuer~~.

(3) A ~~No~~ holder may not deduct from the amount of any traveler's check or money order any charges imposed by reason of the failure to present those instruments for payment unless there is a valid and enforceable written contract between the holder ~~issuer~~ and the apparent owner of the property pursuant to

which the holder ~~issuer~~ may impose those charges and the holder ~~issuer~~ regularly imposes those charges and does not regularly reverse or otherwise cancel those charges with respect to the property.

(4) No sum payable on a traveler's check, money order, or similar written instrument, other than a third party bank check, described in subsections (1) and (2) may be subjected to the custody of this state as abandoned ~~unclaimed~~ property unless any of the following conditions are met:

(a) The records of the holder ~~issuer~~ show that the traveler's check, money order, or similar written instrument was purchased in this state.~~,~~

(b) The holder ~~issuer~~ has its principal place of business in this state and its ~~the~~ records ~~of the issuer~~ do not show the state in which the traveler's check, money order, or similar written instrument was purchased.~~; or~~

(c) The holder ~~issuer~~ has its principal place of business in this state; the holder's records ~~of the issuer~~ show the state in which the traveler's check, money order, or similar written instrument was purchased; and the ~~laws of the~~ state of purchase does not provide applicable ~~do not provide for the~~ escheat, abandoned, or unclaimed property laws ~~or custodial taking of the property, or its escheat or unclaimed property law is not applicable to the property~~.

(5) Notwithstanding any other provision of this chapter, subsection (4) applies to sums payable on traveler's checks, money orders, and similar written instruments presumed abandoned ~~unclaimed~~ on or after February 1, 1965, except to the extent that those sums have been paid over to a state prior to January

1, 1974.

Section 25. Section 717.1045, Florida Statutes, is amended to read:

717.1045 Gift certificates and similar credit items.—Notwithstanding s. 717.117, an unredeemed gift certificate or credit memo as defined in s. 501.95 is not required to be reported as abandoned ~~unclaimed~~ property.

(1) The consideration paid for an unredeemed gift certificate or credit memo is the property of the issuer of the unredeemed gift certificate or credit memo.

(2) An unredeemed gift certificate or credit memo is subject only to any rights of a purchaser or owner thereof and is not subject to a claim made by any state acting on behalf of a purchaser or owner.

(3) It is the intent of the Legislature that this section apply to the custodial holding of unredeemed gift certificates and credit memos.

(4) However, a gift certificate or credit memo described in s. 501.95(2)(b) shall be reported as abandoned ~~unclaimed~~ property. The consideration paid for such a gift certificate or credit memo is the property of the owner of the gift certificate or credit memo.

Section 26. Section 717.105, Florida Statutes, is amended to read:

717.105 Checks, drafts, and similar instruments issued or certified by banking and financial organizations.—

(1) Any sum payable on a check, draft, or similar instrument, except those subject to ss. 717.104 and 717.115, on which a banking or financial organization is directly liable,

including, but not limited to, a cashier's check or a certified check, which has been outstanding for more than 5 years after it was payable or after its issuance if payable on demand, is presumed abandoned ~~unclaimed~~ unless the apparent owner or authorized representative, within 5 years, has communicated in writing with the banking or financial organization concerning it or otherwise demonstrated a continued interest in the property in accordance with s. 717.102 ~~indicated an interest as evidenced by a memorandum or other record on file with the banking or financial organization~~.

(2) A ~~No~~ holder may not deduct from the amount of any instrument subject to this section any charges imposed by reason of the failure to present the instrument for encashment unless there is a valid and enforceable written contract between the holder and the apparent owner of the instrument pursuant to which the holder may impose those charges and does not regularly reverse or otherwise cancel those charges with respect to the instrument.

Section 27. Subsection (1), paragraphs (a) and (b) of subsection (3), and subsections (4) and (5) of section 717.106, Florida Statutes, are amended to read:

717.106 Bank deposits and funds in financial organizations.—

(1) Any demand, savings, or matured time deposit with a banking or financial organization, including deposits that are automatically renewable, and any funds paid toward the purchase of shares, a mutual investment certificate, or any other interest in a banking or financial organization is presumed abandoned ~~unclaimed~~ unless the apparent owner or authorized

representative has, within 5 years, engaged in any of the following activities:

(a) Increased or decreased the amount of the deposit or presented the passbook or other similar evidence of the deposit for the crediting of interest.~~,~~

(b) Communicated in writing or by documented telephone contact with the banking or financial organization concerning the property.~~,~~

(c) Otherwise demonstrated a continued ~~indicated an~~ interest in the property as evidenced by a memorandum or other record on file with the banking or financial organization.~~,~~

(d) Owned other property to which paragraph (a), paragraph (b), or paragraph (c) is applicable and if the banking or financial organization communicates in writing with the owner with regard to the property that would otherwise be presumed abandoned ~~unclaimed~~ under this subsection at the address to which communications regarding the other property regularly are sent.~~, or~~

(e) Had another relationship with the banking or financial organization concerning which the apparent owner has:

1. Communicated in writing with the banking or financial organization; or

2. Otherwise demonstrated a continued ~~indicated an~~ interest as evidenced by a memorandum or other record on file with the banking or financial organization and if the banking or financial organization communicates in writing with the apparent owner or authorized representative with regard to the property that would otherwise be presumed abandoned ~~unclaimed~~ under this subsection at the address to which communications regarding the

other relationship regularly are sent.

(3) A ~~No~~ holder may not impose with respect to property described in subsection (1) any charges due to dormancy or inactivity or cease payment of interest unless:

(a) There is an enforceable written contract between the holder and the apparent owner of the property pursuant to which the holder may impose those charges or cease payment of interest.

(b) For property in excess of $2, the holder, no more than 3 months prior to the initial imposition of those charges or cessation of interest, has given written notice to the apparent owner of the amount of those charges at the last known address of the apparent owner stating that those charges shall be imposed or that interest shall cease, but the notice provided in this section need not be given with respect to charges imposed or interest ceased before July 1, 1987.

(4) Any property described in subsection (1) that is automatically renewable is matured for purposes of subsection (1) upon the expiration of its initial time period except that, in the case of any renewal to which the apparent owner consents at or about the time of renewal by communicating in writing with the banking or financial organization or otherwise indicating consent as evidenced by a memorandum or other record on file prepared by an employee of the organization, the property is matured upon the expiration of the last time period for which consent was given. If, at the time provided for delivery in s. 717.119, a penalty or forfeiture in the payment of interest would result from the delivery of the property, the time for delivery is extended until the time when no penalty or

forfeiture would result.

(5) If the documents establishing a deposit described in subsection (1) state the address of a beneficiary of the deposit, and the account has a value of at least $50, notice shall be given to the beneficiary as provided for notice to the apparent owner under s. 717.117 ~~s. 717.117(6)~~. This subsection shall apply to accounts opened on or after October 1, 1990.

Section 28. Subsection (1) of section 717.107, Florida Statutes, is amended to read:

717.107 Funds owing under life insurance policies, annuity contracts, and retained asset accounts; fines, penalties, and interest; United States Social Security Administration Death Master File.—

(1) Funds held or owing under any life or endowment insurance policy or annuity contract which has matured or terminated are presumed abandoned ~~unclaimed~~ if unclaimed for more than 5 years after the date of death of the insured, the annuitant, or the retained asset account holder, but property described in paragraph (3)(d) is presumed abandoned ~~unclaimed~~ if such property is not claimed for more than 2 years. The amount presumed abandoned ~~unclaimed~~ shall include any amount due and payable under s. 627.4615.

Section 29. Section 717.1071, Florida Statutes, is amended to read:

717.1071 Lost owners of abandoned ~~unclaimed~~ demutualization, rehabilitation, or related reorganization proceeds.—

(1) Property distributable in the course of a demutualization, rehabilitation, or related reorganization of an

insurance company is deemed abandoned 2 years after the date the property is first distributable if, at the time of the first distribution, the last known address of the apparent owner on the books and records of the holder is known to be incorrect or the distribution or statements are returned by the post office as undeliverable; and the apparent owner or authorized representative ~~owner~~ has not communicated in writing with the holder or its agent regarding the interest or otherwise communicated with the holder regarding the interest as evidenced by a memorandum or other record on file with the holder or its agent.

(2) Property distributable in the course of demutualization, rehabilitation, or related reorganization of a mutual insurance company that is not subject to subsection (1) shall be reportable as otherwise provided by this chapter.

(3) Property subject to this section shall be reported and delivered no later than May 1 as of the preceding December 31; however, the initial report under this section shall be filed no later than November 1, 2003, as of December 31, 2002.

Section 30. Section 717.108, Florida Statutes, is amended to read:

717.108 Deposits held by utilities.—Any deposit, including any interest thereon, made by a subscriber with a utility to secure payment or any sum paid in advance for utility services to be furnished, less any lawful charges, that remains unclaimed by the apparent owner for more than 1 year after termination of the services for which the deposit or advance payment was made is presumed abandoned ~~unclaimed~~.

Section 31. Section 717.109, Florida Statutes, is amended

to read:

717.109 Refunds held by business associations.—Except as otherwise provided by law, any sum that a business association has been ordered to refund by a court or administrative agency which has been unclaimed by the apparent owner for more than 1 year after it became payable in accordance with the final determination or order providing for the refund, regardless of whether the final determination or order requires any person entitled to a refund to make a claim for it, is presumed abandoned ~~unclaimed~~.

Section 32. Section 717.1101, Florida Statutes, is amended to read:

717.1101 Abandoned ~~Unclaimed~~ equity and debt of business associations.—

(1)(a) Stock, ~~or~~ other equity interests, or debt of ~~interest in~~ a business association is presumed abandoned ~~unclaimed~~ on the date of the earliest of any of the following:

1. Three years after the date a communication, other than communications required by s. 717.117, sent by the holder by first-class United States mail to the apparent owner is returned to the holder undelivered by the United States Postal Service. If such returned communication is resent within 1 month to the apparent owner, the 3-year dormancy period does not begin until the day the resent item is returned as undelivered.

2. Five ~~Three~~ years after the most recent of any account ~~owner-generated~~ activity or communication initiated by the apparent owner or authorized representative which demonstrates continued interest in the ~~related to the~~ account, as recorded and maintained by ~~in~~ the holder. Routine automatic reinvestments

or other routine transactions previously authorized by the apparent owner or authorized representative do not prevent, interrupt, or reset the dormancy period and do not constitute an affirmative demonstration of continued interest. ~~holder's database and records systems sufficient enough to demonstrate the owner's continued awareness or interest in the property;~~

3.~~2.~~ Two ~~Three~~ years after the date of the death of the apparent owner, as evidenced by:

a. Notice to the holder of the apparent owner's death by an authorized representative ~~administrator, beneficiary, relative, or trustee, or by a personal representative or other legal representative of the owner's estate~~;

b. Receipt by the holder of a copy of the death certificate of the apparent owner;

c. Confirmation by the holder of the apparent owner's death through ~~though~~ other means; or

d. Other evidence from which the holder may reasonably conclude that the apparent owner is deceased.~~; or~~

~~3. One year after the date on which the holder receives notice under subparagraph 2. if the notice is received 2 years or less after the owner's death and the holder lacked knowledge of the owner's death during that period of 2 years or less.~~

(b) If the holder does not send communication to the apparent owner of a security by first-class United States mail on an annual basis, the holder shall attempt to confirm the apparent owner's interest in the equity interest by sending the apparent owner an e-mail communication not later than 3 years after the apparent owner's or authorized representative's last demonstration of continued interest in the equity interest.

However, the holder shall promptly attempt to contact the apparent owner by first-class United States mail if:

1. The holder does not have information needed to send the apparent owner an e-mail communication or the holder believes that the apparent owner's e-mail address in the holder's records is not valid;

2. The holder received notification that the e-mail communication was not received; or

3. The apparent owner does not respond to the e-mail communication within 30 days after the communication was sent.

(c) If first-class United States mail sent under paragraph (b) is returned to the holder undelivered by the United States Postal Service, the equity interest is presumed abandoned in accordance with paragraph (1)(a).

(d) Unmatured or unredeemed debt, other than a bearer bond or an original issue discount bond, is presumed abandoned 5 ~~unclaimed 3~~ years after the date of the most recent interest payment unclaimed by the owner.

(e) ~~(c)~~ Matured or redeemed debt is presumed abandoned 5 ~~unclaimed 3~~ years after the date of maturity or redemption.

(f) ~~(d)~~ At the time property is presumed abandoned ~~unclaimed~~ under paragraph (a) or paragraph (b), any other property right accrued or accruing to the owner as a result of the property interest and not previously presumed abandoned ~~unclaimed~~ is also presumed abandoned ~~unclaimed~~.

(2) The running of the applicable dormancy period under this section ~~such 3-year period~~ ceases if the apparent owner or authorized representative demonstrates continued interest under s. 717.102, including by any of the following actions ~~person~~:

(a) ~~1.~~ Communicating ~~Communicates~~ in writing or by other means with the association or its agent regarding the interest, ~~or a~~ dividend, distribution, or other sum payable as a result of the interest, as recorded by the association or its agent~~; or~~

~~2. Otherwise communicates with the association regarding the interest or a dividend, distribution, or other sum payable as a result of the interest, as evidenced by a memorandum or other record on file with the association or its agent~~.

(b) Presenting ~~Presents~~ an instrument issued to pay interest, ~~or~~ a dividend, or other ~~cash~~ distribution. If any future dividend, distribution, or other sum payable ~~to the owner~~ as a result of the interest is subsequently unclaimed ~~not claimed by the owner~~, a new period in which the property is presumed abandoned ~~unclaimed~~ commences and relates back only to the time a subsequent dividend, distribution, or other sum became due and payable.

(3) At the same time any interest is presumed abandoned ~~unclaimed~~ under this section, any dividend, distribution, or other sum then held for or owing to the owner as a result of the interest, is presumed abandoned ~~unclaimed~~.

(4) Any dividend, profit, distribution, interest redemption, payment on principal, or other sum held or owing by a business association for or to a shareholder, certificateholder, member, bondholder, or other security holder, who has not claimed such amount or corresponded in writing with the business association concerning such amount, within 5 ~~3~~ years after the date prescribed for payment or delivery, is presumed abandoned ~~unclaimed~~.

Section 33. Section 717.111, Florida Statutes, is amended

to read:

717.111 Property of business associations held in course of dissolution.—All intangible property distributable in the course of a voluntary or involuntary dissolution of a business association which is not claimed by the apparent owner for more than 6 months after the date specified for final distribution is presumed abandoned ~~unclaimed~~.

Section 34. Subsections (1) and (5) of section 717.112, Florida Statutes, are amended to read:

717.112 Property held by agents and fiduciaries.—

(1) All intangible property and any income or increment thereon held in a fiduciary capacity for the benefit of another person, including property held by an attorney in fact or an agent, except as provided in ss. 717.1125 and 733.816, is presumed abandoned ~~unclaimed~~ unless the apparent owner has within 5 years after it has become payable or distributable increased or decreased the principal, accepted payment of principal or income, communicated in writing concerning the property, or otherwise indicated an interest as evidenced by a memorandum or other record on file with the fiduciary.

(5) All intangible property, and any income or increment thereon, issued by a government or governmental subdivision or agency, public corporation, or public authority and held in an agency capacity for the governmental subdivision, agency, public corporation, or public authority for the benefit of the owner of record~~,~~ is presumed abandoned ~~unclaimed~~ unless the apparent owner has, within 1 year after such property has become payable or distributable, increased or decreased the principal, accepted payment of the principal or income, communicated concerning the

property, or otherwise indicated an interest in the property as evidenced by a memorandum or other record on file with the fiduciary.

Section 35. Section 717.1125, Florida Statutes, is amended to read:

717.1125 Property held by fiduciaries under trust instruments.—All intangible property and any income or increment thereon held in a fiduciary capacity for the benefit of another person under a trust instrument is presumed abandoned ~~unclaimed~~ unless the apparent owner has, within 2 years after it has become payable or distributable, increased or decreased the principal, accepted payment of principal or income, communicated concerning the property, or otherwise indicated an interest as evidenced by a memorandum or other record on file with the fiduciary. This section does not relieve a fiduciary of his or her duties under the Florida Trust Code.

Section 36. Section 717.113, Florida Statutes, is amended to read:

717.113 Property held by courts and public agencies.—All intangible property held for the apparent owner by any court, government or governmental subdivision or agency, public corporation, or public authority that has not been claimed by the apparent owner for more than 1 year after it became payable or distributable is presumed abandoned ~~unclaimed~~. Except as provided in s. 45.032(3)(c), money held in the court registry and for which no court order has been issued to determine an owner does not become payable or distributable and is not subject to reporting under this chapter. Notwithstanding the provisions of this section, funds deposited in the Minerals

Trust Fund pursuant to s. 377.247 are presumed abandoned ~~unclaimed~~ only if the funds have not been claimed by the apparent owner for more than 5 years after the date of first production from the well.

Section 37. Section 717.115, Florida Statutes, is amended to read:

717.115 Wages.—Unpaid wages, including wages represented by unpresented payroll checks, owing in the ordinary course of the holder's business that have not been claimed by the apparent owner for more than 1 year after becoming payable are presumed abandoned ~~unclaimed~~.

Section 38. Section 717.116, Florida Statutes, is amended to read:

717.116 Contents of safe-deposit box or other safekeeping repository.—All tangible and intangible property held by a banking or financial organization in a safe-deposit box or any other safekeeping repository in this state in the ordinary course of the holder's business, and proceeds resulting from the sale of the property permitted by law, that has not been claimed by the apparent owner or authorized representative for more than 3 years after the lease or rental period on the box or other repository has expired are presumed abandoned ~~unclaimed~~.

Section 39. Section 717.117, Florida Statutes, is amended to read:

717.117 Holder due diligence and report of abandoned ~~unclaimed~~ property.—

(1) Property is presumed abandoned upon expiration of the applicable dormancy period under this chapter. However, such property is not deemed abandoned for purposes of reporting or

remittance to the department until the holder has conducted reasonable due diligence as required by this section, resulting in no indication of interest from the apparent owner or authorized representative.

(2) Holders of property presumed abandoned that has a value of $50 or more shall use due diligence to locate and notify the apparent owner that the holder is in possession of property subject to this chapter. At least 90 days, but not more than 180 days, before filing the report required by this section, a holder in possession of presumed abandoned property shall send written notice by first-class United States mail to the apparent owner's last known address as shown in the holder's records or from other available sources, or by e-mail if the apparent owner has elected for e-mail delivery, informing the apparent owner that the holder is in possession of property subject to this chapter, provided that the holder's records contain a mailing or e-mail address for the apparent owner which is not known by the holder to be inaccurate. The holder may provide notice by mail, by e-mail, or by both methods. If the holder's records indicate that the mailing address is inaccurate, notice may be provided by e-mail if the apparent owner has elected e-mail delivery.

(3) If the value of the property is greater than $1,000, the holder shall send a second written notice by certified United States mail, return receipt requested, to the apparent owner's last known address at least 60 days before filing the report required by this section, if the holder's records contain a mailing address for the apparent owner which is not known by the holder to be inaccurate. Reasonable costs paid to the United States Postal Service for certified mail, return receipt

requested, may be deducted from the property as a service charge. A signed return receipt received in response to the certified mail notice constitutes an affirmative demonstration of continued interest as described in s. 717.102.

(4) The written notice required under this section must include:

(a) A heading that reads substantially as follows: "Notice: The State of Florida requires us to notify you that your property may be transferred to the custody of the Florida Department of Financial Services if you do not contact us before ...(insert date that is at least 30 days after the date of notice)...."

(b) A description of the type, nature, and, unless the property does not have a fixed value, value of the property that is the subject of the notice.

(c) A statement that the property will be turned over to the custody of the department as abandoned property if no response is received.

(d) A statement that noncash property will be sold or liquidated by the department.

(e) A statement that, after the property is remitted to the department, a claim must be filed with the department to recover the property.

(f) A statement that the property is currently in the custody of the holder and that the apparent owner may prevent transfer of the property by contacting the holder before the deadline stated in the notice.

(5) Every holder of abandoned ~~person holding funds or other~~ property, tangible or intangible, ~~presumed unclaimed and~~ subject

to custody ~~as unclaimed property~~ under this chapter shall submit a report to the department via electronic medium as the department may prescribe by rule. The report must include:

(a) Except for traveler's checks and money orders, the name, social security number or taxpayer identification number, date of birth, if known, and last known address, if any, of each apparent ~~person appearing from the records of the holder to be the~~ owner of any property which is abandoned ~~presumed unclaimed~~ and which has a value of $10 or more.

(b) For abandoned ~~unclaimed~~ funds that have a value of $10 or more held or owing under any life or endowment insurance policy or annuity contract, the identifying information provided in paragraph (a) for both the insured or annuitant and the beneficiary according to records of the insurance company holding or owing the funds.

(c) For all tangible property held in a safe-deposit box or other safekeeping repository, a description of the property and the place where the property is held and may be inspected by the department, and any amounts owing to the holder. Contents of a safe-deposit box or other safekeeping repository which consist of documents or writings ~~of a private nature and~~ which have little or no commercial value may ~~apparent value shall~~ not be reported as abandoned property ~~presumed unclaimed~~.

(d) The nature or type of property, any accounting or identifying number associated with the property, a description of the property, and the amount appearing from the records to be due. Items of value of less than $10 each may be reported in the aggregate.

(e) The date the property became payable, demandable, or

returnable, and the date of the last transaction with the apparent owner with respect to the property.

(f) Any other information the department may prescribe by rule as necessary for the administration of this chapter.

(6) ~~(2)~~ If the total value of all abandoned ~~presumed unclaimed~~ property, whether tangible or intangible, held by a person is less than $10, a zero balance report may be filed for that reporting period.

(7) ~~(3)~~ Credit balances, customer overpayments, security deposits, and refunds having a value of less than $10 may not be reported as abandoned property ~~shall not be presumed unclaimed~~.

(8) A security identified by the holder as non-freely transferable or worthless may not to be included in a report filed under this section. If the holder determines that a security is no longer non-freely transferable or worthless, the holder shall report and deliver the security on the next regular report date prescribed for delivery of securities by the holder under this chapter.

(9) ~~(4)~~ If the holder of abandoned property ~~presumed unclaimed and~~ subject to custody under this chapter ~~as unclaimed property~~ is a successor holder or if the holder has changed the holder's name while in possession of the property, the holder shall file with the holder's report all known names and addresses of each prior holder of the property. Compliance with this subsection means the holder exercises reasonable and prudent efforts to determine the names of all prior holders.

(10) The report must be signed by or on behalf of the holder and verified as to its completeness and accuracy, and the holder must state that it has complied with the due diligence

requirements of this section.

(11) ~~(5)~~ The report must be filed before May 1 of each year. The report applies to the preceding calendar year. Upon written request by any person required to file a report, and upon a showing of good cause, the department may extend the reporting date. The department may impose and collect a penalty of $10 per day up to a maximum of $500 for the failure to timely report, if an extension was not provided or if the holder of the property failed to include in a report information required by this chapter which was in the holder's possession at the time of reporting. The penalty shall be remitted to the department within 30 days after the date of the notification to the holder that the penalty is due and owing. As necessary for proper administration of this chapter, the department may waive any penalty due with appropriate justification. The department must provide information contained in a report filed with the department to any person requesting a copy of the report or information contained in a report, to the extent the information requested is not confidential, within 45 days after the department determines that the report is accurate and acceptable and that the reported property is the same as the remitted property.

~~(6) Holders of inactive accounts having a value of $50 or more shall use due diligence to locate and notify apparent owners that the entity is holding unclaimed property available for them to recover. Not more than 120 days and not less than 60 days prior to filing the report required by this section, the holder in possession of property presumed unclaimed and subject to custody as unclaimed property under this chapter shall send~~

~~written notice by first-class United States mail to the apparent owner at the apparent owner's last known address from the holder's records or from other available sources, or via electronic mail if the apparent owner has elected this method of delivery, informing the apparent owner that the holder is in possession of property subject to this chapter, if the holder has in its records a mailing or electronic address for the apparent owner which the holder's records do not disclose to be inaccurate. These two means of contact are not mutually exclusive; if the mailing address is determined to be inaccurate, electronic mail may be used if so elected by the apparent owner.~~

~~(7) The written notice to the apparent owner required under this section must:~~

~~(a) Contain a heading that reads substantially as follows: "Notice. The State of Florida requires us to notify you that your property may be transferred to the custody of the Florida Department of Financial Services if you do not contact us before ...(insert date that is at least 30 days after the date of notice)...."~~

~~(b) Identify the type, nature, and, except for property that does not have a fixed value, value of the property that is the subject of the notice.~~

~~(c) State that the property will be turned over to the custody of the department as unclaimed property if no response to this letter is received.~~

~~(d) State that any property that is not legal tender of the United States may be sold or liquidated by the department.~~

~~(e) State that after the property is turned over to the~~

~~department, an apparent owner seeking return of the property may file a claim with the department.~~

~~(f) State that the property is currently with a holder and provide instructions that the apparent owner must follow to prevent the holder from reporting and paying for the property or from delivering the property to the department.~~

(12) ~~(8)~~ Any holder of intangible property may file with the department a petition for determination that the property is abandoned and ~~unclaimed~~ requesting the department to accept custody of the property. The petition shall state any special circumstances that exist, contain the information required by subsection (9) ~~subsection (4)~~, and show that a diligent search has been made to locate the apparent owner. If the department finds that the proof of diligent search is satisfactory, it shall give notice as provided in s. 717.118 and accept custody of the property.

(13) ~~(9)~~ Upon written request by any entity or person required to file a report, stating such entity's or person's justification for such action, the department may place that entity or person in an inactive status as an abandoned ~~unclaimed~~ property "holder."

(14) ~~(10)~~ (a) This section does not apply to the abandoned ~~unclaimed~~ patronage refunds as provided for by contract or through bylaw provisions of entities organized under chapter 425 or that are exempt from ad valorem taxation pursuant to s. 196.2002.

(b) This section does not apply to intangible property held, issued, or owing by a business association subject to the jurisdiction of the United States Surface Transportation Board

or its successor federal agency if the apparent owner of such intangible property is a business association. The holder of such property does not have any obligation to report, to pay, or to deliver such property to the department.

(c) This section does not apply to credit balances, overpayments, refunds, or outstanding checks owed by a health care provider to a managed care payor with whom the health care provider has a managed care contract, provided that the credit balances, overpayments, refunds, or outstanding checks become due and owing pursuant to the managed care contract.

(15)~~(11)~~(a) As used in this subsection, the term "property identifier" means the descriptor used by the holder to identify the abandoned ~~unclaimed~~ property.

(b) Social security numbers and property identifiers contained in reports required under this section, held by the department, are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(c) This exemption applies to social security numbers and property identifiers held by the department before, on, or after the effective date of this exemption.

Section 40. Section 717.118, Florida Statutes, is amended to read:

717.118 Notification of apparent owners of abandoned ~~unclaimed~~ property.—

(1) It is specifically recognized that the state has an obligation to make an effort to notify apparent owners in a cost-effective manner that their abandoned property has been reported and remitted to the department ~~of unclaimed property in a cost-effective manner~~. In order to provide all the citizens of

this state an effective and efficient program for the recovery of abandoned personal ~~unclaimed~~ property, the department shall use cost-effective means to make at least one active attempt to notify apparent owners of abandoned ~~unclaimed~~ property ~~accounts~~ valued at $50 or more, abandoned tangible property, and abandoned shares of stock for which ~~more than $250 with~~ a reported address or taxpayer identification number is available. Such active attempt to notify apparent owners shall include any attempt by the department to directly contact the apparent owner. Other means of notification, such as publication of the names of apparent owners in the newspaper, on television, on the Internet, or through other promotional efforts and items in which the department does not directly attempt to contact the apparent owner are expressly declared to be passive attempts. ~~Nothing in~~ This subsection does not preclude ~~precludes~~ other agencies or entities of state government from notifying owners of the existence of abandoned ~~unclaimed~~ property or attempting to notify apparent owners of abandoned ~~unclaimed~~ property.

(2) Notification provided directly to individual apparent owners shall contain ~~consist of~~ a description of the abandoned property and information regarding recovery of the ~~unclaimed~~ property from the department. The form and content of the department's notice shall be tailored to the type of property reported and shall include any information necessary to reasonably inform the apparent owner of the consequences of failure to claim the property, including potential sale or disposition under s. 717.122.

(3) The department shall maintain a publicly accessible, electronically searchable website that includes the names of

apparent owners of abandoned property reported to the department and instructions for filing a claim. The website must list property valued at $10 or more and provide instructions for filing a claim. Abandoned property valued at less than $10 remains recoverable from the department in accordance with this chapter.

(4) This section is not applicable to abandoned sums payable on traveler's checks, money orders, and other written instruments ~~presumed unclaimed~~ under s. 717.104, or any other abandoned property reported without the necessary identifying information to establish ownership.

Section 41. Section 717.119, Florida Statutes, is amended to read:

717.119 Payment or delivery of abandoned ~~unclaimed~~ property.—

(1) Every person who is required to file a report under s. 717.117 shall simultaneously pay or deliver to the department all abandoned ~~unclaimed~~ property required to be reported. Such payment or delivery shall accompany the report as required in this chapter for the preceding calendar year.

(2) Payment of abandoned ~~unclaimed~~ funds may be made to the department by electronic funds transfer.

(3) If the apparent owner establishes the right to receive the abandoned ~~unclaimed~~ property to the satisfaction of the holder before the property has been delivered to the department or it appears that for some other reason ~~the presumption~~ that the property was erroneously classified as abandoned ~~is unclaimed is erroneous~~, the holder need not pay or deliver the property to the department. In lieu of delivery, the holder

shall file a verified written explanation of the proof of claim or of the error in classification of ~~the presumption that~~ the property as abandoned ~~was unclaimed~~.

(4) All virtual currency reported under this chapter on the annual report filing required in s. 717.117 shall be remitted to the department with the report. The holder shall liquidate the virtual currency and remit the proceeds to the department. The liquidation must occur within 30 days before the filing of the report. Upon delivery of the virtual currency proceeds to the department, the holder is relieved of all liability of every kind in accordance with the provisions of s. 717.1201 to every person for any losses or damages resulting to the person by the delivery to the department of the virtual currency proceeds.

(5) All stock or other intangible ownership interest reported under this chapter on the annual report filing required in s. 717.117 shall be remitted to the department with the report. Upon delivery of the stock or other intangible ownership interest to the department, the holder and any transfer agent, registrar, or other person acting for or on behalf of a holder is relieved of all liability of every kind in accordance with the provisions of s. 717.1201 to every person for any losses or damages resulting to the person by the delivery to the department of the stock or other intangible ownership interest.

(6) All intangible and tangible property held in a safe-deposit box or any other safekeeping repository reported under s. 717.117 shall not be delivered to the department until 120 days after the report due date. The delivery of the property, through the United States mail or any other carrier, shall be insured by the holder at an amount equal to the estimated value

of the property. Each package shall be clearly marked on the outside "Deliver Unopened." A holder's safe-deposit box contents shall be delivered to the department in a single shipment. In lieu of a single shipment, holders may provide the department with a single detailed shipping schedule that includes package tracking information for all packages being sent pursuant to this section.

(a) Holders may remit the value of cash and coins found in abandoned ~~unclaimed~~ safe-deposit boxes to the department by cashier's check or by electronic funds transfer, unless the cash or coins have a value above face value. The department shall identify by rule those cash and coin items having a numismatic value. Cash and coin items identified as having a numismatic value shall be remitted to the department in their original form.

(b) Any firearm or ammunition found in an abandoned ~~unclaimed~~ safe-deposit box or any other safekeeping repository shall be delivered by the holder to a law enforcement agency for property handling or disposal pursuant to s. 705.103(2)(b). If the firearm is sold by the law enforcement agency, ~~with~~ the balance of the proceeds shall be deposited into the State School Fund ~~if the firearm is sold~~. ~~However,~~ The department is authorized to make a reasonable attempt to ascertain the historical value to collectors of any firearm that has been delivered to the department. Any firearm appearing to have historical value to collectors may be sold by the department pursuant to s. 717.122 to a person having a federal firearms license. Any firearm which is not sold pursuant to s. 717.122 shall be delivered by the department to a law enforcement agency

in this state for proper handling or disposal. In accordance with ~~pursuant to~~ s. 705.103(2)(b), if the firearm is sold by the law enforcement agency, ~~with~~ the balance of the proceeds shall be deposited into the State School Fund ~~if the firearm is sold~~. The department shall not be administratively, civilly, or criminally liable for any firearm delivered by the department to a law enforcement agency in this state for disposal.

(c) If such property is not paid or delivered to the department on or before the applicable payment or delivery date, the holder shall pay to the department a penalty for each safe-deposit box shipment received late. The penalty shall be $100 for a safe-deposit box shipment container that is late 30 days or less. Thereafter, the penalty shall be $500 for a safe-deposit box shipment container that is late for each additional successive 30-day period. The penalty assessed against a holder for a late safe-deposit box shipment container shall not exceed $4,000 annually. The penalty shall be remitted to the department within 30 days after the date of the notification to the holder that the penalty is due and owing.

(d) The department may waive any penalty due with appropriate justification, as provided by rule.

(e) If a will or trust instrument is included among the contents of an abandoned ~~a~~ safe-deposit box or other safekeeping repository delivered to the department, the department must provide a copy of the will, trust, and any codicils or amendments to such will or trust instrument, upon request, to anyone who provides the department with a certified copy of the death certificate ~~evidence of the death~~ of the testator or settlor.

(7) Any holder may request an extension in writing of up to 60 days for the delivery of property if extenuating circumstances exist for the late delivery of the property. Any such extension the department may grant shall be in writing.

(8) A holder may not assign or otherwise transfer its obligation to report, pay, or deliver property or to comply with the provisions of this chapter, other than to a parent, subsidiary, or affiliate of the holder.

(a) Unless otherwise agreed to by the parties to a transaction, the holder's successor by merger or consolidation, or any person or entity that acquires all or substantially all of the holder's capital stock or assets, is responsible for fulfilling the holder's obligation to report, pay, or deliver property or to comply with the duties of this chapter regarding the transfer of property owed to the holder's successor and being held for an owner resulting from the merger, consolidation, or acquisition.

(b) This subsection does not prohibit a holder from contracting with a third party for the reporting of abandoned ~~unclaimed~~ property, but the holder remains responsible to the department for the complete, accurate, and timely reporting of the property.

Section 42. Subsections (1), (2), and (4) of section 717.1201, Florida Statutes, are amended to read:

717.1201 Custody by state; holder liability; reimbursement of holder paying claim; reclaiming for owner; payment of safe-deposit box or repository charges.—

(1) Upon the good faith payment or delivery of abandoned ~~unclaimed~~ property to the department, the state assumes custody

and responsibility for the safekeeping of the property. Any person who pays or delivers abandoned ~~unclaimed~~ property to the department in good faith is relieved of all liability to the extent of the value of the property paid or delivered for any claim then existing or which thereafter may arise or be made with ~~in~~ respect to the property.

(a) A holder's substantial compliance with the due diligence provisions in s. 717.117 ~~s. 717.117(6)~~ and good faith payment or delivery of abandoned ~~unclaimed~~ property to the department releases the holder from liability that may arise from such payment or delivery, and such delivery and payment may be pleaded as a defense in any suit or action brought by reason of such delivery or payment. This section does not relieve a fiduciary of his or her duties under the Florida Trust Code or Florida Probate Code.

(b) If the holder pays or delivers property to the department in good faith and thereafter any other person claims the property from the holder paying or delivering, or another state claims the money or property under that state's laws relating to escheat or abandoned or unclaimed property, the department, upon written notice of the claim, shall defend the holder against the claim and indemnify the holder against any liability on the claim, except that a holder may not be indemnified against penalties imposed by another state.

(2) For the purposes of this section, a payment or delivery of abandoned ~~unclaimed~~ property is made in good faith if:

(a) The payment or delivery was made in conjunction with an accurate and acceptable report.

(b) The payment or delivery was made in a reasonable

attempt to comply with this chapter and other applicable general law.

(c) The holder had a reasonable basis for believing, based on the facts then known, that the property was abandoned ~~unclaimed~~ and subject to this chapter.

(d) There is no showing that the records pursuant to which the delivery was made did not meet reasonable commercial standards of practice in the industry.

(4) Any holder who has delivered property, including a certificate of any interest in a business association, other than money to the department pursuant to this chapter may reclaim the property if still in the possession of the department, without payment of any fee or other charges, upon filing proof that the person entitled to the property ~~owner~~ has claimed it ~~the property~~ from the holder.

Section 43. Section 717.122, Florida Statutes, is amended to read:

717.122 Public sale of abandoned ~~unclaimed~~ property.—

(1) Except as provided in paragraph (2)(a), the department after the receipt of abandoned ~~unclaimed~~ property shall sell it to the highest bidder at public sale on the Internet or at a specified physical location wherever in the judgment of the department the most favorable market for the property involved exists. The department may decline the highest bid and reoffer the property for sale if in the judgment of the department the bid is insufficient. The department shall have the discretion to withhold from sale any abandoned ~~unclaimed~~ property that the department deems to be of benefit to the people of the state. If in the judgment of the department the probable cost of sale

exceeds the value of the property, it need not be offered for sale and may be disposed of as the department determines appropriate. Any sale at a specified physical location held under this section must be preceded by a single publication of notice, at least 3 weeks in advance of sale, in a newspaper of general circulation in the county in which the property is to be sold. The department shall proportionately deduct auction fees, preparation costs, and expenses from the amount posted to an ~~the owner's~~ account for an abandoned ~~when~~ safe-deposit box when the contents are sold. No action or proceeding may be maintained against the department for or on account of any decision to decline the highest bid or withhold any abandoned ~~unclaimed~~ property from sale.

(2)(a) Securities listed on an established stock exchange must be sold at prices prevailing at the time of sale on the exchange. Other securities may be sold over the counter at prices prevailing at the time of sale or by any other method the department deems advisable. The department may authorize the agent or broker acting on behalf of the department to deduct fees from the proceeds of these sales at a rate agreed upon in advance by the agent or broker and the department. The department shall reimburse owners' accounts for these brokerage fees from the State School Fund unless the securities are sold at the owner's request.

(b) Unless the department deems it to be in the public interest to do otherwise, all abandoned securities ~~presumed unclaimed and~~ delivered to the department may be sold upon receipt. Any person making a claim pursuant to this chapter is entitled to receive either the securities delivered to the

department by the holder, if they still remain in the hands of the department, or the proceeds received from sale, but no person has any claim under this chapter against the state, the holder, any transfer agent, any registrar, or any other person acting for or on behalf of a holder for any appreciation in the value of the property occurring after delivery by the holder to the state.

(c) Certificates for abandoned ~~unclaimed~~ stock or other equity interest of business associations that cannot be canceled and registered in the department's name or that cannot be readily liquidated and converted into the currency of the United States may be sold for the value of the certificate, if any, in accordance with subsection (1) or may be destroyed in accordance with s. 717.128.

(3) The purchaser of property at any sale conducted by the department pursuant to this chapter is entitled to ownership of the property purchased free from all claims of the owner or previous holder thereof and of all persons claiming through or under them. The department shall execute all documents necessary to complete the transfer of ownership.

(4) The sale of abandoned ~~unclaimed~~ tangible personal property is not subject to tax under chapter 212 when such property is sold by or on behalf of the department pursuant to this section.

Section 44. Section 717.123, Florida Statutes, is amended to read:

717.123 Deposit of funds.—

(1) All funds received under this chapter, including the proceeds from the sale of abandoned ~~unclaimed~~ property under s.

717.122, shall immediately ~~forthwith~~ be deposited by the department in the Abandoned ~~Unclaimed~~ Property Trust Fund. The department shall retain, at minimum, from funds received under this chapter, the ~~an~~ amount estimated by the Revenue Estimating Conference for ~~not exceeding $15 million from which~~ the department to ~~shall~~ make prompt payment of claims allowed by the department and ~~shall pay~~ the administrative costs incurred ~~by the department~~ in administering and enforcing this chapter. Before the close of each fiscal year, the department shall transfer to the State School Fund no more than the transfer amount estimated by the Revenue Estimating Conference ~~All remaining funds received by the department under this chapter shall be deposited by the department into the State School Fund~~.

(2) The department shall record the name and last known address of each person appearing from the holder's reports to be entitled to the abandoned ~~unclaimed~~ property in the total amounts of $5 or greater; the name and the last known address of each insured person or annuitant; and with respect to each policy or contract listed in the report of an insurance corporation, its number, the name of the corporation, and the amount due.

Section 45. Section 717.1235, Florida Statutes, is amended to read:

717.1235 Dormant campaign accounts~~; report of unclaimed property~~.—Abandoned ~~Unclaimed~~ funds reported in the name of a campaign for public office, for any campaign that must dispose of surplus funds in its campaign account pursuant to s. 106.141, after being reported to the department, shall be deposited with the Chief Financial Officer to the credit of the State School

Fund.

Section 46. Section 717.124, Florida Statutes, is amended to read:

717.124 Abandoned ~~Unclaimed~~ property claims.—

(1) Any person, excluding another state, claiming an interest in any property paid or delivered to the department under this chapter may file with the department a claim on a form prescribed by the department and verified by the claimant or the claimant ~~claimant's~~ representative. ~~The claimant's representative must be an attorney licensed to practice law in this state, a licensed Florida-certified public accountant, or a private investigator licensed under chapter 493.~~ The claimant ~~claimant's~~ representative must be registered with the department under this chapter. The claimant, or the claimant ~~claimant's~~ representative, shall provide the department with a legible copy of a valid driver license of the claimant at the time the original claim form is filed. If the claimant has not been issued a valid driver license at the time the original claim form is filed, the department shall be provided with a legible copy of a photographic identification of the claimant issued by the United States, a state or territory of the United States, a foreign nation, or a political subdivision or agency thereof or other evidence deemed acceptable by the department by rule. In lieu of photographic identification, a notarized sworn statement by the claimant may be provided which affirms the claimant's identity and states the claimant's full name and address. The claimant must produce to the notary photographic identification of the claimant issued by the United States, a state or territory of the United States, a foreign nation, or a political

subdivision or agency thereof or other evidence deemed acceptable by the department by rule. The notary shall indicate the notary's full address on the notarized sworn statement. Any claim filed without the required identification or the sworn statement with the original claim form and the original Abandoned ~~Unclaimed~~ Property Recovery Agreement or Abandoned ~~Unclaimed~~ Property Purchase Agreement, if applicable, is void.

(a) Within 90 days after receipt of a claim, the department may return any claim that provides for the receipt of fees and costs greater than that permitted under this chapter or that contains any apparent errors or omissions. The department may also request that the claimant or the claimant ~~claimant's~~ representative provide additional information. The department shall retain a copy or electronic image of the claim.

(b) A claim is considered to have been withdrawn by a claimant or the claimant ~~claimant's~~ representative if the department does not receive a response to its request for additional information within 60 days after the notification of any apparent errors or omissions.

(c) Within 90 days after receipt of the claim, or the response of the claimant or the claimant ~~claimant's~~ representative to the department's request for additional information, whichever is later, the department shall determine each claim. Such determination shall contain a notice of rights provided by ss. 120.569 and 120.57. The 90-day period shall be extended by 60 days if the department has good cause to need additional time or if the abandoned ~~unclaimed~~ property:

1. Is owned by a person who has been a debtor in bankruptcy;

2. Was reported with an address outside of the United States;

3. Is being claimed by a person outside of the United States; or

4. Contains documents filed in support of the claim that are not in the English language and have not been accompanied by an English language translation.

(2) A claim for a cashier's check or a stock certificate without the original instrument may require an indemnity bond equal to the value of the claim to be provided prior to issue of the stock or payment of the claim by the department.

(3) The department may require an affidavit swearing to the authenticity of the claim, lack of documentation, and an agreement to allow the department to provide the name and address of the claimant to subsequent claimants coming forward with substantiated proof to claim the account. This shall apply to claims equal to or less than $250. The exclusive remedy of a subsequent claimant to the property shall be against the person who received the property from the department.

(4)(a) Except as otherwise provided in this chapter, if a claim is determined in favor of the claimant, the department shall deliver or pay over to the claimant the property or the amount the department actually received or the proceeds if it has been sold by the department, together with any additional amount required by s. 717.121.

(b) If a claimant ~~an owner~~ authorizes a claimant representative ~~an attorney licensed to practice law in this state, a Florida certified public accountant, or a private investigator licensed under chapter 493, and~~ registered with the

department under this chapter, to claim the abandoned ~~unclaimed~~ property on the claimant's ~~owner's~~ behalf, the department is authorized to make distribution of the property or money in accordance with the Abandoned ~~Unclaimed~~ Property Recovery Agreement or Abandoned ~~Unclaimed~~ Property Purchase Agreement under s. 717.135. The original Abandoned ~~Unclaimed~~ Property Recovery Agreement or Abandoned ~~Unclaimed~~ Property Purchase Agreement must be executed by the claimant or seller and must be filed with the department.

(c)1. Payments of approved claims for unclaimed cash accounts must be made to the owner after deducting any fees and costs authorized by the claimant under an Abandoned ~~Unclaimed~~ Property Recovery Agreement. The contents of a safe-deposit box or shares of securities must be delivered directly to the claimant.

2. Payments of fees and costs authorized under an Abandoned ~~Unclaimed~~ Property Recovery Agreement for approved claims must be made or issued to the law firm of the designated attorney licensed to practice law in this state, the public accountancy firm of the licensed Florida-certified public accountant, or the designated employing private investigative agency licensed by this state. Such payments shall be made by electronic funds transfer and may be made on such periodic schedule as the department may define by rule, provided the payment intervals do not exceed 31 days. Payment made to an attorney licensed in this state, a Florida-certified public accountant, or a private investigator licensed under chapter 493, operating individually or as a sole practitioner, must be to the attorney, certified public accountant, or private investigator.

(5) The department shall not be administratively, civilly, or criminally liable for any property or funds distributed pursuant to this section, provided such distribution is made in good faith.

(6) This section does not supersede the licensing requirements of chapter 493.

(7) The department may allow an apparent owner to electronically submit a claim for abandoned ~~unclaimed~~ property to the department. If a claim is submitted electronically for $2,000 or less, the department may use a method of identity verification other than a copy of a valid driver license, other government-issued photographic identification, or a sworn notarized statement. The department may adopt rules to implement this subsection.

(8) Notwithstanding any other provision of this chapter, the department may develop and implement an identification verification and disbursement process by which an account valued at $2,000 or less, after being received by the department and added to the abandoned ~~unclaimed~~ property database, may be disbursed to an apparent owner after the department has verified that the apparent owner is living and that the apparent owner's current address is correct. The department shall include with the payment a notification and explanation of the dollar amount, the source, and the property type of each account included in the disbursement. The department shall adopt rules to implement this subsection.

(9)(a) Notwithstanding any other provision of this chapter, the department may develop and implement a verification and disbursement process by which an account, after being received

by the department and added to the abandoned ~~unclaimed~~ property database, for which the apparent owner entity is:

1. A state agency in this state or a subdivision or successor agency thereof;

2. A county government in this state or a subdivision thereof;

3. A public school district in this state or a subdivision thereof;

4. A municipality in this state or a subdivision thereof; or

5. A special taxing district or authority in this state,

may be disbursed to the apparent owner entity or successor entity. The department shall include with the payment a notification and explanation of the dollar amount, the source, and the property type of each account included in the disbursement.

(b) The department may adopt rules to implement this subsection.

(10) Notwithstanding any other provision of this chapter, the department may develop a process by which a claimant ~~claimant's~~ representative ~~or a buyer of unclaimed property~~ may electronically submit to the department an electronic image of a completed claim and claims-related documents under this chapter, including an Abandoned ~~Unclaimed~~ Property Recovery Agreement or Abandoned ~~Unclaimed~~ Property Purchase Agreement that has been signed and dated by a claimant or seller under s. 717.135, after the claimant ~~claimant's~~ representative ~~or the buyer of unclaimed property~~ receives the original documents provided by the

claimant or the seller for any claim. Each claim filed by a claimant ~~claimant's~~ representative ~~or a buyer of unclaimed property~~ must include a statement by the claimant ~~claimant's~~ representative ~~or the buyer of unclaimed property~~ attesting that all documents are true copies of the original documents and that all original documents are physically in the possession of the claimant ~~claimant's~~ representative ~~or the buyer of unclaimed property~~. All original documents must be kept in the original form, by claim number, under the secure control of the claimant ~~claimant's~~ representative ~~or the buyer of unclaimed property~~ and must be available for inspection by the department in accordance with s. 717.1315. The department may adopt rules to implement this subsection.

(11) This section applies to all abandoned ~~unclaimed~~ property reported and remitted to the Chief Financial Officer, including, but not limited to, property reported pursuant to ss. 45.032, 732.107, 733.816, and 744.534.

Section 47. Section 717.12403, Florida Statutes, is amended to read:

717.12403 Abandoned ~~Unclaimed~~ demand, savings, or checking account in a financial institution held in the name of more than one person.—

(1)(a) If an abandoned ~~unclaimed~~ demand, savings, or checking account in a financial institution is reported as an "and" account in the name of two or more persons who are not beneficiaries, it is presumed that each person must claim the account in order for the claim to be approved by the department. This presumption may be rebutted by showing that entitlement to the account has been transferred to another person or by clear

and convincing evidence demonstrating that the account should have been reported by the financial institution as an "or" account.

(b) If an abandoned ~~unclaimed~~ demand, savings, or checking account in a financial institution is reported as an "and" account and one of the persons on the account is deceased, it is presumed that the account is a survivorship account. This presumption may be rebutted by showing that entitlement to the account has been transferred to another person or by clear and convincing evidence demonstrating that the account is not a survivorship account.

(2) If an abandoned ~~unclaimed~~ demand, savings, or checking account in a financial institution is reported as an "or" account in the name of two or more persons who are not beneficiaries, it is presumed that either person listed on the account may claim the entire amount held in the account. This presumption may be rebutted by showing that entitlement to the account has been transferred to another person or by clear and convincing evidence demonstrating that the account should have been reported by the financial institution as an "and" account.

(3) If an abandoned ~~unclaimed~~ demand, savings, or checking account in a financial institution is reported in the name of two or more persons who are not beneficiaries without identifying whether the account is an "and" account or an "or" account, it is presumed that the account is an "or" account. This presumption may be rebutted by showing that entitlement to the account has been transferred to another person or by clear and convincing evidence demonstrating that the account should have been reported by the financial institution as an "and"

account.

(4) The department shall be deemed to have made a distribution in good faith if the department remits funds consistent with this section.

Section 48. Subsection (2) of section 717.12404, Florida Statutes, is amended to read:

717.12404 Claims on behalf of a business entity or trust.—

(2) Claims on behalf of an active or ~~a~~ dissolved corporation, a business entity ~~other than an active corporation~~, or a trust must include a legible copy of a valid driver license of the person acting on behalf of the ~~dissolved~~ corporation, business entity ~~other than an active corporation~~, or trust. If the person has not been issued a valid driver license, the department shall be provided with a legible copy of a photographic identification of the person issued by the United States, a foreign nation, or a political subdivision or agency thereof. In lieu of photographic identification, a notarized sworn statement by the person may be provided which affirms the person's identity and states the person's full name and address. The person must produce his or her photographic identification issued by the United States, a state or territory of the United States, a foreign nation, or a political subdivision or agency thereof or other evidence deemed acceptable by the department by rule. The notary shall indicate the notary's full address on the notarized sworn statement. Any claim filed without the required identification or the sworn statement with the original claim form and the original Abandoned ~~Unclaimed~~ Property Recovery Agreement or Abandoned ~~Unclaimed~~ Property Purchase Agreement, if applicable, is void.

Section 49. Section 717.12405, Florida Statutes, is amended to read:

717.12405 Claims by estates.—An estate or any person representing an estate or acting on behalf of an estate may claim abandoned ~~unclaimed~~ property only after the heir or legatee of the decedent entitled to the property has been located. Any estate, or any person representing an estate or acting on behalf of an estate, that receives abandoned ~~unclaimed~~ property before the heir or legatee of the decedent entitled to the property has been located, is personally liable for the abandoned ~~unclaimed~~ property and must immediately return the full amount of the abandoned ~~unclaimed~~ property or the value thereof to the department in accordance with s. 717.1341.

Section 50. Section 717.12406, Florida Statutes, is amended to read:

717.12406 Joint ownership of abandoned ~~unclaimed~~ securities or dividends.—For the purpose of determining joint ownership of abandoned ~~unclaimed~~ securities or dividends, the term:

(1) "TEN COM" means tenants in common.

(2) "TEN ENT" means tenants by the entireties.

(3) "JT TEN" or "JT" means joint tenants with the right of survivorship and not as tenants in common.

(4) "And" means tenants in common with each person entitled to an equal pro rata share.

(5) "Or" means that each person listed on the account is entitled to all of the funds.

Section 51. Section 717.1241, Florida Statutes, is amended to read:

717.1241 Conflicting claims.—

(1) For purposes of this section, the term "conflicting claim" means two or more claims received by the department for the same abandoned property account or accounts in which two or more claimants appear to be equally entitled to the property. The term also includes circumstances in which the same claimant has more than one claim pending for the same property, including when the claimant is represented by more than one claimant representative or submits both a personal claim and a claim through a representative.

(2) When conflicting claims have been received by the department for the same abandoned ~~unclaimed~~ property account or accounts, the property shall be remitted in accordance with the claim filed by the person as follows, notwithstanding the withdrawal of a claim:

(a) To the person submitting the first claim received by the ~~Division of Unclaimed Property of the~~ department that is complete or made complete.

(b) If a claimant's claim and a claimant ~~claimant's~~ representative's claim for the recovery of property are received by the ~~Division of Unclaimed Property of the~~ department on the same day and both claims are complete, to the claimant.

(c) If a buyer's claim or a purchasing claimant representative's claim and a claimant's claim or a claimant ~~claimant's~~ representative's claim for the recovery of property are received by the ~~Division of Unclaimed Property of the~~ department on the same day and the claims are complete, to the buyer.

(d) As between two or more claimant representatives' ~~claimant's representative's~~ claims received by the ~~Division of~~

~~Unclaimed Property of~~ the department that are complete or made complete on the same day, to the claimant ~~claimant's~~ representative who has agreed to receive the lowest fee. If the two or more claimant ~~claimant's~~ representatives whose claims received by ~~the Division of Unclaimed Property of~~ the department were complete or made complete on the same day are charging the same ~~lowest~~ fee, the fee shall be divided equally between the claimant ~~claimant's~~ representatives.

(e) If more than one buyer's claim received by the ~~Division of Unclaimed Property of the~~ department is complete or made complete on the same day, the department shall remit the abandoned ~~unclaimed~~ property to the buyer who paid the highest amount to the seller. If the buyers paid the same amount to the seller, the department shall remit the abandoned ~~unclaimed~~ property to the buyers divided in equal amounts.

(3) ~~(2)~~ The purpose of this section is solely to provide guidance to the department regarding to whom it should remit the abandoned ~~unclaimed~~ property and is not intended to extinguish or affect any private cause of action that any person may have against another person for breach of contract or other statutory or common-law remedy. A buyer's sole remedy, if any, shall be against the claimant ~~claimant's~~ representative or the seller, or both. A claimant ~~claimant's~~ representative's sole remedy, if any, shall be against the buyer or the seller, or both. A claimant's or seller's sole remedy, if any, shall be against the buyer or the claimant ~~claimant's~~ representative, or both. Nothing in this section forecloses the right of a person to challenge the department's determination of completeness in a proceeding under ss. 120.569 and 120.57.

(4)~~(3)~~ A claim is complete when entitlement to the abandoned ~~unclaimed~~ property has been established.

Section 52. Subsection (1) of section 717.1242, Florida Statutes, is amended to read:

717.1242 Restatement of jurisdiction of the circuit court sitting in probate and the department.—

(1) It is and has been the intent of the Legislature that, pursuant to s. 26.012(2)(b), circuit courts have jurisdiction of proceedings relating to the settlement of the estates of decedents and other jurisdiction usually pertaining to courts of probate. It is and has been the intent of the Legislature that, pursuant to this chapter, the department determines the merits of claims and entitlement to abandoned ~~unclaimed~~ property paid or delivered to the department under this chapter. Consistent with this legislative intent, any beneficiary, devisee, heir, personal representative, or other interested person, as those terms are defined in the Florida Probate Code and the Florida Trust Code, of an estate seeking to obtain property paid or delivered to the department under this chapter must file a claim with the department as provided in s. 717.124.

Section 53. Subsections (1) and (4) of section 717.1243, Florida Statutes, are amended to read:

717.1243 Small estate accounts.—

(1) A claim for abandoned ~~unclaimed~~ property made by a beneficiary, as defined in s. 731.201, of a deceased owner need not be accompanied by an order of a probate court if the claimant files with the department an affidavit, signed by all beneficiaries, stating that all the beneficiaries have amicably agreed among themselves upon a division of the estate and that

all funeral expenses, expenses of the last illness, and any other lawful claims have been paid, and any additional information reasonably necessary to make a determination of entitlement. If the owner died testate, the claim shall be accompanied by a copy of the will.

(4) This section applies only if all of the abandoned ~~unclaimed~~ property held by the department on behalf of the owner has an aggregate value of $20,000 or less and no probate proceeding is pending.

Section 54. Section 717.1244, Florida Statutes, is amended to read:

717.1244 Determinations of abandoned ~~unclaimed~~ property claims.—In rendering a determination regarding the merits of an abandoned ~~unclaimed~~ property claim, the department shall rely on the applicable statutory, regulatory, common, and case law. Agency statements applying the statutory, regulatory, common, and case law to abandoned ~~unclaimed~~ property claims are not agency statements subject to s. 120.56(4).

Section 55. Section 717.1245, Florida Statutes, is amended to read:

717.1245 Garnishment of abandoned ~~unclaimed~~ property.—If any person files a petition for writ of garnishment seeking to obtain property paid or delivered to the department under this chapter, the petitioner shall be ordered to pay the department reasonable costs and attorney ~~attorney's~~ fees in any proceeding brought by the department to oppose, appeal, or collaterally attack the petition or writ if the department is the prevailing party in any such proceeding.

Section 56. Subsection (1) of section 717.125, Florida

Statutes, is amended to read:

717.125 Claim of another state to recover property; procedure.—

(1) At any time after property has been paid or delivered to the department under this chapter, another state may recover the property if:

(a) The property was subjected to custody by this state because the records of the holder did not reflect the last known address of the apparent owner when the property was presumed abandoned ~~unclaimed~~ under this chapter, and the other state establishes that the last known address of the apparent owner or other person entitled to the property was in that state and under the laws of that state the property escheated to or was subject to a claim of abandonment or being unclaimed by that state;

(b) The last known address of the apparent owner or other person entitled to the property, as reflected by the records of the holder, is in the other state and under the laws of that state the property has escheated to or become subject to a claim of abandonment by that state;

(c) The records of the holder were erroneous in that they did not accurately reflect the actual owner of the property and the last known address of the actual owner is in the other state and under laws of that state the property escheated to or was subject to a claim of abandonment by that state;

(d) The property was subject to custody by this state under s. 717.103(6) and under the laws of the state of domicile of the holder the property has escheated to or become subject to a claim of abandonment by that state; or

(e) The property is the sum payable on a traveler's check, money order, or other similar instrument that was subjected to custody by this state under s. 717.104, and the instrument was purchased in the other state, and under the laws of that state the property escheated to or became subject to a claim of abandonment by that state.

Section 57. Subsection (1) of section 717.126, Florida Statutes, is amended to read:

717.126 Administrative hearing; burden of proof; proof of entitlement; venue.—

(1) Any person aggrieved by a decision of the department may petition for a hearing as provided in ss. 120.569 and 120.57. In any proceeding for determination of a claim to property paid or delivered to the department under this chapter, the burden shall be upon the claimant to establish entitlement to the property by a preponderance of evidence. Having the same name as that reported to the department is not sufficient, in the absence of other evidence, to prove entitlement to abandoned ~~unclaimed~~ property.

Section 58. Section 717.1261, Florida Statutes, is amended to read:

717.1261 Death certificates.—Any person who claims entitlement to abandoned ~~unclaimed~~ property by means of the death of one or more persons shall file a copy of the death certificate of the decedent or decedents that has been certified as being authentic by the issuing governmental agency.

Section 59. Section 717.1262, Florida Statutes, is amended to read:

717.1262 Court documents.—Any person who claims entitlement

to abandoned ~~unclaimed~~ property by reason of a court document shall file a certified copy of the court document with the department. A certified copy of each pleading filed with the court to obtain a court document establishing entitlement, filed within 180 days before the date the claim form was signed by the claimant or claimant ~~claimant's~~ representative, must also be filed with the department.

Section 60. Section 717.129, Florida Statutes, is amended to read:

717.129 Periods of limitation.—

(1) The expiration before or after July 1, 1987, of any period of time specified by contract, statute, or court order, during which a claim for money or property may be made or during which an action or proceeding may be commenced or enforced to obtain payment of a claim for money or to recover property, does not prevent the money or property from being presumed abandoned ~~unclaimed~~ or affect any duty to file a report or to pay or deliver abandoned ~~unclaimed~~ property to the department as required by this chapter.

(2) The department may not commence an action or proceeding to enforce this chapter with respect to the reporting, payment, or delivery of property or any other duty of a holder under this chapter more than 10 years after the duty arose. The period of limitation established under this subsection is tolled by the earlier of the department's or audit agent's delivery of a notice that a holder is subject to an audit or examination under s. 717.1301 or the holder's written election to enter into an abandoned ~~unclaimed~~ property voluntary disclosure agreement.

Section 61. Subsections (3) and (4) of section 717.1301,

Florida Statutes, are amended to read:

717.1301 Investigations; examinations; subpoenas.—

(3) The department may authorize a compliance review of a report for a specified reporting year. The review must be limited to the contents of the report filed, as required by s. 717.117 and subsection (2), and all supporting documents related to the reports. If the review results in a finding of a deficiency in abandoned ~~unclaimed~~ property due and payable to the department, the department shall notify the holder in writing of the amount of deficiency within 1 year after the authorization of the compliance review. If the holder fails to pay the deficiency within 90 days, the department may seek to enforce the assessment under subsection (1). The department is not required to conduct a review under this section before initiating an audit.

(4) Notwithstanding any other provision of law, in a contract providing for the location or collection of abandoned ~~unclaimed~~ property, the department may authorize the contractor to deduct its fees and expenses for services provided under the contract from the abandoned ~~unclaimed~~ property that the contractor has recovered or collected under the contract. The department shall annually report to the Chief Financial Officer the total amount collected or recovered by each contractor during the previous fiscal year and the total fees and expenses deducted by each contractor.

Section 62. Section 717.1315, Florida Statutes, is amended to read:

717.1315 Retention of records by claimant ~~claimant's~~ representatives and buyers of abandoned ~~unclaimed~~ property.—

(1) Every claimant ~~claimant's~~ representative and buyer of abandoned ~~unclaimed~~ property shall keep and use in his or her business such books, accounts, and records of the business conducted under this chapter to enable the department to determine whether such person is complying with this chapter and the rules adopted by the department under this chapter. Every claimant ~~claimant's~~ representative and buyer of abandoned ~~unclaimed~~ property shall preserve such books, accounts, and records, including every Abandoned ~~Unclaimed~~ Property Recovery Agreement or Abandoned ~~Unclaimed~~ Property Purchase Agreement between the owner and such claimant ~~claimant's~~ representative or buyer, for at least 3 years after the date of the initial agreement.

(2) A claimant ~~claimant's~~ representative or buyer of abandoned ~~unclaimed~~ property, operating at two or more places of business in this state, may maintain the books, accounts, and records of all such offices at any one of such offices, or at any other office maintained by such claimant ~~claimant's~~ representative or buyer of abandoned ~~unclaimed~~ property, upon the filing of a written notice with the department designating in the written notice the office at which such records are maintained.

(3) A claimant ~~claimant's~~ representative or buyer of abandoned ~~unclaimed~~ property shall make all books, accounts, and records available at a convenient location in this state upon request of the department.

Section 63. Subsections (2) and (3) of section 717.132, Florida Statutes, are amended to read:

717.132 Enforcement; cease and desist orders; fines.—

(2) In addition to any other powers conferred upon it to enforce and administer the provisions of this chapter, the department may issue and serve upon a person an order to cease and desist and to take corrective action whenever the department finds that such person is violating, has violated, or is about to violate any provision of this chapter, any rule or order promulgated under this chapter, or any written agreement entered into with the department. For purposes of this subsection, the term "corrective action" includes refunding excessive charges, requiring a person to return abandoned ~~unclaimed~~ property, requiring a holder to remit abandoned ~~unclaimed~~ property, and requiring a holder to correct a report that contains errors or omissions. Any such order shall contain a notice of rights provided by ss. 120.569 and 120.57.

(3) In addition to any other powers conferred upon it to enforce and administer the provisions of this chapter, the department or a court of competent jurisdiction may impose fines against any person found to have violated any provision of this chapter, any rule or order promulgated under this chapter, or any written agreement entered into with the department in an amount not to exceed $2,000 for each violation. All fines collected under this subsection shall be deposited as received in the Abandoned ~~Unclaimed~~ Property Trust Fund.

Section 64. Paragraphs (c), (d), and (j) of subsection (1), subsections (2) and (3), paragraph (b) of subsection (4), and subsection (5) of section 717.1322, Florida Statutes, are amended to read:

717.1322 Administrative and civil enforcement.—

(1) The following acts are violations of this chapter and

constitute grounds for an administrative enforcement action by the department in accordance with the requirements of chapter 120 and for civil enforcement by the department in a court of competent jurisdiction:

(c) ~~Fraudulent~~ Misrepresentation, circumvention, or concealment of any matter required to be stated or furnished to the department or to an owner or apparent owner under this chapter~~, regardless of reliance by or damage to the owner or apparent owner~~.

(d) ~~Willful~~ Imposition of illegal or excessive charges in any abandoned ~~unclaimed~~ property transaction.

(j) Requesting or receiving compensation for notifying a person of his or her abandoned ~~unclaimed~~ property or assisting another person in filing a claim for abandoned ~~unclaimed~~ property, ~~unless the person is an attorney licensed to practice law in this state, a Florida-certified public accountant, or a private investigator licensed under chapter 493,~~ or entering into, or making a solicitation to enter into, an agreement to file a claim for abandoned ~~unclaimed~~ property owned by another, unless such person is a registered claimant representative ~~registered with the department~~ under this chapter ~~and an attorney licensed to practice law in this state in the regular practice of her or his profession, a Florida-certified public accountant who is acting within the scope of the practice of public accounting as defined in chapter 473, or a private investigator licensed under chapter 493~~. This paragraph does not apply to a person who has been granted a durable power of attorney to convey and receive all of the real and personal property of the owner, is the court-appointed guardian of the

owner, has been employed as an attorney or qualified representative to contest the department's denial of a claim, or has been employed as an attorney to probate the estate of the owner or an heir or legatee of the owner.

(2) Upon a finding by the department that any person has committed any of the acts set forth in subsection (1), the department may enter an order doing any of the following:

(a) Revoking for a minimum of 5 years or suspending for a maximum of 5 years a registration previously granted under this chapter during which time the registrant may not reapply for a registration under this chapter.~~,~~

(b) Placing a claimant representative ~~registrant~~ or an applicant for a registration on probation for a period of time and subject to such conditions as the department may specify.~~,~~

(c) Placing permanent restrictions or conditions upon issuance or maintenance of a registration under this chapter.~~,~~

(d) Issuing a reprimand.~~,~~

(e) Imposing an administrative fine not to exceed $2,000 for each such act.~~; or~~

(f) Prohibiting any person from being a director, officer, agent, employee, or ultimate equitable owner of a 10 percent ~~10-percent~~ or greater interest in an employer of a claimant representative ~~registrant~~.

(3) A claimant ~~claimant's~~ representative is subject to civil enforcement and the disciplinary actions specified in subsection (2) for violations of subsection (1) by an agent or employee of the claimant representative's ~~registrant's~~ employer if the claimant ~~claimant's~~ representative knew or should have known that such agent or employee was violating any provision of

this chapter.

(4)

(b) The disciplinary guidelines shall specify a meaningful range of designated penalties based upon the severity or repetition of specific offenses, or both. It is the legislative intent that minor violations be distinguished from more serious violations; that such guidelines consider the amount of the claim involved, the complexity of locating the owner, the steps taken to ensure the accuracy of the claim by the person filing the claim, the acts of commission and omission of the claimant ~~ultimate owners~~ in establishing themselves as rightful owners of the funds, the acts of commission or omission of the agent or employee of a claimant representative or its ~~an~~ employer in the filing of the claim, the actual knowledge of the agent, employee, employer, or owner in the filing of the claim, the departure, if any, by the agent or employee from the internal controls and procedures established by the claimant representative or its employer with regard to the filing of a claim, the number of defective claims previously filed by the agent, employee, employer, or owner; that such guidelines provide reasonable and meaningful notice of likely penalties that may be imposed for proscribed conduct; and that such penalties be consistently applied by the department.

(5) The department may seek any appropriate civil legal remedy available to it by filing a civil action in a court of competent jurisdiction against any person who has, directly or through a claimant ~~claimant's~~ representative, wrongfully submitted a claim as the ~~ultimate~~ owner of property and improperly received funds from the department in violation of

this chapter.

Section 65. Subsections (1) and (3) of section 717.133, Florida Statutes, are amended to read:

717.133 Interstate agreements and cooperation; joint and reciprocal actions with other states.—

(1) The department may enter into agreements with other states to exchange information needed to enable this or another state to audit or otherwise determine abandoned ~~unclaimed~~ property that it or another state may be entitled to subject to a claim of custody. The department may require the reporting of information needed to enable compliance with agreements made pursuant to this section and prescribe the form.

(3) At the request of another state, the department may bring an action in the name of the other state in any court of competent jurisdiction to enforce the abandoned ~~unclaimed~~ property laws of the other state against a holder in this state of property subject to escheat or a claim of abandonment by the other state, if the other state has agreed to pay expenses incurred in bringing the action.

Section 66. Subsection (2) of section 717.1333, Florida Statutes, is amended to read:

717.1333 Evidence; estimations; audit reports and worksheets, investigator reports and worksheets, other related documents.—

(2) If the records of the holder that are available for the periods subject to this chapter are insufficient to permit the preparation of a report of the abandoned ~~unclaimed~~ property due and owing by a holder, or if the holder fails to provide records after being requested to do so, the amount due to the department

may be reasonably estimated.

Section 67. Paragraph (a) of subsection (1) and subsections (2) and (4) of section 717.1341, Florida Statutes, are amended to read:

717.1341 Invalid claims, recovery of property, interest and penalties.—

(1)(a) A ~~No~~ person may not ~~shall~~ receive abandoned ~~unclaimed~~ property that the person is not entitled to receive. Any person who receives, or assists another person to receive, abandoned ~~unclaimed~~ property that the person is not entitled to receive is strictly, jointly, personally, and severally liable for the abandoned ~~unclaimed~~ property and shall immediately return the property, or the reasonable value of the property if the property has been damaged or disposed of, to the department plus interest at the rate set in accordance with s. 55.03(1). Assisting another person to receive abandoned ~~unclaimed~~ property includes executing a claim form on the person's behalf.

(2) The department may maintain a civil or administrative action:

(a) To recover abandoned ~~unclaimed~~ property that was paid or remitted to a person who was not entitled to the abandoned ~~unclaimed~~ property or to offset amounts owed to the department against amounts owed to an owner representative;

(b) Against a person who assists another person in receiving, or attempting to receive, abandoned ~~unclaimed~~ property that the person is not entitled to receive; or

(c) Against a person who attempts to receive abandoned ~~unclaimed~~ property that the person is not entitled to receive.

(4) A ~~No~~ person may not ~~shall~~ knowingly file, knowingly

conspire to file, or knowingly assist in filing~~,~~ a claim for abandoned ~~unclaimed~~ property the person is not entitled to receive. Any person who violates this subsection regarding abandoned ~~unclaimed~~ property of an aggregate value:

(a) Greater than $50,000, commits ~~is guilty of~~ a felony of the first degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084;

(b) Greater than $10,000 up to $50,000, commits ~~is guilty of~~ a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084;

(c) Greater than $250 up to $10,000, commits ~~is guilty of~~ a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084;

(d) Greater than $50 up to $250, commits ~~is guilty of~~ a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083; or

(e) Up to $50, commits ~~is guilty of~~ a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

Section 68. Section 717.135, Florida Statutes, is amended to read:

717.135 Recovery agreements and purchase agreements for claims filed by a claimant ~~claimant's~~ representative; fees and costs or total net gain.—

(1) In order to protect the interests of owners of abandoned ~~unclaimed~~ property, the department shall adopt by rule a form entitled "Abandoned ~~Unclaimed~~ Property Recovery Agreement" and a form entitled "Abandoned ~~Unclaimed~~ Property Purchase Agreement."

(2) The Abandoned ~~Unclaimed~~ Property Recovery Agreement and the Abandoned ~~Unclaimed~~ Property Purchase Agreement must include and disclose all of the following:

(a) The total dollar amount of abandoned ~~unclaimed~~ property accounts claimed or sold.

(b) The total percentage of all authorized fees and costs to be paid to the claimant ~~claimant's~~ representative or the percentage of the value of the property to be paid as net gain to the purchasing claimant ~~claimant's~~ representative.

(c) The total dollar amount to be deducted and received from the claimant as fees and costs by the claimant ~~claimant's~~ representative or the total net dollar amount to be received by the purchasing claimant ~~claimant's~~ representative.

(d) The net dollar amount to be received by the claimant or the seller.

(e) For each account claimed, the abandoned ~~unclaimed~~ property account number.

(f) For the Abandoned ~~Unclaimed~~ Property Purchase Agreement, a statement that the amount of the purchase price will be remitted to the seller by the purchaser within 30 days after the execution of the agreement by the seller.

(g) The name, address, e-mail address, phone number, and license number of the claimant ~~claimant's~~ representative.

(h)1. The manual signature of the claimant or seller and the date signed, affixed on the agreement by the claimant or seller.

2. Notwithstanding any other provision of this chapter to the contrary, the department may allow ~~an apparent owner, who is also~~ the claimant or seller~~,~~ to sign the agreement

electronically. All electronic signatures on the Abandoned ~~Unclaimed~~ Property Recovery Agreement and the Abandoned ~~Unclaimed~~ Property Purchase Agreement must be affixed on the agreement by the claimant or seller using the specific, exclusive eSignature product and protocol authorized by the department.

(i) The social security number or taxpayer identification number of the claimant or seller, if a number has been issued to the claimant or seller.

(j) The total fees and costs, or the total discount in the case of a purchase agreement, which may not exceed 30 percent of the claimed amount. In the case of a recovery agreement, if the total fees and costs exceed 30 percent, the fees and costs shall be reduced to 30 percent and the net balance shall be remitted directly by the department to the claimant. In the case of a purchase agreement, if the total net gain of the claimant ~~claimant's~~ representative exceeds 30 percent, the claim will be denied.

(3) For an Abandoned ~~Unclaimed~~ Property Purchase Agreement form, proof that the purchaser has made payment must be filed with the department along with the claim. If proof of payment is not provided, the claim is void.

(4) A claimant ~~claimant's~~ representative must use the Abandoned ~~Unclaimed~~ Property Recovery Agreement or the Abandoned ~~Unclaimed~~ Property Purchase Agreement as the exclusive means of entering into an agreement or a contract with a claimant or seller to file a claim with the department.

(5) Fees and costs may be owed or paid to, or received by, a claimant ~~claimant's~~ representative only after a filed claim

has been approved and if the claimant's representative used an agreement authorized by this section.

(6) A claimant ~~claimant's~~ representative may not use or distribute any other agreement of any type, conveyed by any method, with respect to the claimant or seller which relates, directly or indirectly, to abandoned ~~unclaimed~~ property accounts held by the department or the Chief Financial Officer other than the agreements authorized by this section. Any engagement, authorization, recovery, or fee agreement that is not authorized by this section is void. A claimant ~~claimant's~~ representative is subject to administrative and civil enforcement under s. 717.1322 if he or she uses an agreement that is not authorized by this section and if the agreement is used to apply, directly or indirectly, to abandoned ~~unclaimed~~ property held by this state. This subsection does not prohibit lawful nonagreement, noncontractual, or advertising communications between or among the parties.

(7) The Abandoned ~~Unclaimed~~ Property Recovery Agreement may not contain language that makes the agreement irrevocable or that creates an assignment of any portion of abandoned ~~unclaimed~~ property held by the department.

(8) When a claim is approved, the department may pay any additional account that is owned by the claimant but has not been claimed at the time of approval, provided that a subsequent claim has not been filed or is not pending for the claimant at the time of approval.

(9) This section does not supersede s. 717.1241.

~~(10) This section does not apply to the sale and purchase of Florida-held unclaimed property accounts through a bankruptcy~~

~~estate representative or other person or entity authorized pursuant to Title XI of the United States Code or an order of a bankruptcy court to act on behalf or for the benefit of the debtor, its creditors, and its bankruptcy estate.~~

Section 69. Section 717.1356, Florida Statutes, is created to read:

717.1356 Purchase of abandoned property.—

(1) Agreements for the purchase of abandoned property reported to the department shall be valid only if all of the following conditions are met:

(a) The agreement is entitled "Florida Abandoned Property Purchase Agreement" and is in writing, in minimum 12-point type.

(b) The agreement includes the social security number or taxpayer identification number of the seller, if a number has been issued to the seller; a valid e-mail address, mailing address, and telephone number for the seller; and is manually signed and dated by the seller with the signature notarized.

(c) The agreement discloses with specificity the nature and value of the abandoned property, including the name of the apparent owner as shown by the records of the department, the name of the holder who remitted the property, the date of last contact, and the property category. With respect to the value of the abandoned property, the agreement must contain the following:

1. The total dollar amount of all abandoned property to be sold.

2. The total percentage of the value of the abandoned property to be paid as net gain to the purchaser.

3. The total net dollar amount to be received by the

purchaser.

4. The net dollar amount to be received by the seller.

(d) The agreement states the abandoned property account number for each abandoned property account sold.

(e) The purchase price does not discount the total value of all abandoned property subject to the sale by more than 30 percent.

(f) The agreement states that the amount of the purchase price will be remitted to the seller by the purchaser within 30 days after the execution of the agreement by the seller.

(g) The agreement includes the name, address, e-mail address, and phone number of the purchaser.

(h) The agreement states that the abandoned property is currently in the department's custody and that the seller can claim the property directly from the department on its electronically searchable website without being charged a fee. The agreement must provide the department's website address.

(2) A seller may cancel a purchase agreement without penalty or obligation within 15 business days after the date on which the agreement was executed. The agreement must contain the following language in minimum 12-point type: "You may cancel this agreement for any reason without penalty or obligation to you within 15 days after the date of this agreement by providing notice to . . .(name of purchaser). . ., submitted in writing and sent by certified mail, return receipt requested, or other form of mailing that provides proof thereof, at the address or e-mail address specified in the agreement."

(3) A copy of an executed Florida Abandoned Property Purchase Agreement must be filed with the purchaser's claim,

along with proof that the purchaser has made payment in full, and all other required documentation. If proof of payment is not provided, the department may not approve the claim.

(4) A purchase agreement under this section that discounts the value of abandoned property by more than the amount authorized in paragraph (1)(e) is enforceable only by the seller.

Section 70. Section 717.138, Florida Statutes, is amended to read:

717.138 Rulemaking authority.—The department shall administer and provide for the enforcement of this chapter. The department has authority to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this chapter. The department may adopt rules to allow for electronic filing of fees, forms, and reports required by this chapter. The authority to adopt rules pursuant to this chapter applies to all abandoned ~~unclaimed~~ property reported and remitted to the Chief Financial Officer, including, but not limited to, property reported and remitted pursuant to ss. 45.032, 732.107, 733.816, and 744.534.

Section 71. Section 717.1382, Florida Statutes, is amended to read:

717.1382 United States savings bond; abandoned ~~unclaimed~~ property; escheatment; procedure.—

(1) Notwithstanding any other provision of law, a United States savings bond in possession of the department or registered to a person with a last known address in the state, including a bond that is lost, stolen, or destroyed, is presumed abandoned ~~and unclaimed~~ 5 years after the bond reaches maturity

and no longer earns interest and shall be reported and remitted to the department by the financial institution or other holder in accordance with ss. 717.117(5) and (11) ~~ss. 717.117(1) and (5)~~ and 717.119, if the department is not in possession of the bond.

(2)(a) After a United States savings bond is abandoned ~~and unclaimed~~ in accordance with subsection (1), the department may commence a civil action in a court of competent jurisdiction in Leon County for a determination that the bond shall escheat to the state. Upon determination of escheatment, all property rights to the bond or proceeds from the bond, including all rights, powers, and privileges of survivorship of an owner, co-owner, or beneficiary, shall vest solely in the state.

(b) Service of process by publication may be made on a party in a civil action pursuant to this section. A notice of action shall state the name of any known owner of the bond, the nature of the action or proceeding in short and simple terms, the name of the court in which the action or proceeding is instituted, and an abbreviated title of the case.

(c) The notice of action shall require a person claiming an interest in the bond to file a written defense with the clerk of the court and serve a copy of the defense by the date fixed in the notice. The date must not be less than 28 or more than 60 days after the first publication of the notice.

(d) The notice of action shall be published once a week for 4 consecutive weeks in a newspaper of general circulation published in Leon County. Proof of publication shall be placed in the court file.

(e)1. If no person files a claim with the court for the

bond and if the department has substantially complied with the provisions of this section, the court shall enter a default judgment that the bond, or proceeds from such bond, has escheated to the state.

2. If a person files a claim for one or more bonds and, after notice and hearing, the court determines that the claimant is not entitled to the bonds claimed by such claimant, the court shall enter a judgment that such bonds, or proceeds from such bonds, have escheated to the state.

3. If a person files a claim for one or more bonds and, after notice and hearing, the court determines that the claimant is entitled to the bonds claimed by such claimant, the court shall enter a judgment in favor of the claimant.

(3) The department may redeem a United States savings bond escheated to the state pursuant to this section or, in the event that the department is not in possession of the bond, seek to obtain the proceeds from such bond. Proceeds received by the department shall be deposited in accordance with s. 717.123.

Section 72. Section 717.139, Florida Statutes, is amended to read:

717.139 Uniformity of application and construction.—

(1) The Legislature finds that laws governing abandoned property serve a vital public purpose by protecting the property rights of owners, facilitating the return abandoned property to its owners, preventing private escheatment, and ensuring that abandoned assets are preserved and safeguarded from waste or misuse. It is the public policy of the state to protect the interests of owners of abandoned ~~unclaimed~~ property. ~~It is declared to be in the best interests of owners of unclaimed~~

~~property that such owners receive the full amount of any unclaimed property without any fee.~~

(2) This chapter shall be applied and construed as to effectuate its general purpose of protecting the interest of missing owners of abandoned property, while providing that the benefit of all ~~unclaimed and~~ abandoned property shall go to all the people of the state, and to make uniform the law with respect to the subject of this chapter among states enacting it. It is the intent of the Legislature that property reported under this chapter remains the property of the owner and that the State of Florida acts solely as a custodian, not as the owner, of such property. Title to abandoned property may not transfer to the state except as expressly provided by law and only after all reasonable efforts to identify and return the property to its rightful owner have been exhausted.

Section 73. Section 717.1400, Florida Statutes, is amended to read:

717.1400 Registration.—

(1) In order to file claims as a claimant ~~claimant's~~ representative, receive a distribution of fees and costs for approved claims from the department, and obtain information regarding abandoned ~~unclaimed~~ property dollar amounts and numbers of reported shares of stock held by the department, an individual must meet all of the following requirements:

(a) Be one of the following:

1. A Florida-licensed private investigator holding a Class "C" individual license under chapter 493;

2. A Florida-certified public account; or

3. A Florida-licensed attorney.

(b) Have obtained a certificate of registration from ~~Must register with~~ the department.

(2) An application for registration as a claimant representative must be submitted in writing on a form prescribed by the department and must be accompanied by all of the following:

(a) A legible color copy of the applicant's current driver license showing the full name and current address of such person. If a current driver license is not available, another form of photo identification must be provided which shows the full name and current address of such person.

(b) If the applicant is a private investigator:

1. ~~on such form as the department prescribes by rule and must be verified by the applicant. To register with the department, a private investigator must provide:~~

~~(a)~~ A legible copy of the applicant's Class "A" business license under chapter 493 or that of the applicant's firm or employer which holds a Class "A" business license under chapter 493; and~~.~~

2.~~(b)~~ A legible copy of the applicant's Class "C" individual license issued under chapter 493.

(c) If the applicant is a certified public account, the applicant's Florida Board of Accountancy number.

(d) If the applicant is a licensed attorney, the applicant's Florida Bar number.

(e)~~(c)~~ The business address, ~~and~~ telephone number, tax identification number, and state of domicile or incorporation of the applicant's ~~private investigative~~ firm or employer.

(f)~~(d)~~ The names of agents, ~~or~~ employees, or independent

contractors, if any, who are designated or authorized to act on behalf of the applicant ~~private investigator~~, together with a legible color copy of their photo identification issued by an agency of the United States, or a state, or a political subdivision thereof.

(g) A statement that the applicant has not, during the 5-year period immediately preceding the submission of the application, violated any part of the Florida Disposition of Abandoned Personal Property Act.

(h) A statement that the applicant has not been convicted of, or plead guilty to, a felony or any offense involving moral turpitude; dishonesty; deceit; or breach of fiduciary duty, including theft, attempted theft, falsification, tampering with records, securing writings by deception, fraud, forgery, or perjury.

(i) ~~(e)~~ Sufficient information to enable the department to disburse funds by electronic funds transfer.

(j) The applicant's notarized signature immediately following an acknowledgment that any false or perjured statement subjects the applicant to criminal liability under the laws of this state

~~(f) The tax identification number of the private investigator's firm or employer which holds a Class "A" business license under chapter 493.~~

~~(2) In order to file claims as a claimant's representative, receive a distribution of fees and costs from the department, and obtain unclaimed property dollar amounts and numbers of reported shares of stock held by the department, a Florida-certified public accountant must register with the department on~~

~~such form as the department prescribes by rule and must be verified by the applicant. To register with the department, a Florida-certified public accountant must provide:~~

~~(a) The applicant's Florida Board of Accountancy number.~~

~~(b) A legible copy of the applicant's current driver license showing the full name and current address of such person. If a current driver license is not available, another form of identification showing the full name and current address of such person or persons shall be filed with the department.~~

~~(c) The business address and telephone number of the applicant's public accounting firm or employer.~~

~~(d) The names of agents or employees, if any, who are designated to act on behalf of the Florida-certified public accountant, together with a legible copy of their photo identification issued by an agency of the United States, or a state, or a political subdivision thereof.~~

~~(e) Sufficient information to enable the department to disburse funds by electronic funds transfer.~~

~~(f) The tax identification number of the accountant's public accounting firm employer~~.

(3) ~~In order to file claims as a claimant's representative, receive a distribution of fees and costs from the department, and obtain unclaimed property dollar amounts and numbers of reported shares of stock held by the department, an attorney licensed to practice in this state must register with the department on such form as the department prescribes by rule and must be verified by the applicant. To register with the department, such attorney must provide:~~

~~(a) The applicant's Florida Bar number.~~

~~(b) A legible copy of the applicant's current driver license showing the full name and current address of such person. If a current driver license is not available, another form of identification showing the full name and current address of such person or persons shall be filed with the department.~~

~~(c) The business address and telephone number of the applicant's firm or employer.~~

~~(d) The names of agents or employees, if any, who are designated to act on behalf of the attorney, together with a legible copy of their photo identification issued by an agency of the United States, or a state, or a political subdivision thereof.~~

~~(e) Sufficient information to enable the department to disburse funds by electronic funds transfer.~~

~~(f) The tax identification number of the attorney's firm or employer.~~

~~(4)~~ Information and documents already on file with the department before the effective date of this provision need not be resubmitted in order to complete the registration.

(4)~~(5)~~ If a material change in the status of a registration occurs, the claimant representative ~~a registrant~~ must, within 30 days, provide the department with the updated documentation and information in writing. Material changes include, but are not limited to, the following,~~:~~ a designated agent or employee ceasing to act on behalf of the designating person, a surrender, suspension, or revocation of a license, or a license renewal.

(a) If a designated agent or employee ceases to act on behalf of the person who has designated the agent or employee to act on such person's behalf, the designating person must, within

30 days, inform the department ~~the Division of Unclaimed Property~~ in writing of the termination of agency or employment.

(b) If a registrant surrenders the registrant's license or the license is suspended or revoked, the registrant must, within 30 days, inform the division in writing of the surrender, suspension, or revocation.

(c) If a private investigator's Class "C" individual license under chapter 493 or a private investigator's employer's Class "A" business license under chapter 493 is renewed, the private investigator must provide a copy of the renewed license to the department within 30 days after the receipt of the renewed license by the private investigator or the private investigator's employer.

(5)~~(6)~~ An applicant's claimant representative's ~~A registrant's~~ firm or employer may not have a name that might lead another person to conclude that the claimant representative's ~~registrant's~~ firm or employer is affiliated or associated with the United States, or an agency thereof, or a state or an agency or political subdivision of a state. The department shall deny an application for registration or revoke a registration if the applicant's or claimant representative's ~~registrant's~~ firm or employer has a name that might lead another person to conclude that the firm or employer is affiliated or associated with the United States, or an agency thereof, or a state or an agency or political subdivision of a state. Names that might lead another person to conclude that the firm or employer is affiliated or associated with the United States, or an agency thereof, or a state or an agency or political subdivision of a state, include, but are not limited to, the

words United States, Florida, state, bureau, division, department, or government.

(6)~~(7)~~ The licensing and other requirements of this section must be maintained as a condition of registration with the department.

(7) To maintain active registration under this section, a claimant representative must file and obtain payment on at least 10 claims per calendar year following the date of initial registration.

(a) If a claimant representative fails to meet this requirement, the department must notify the claimant representative in writing and provide 30 days to demonstrate compliance or good cause for noncompliance.

(b) If the claimant representative does not cure the deficiency or demonstrate good cause within the time provided, the department must revoke the registration.

(c) A claimant representative whose registration is revoked under this subsection may not reapply for registration under this section for a period of 1 year following the effective date of the revocation.

Section 74. Paragraph (a) of subsection (2) of section 197.582, Florida Statutes, is amended to read:

197.582 Disbursement of proceeds of sale.—

(2)(a) If the property is purchased for an amount in excess of the statutory bid of the certificateholder, the surplus must be paid over and disbursed by the clerk as set forth in subsections (3), (5), and (6). If the opening bid included the homestead assessment pursuant to s. 197.502(6)(c), that amount must be treated as surplus and distributed in the same manner.

The clerk shall distribute the surplus to the governmental units for the payment of any lien of record held by a governmental unit against the property, including any tax certificates not incorporated in the tax deed application and omitted taxes, if any. If there remains a balance of undistributed funds, the balance must be retained by the clerk for the benefit of persons described in s. 197.522(1)(a), except those persons described in s. 197.502(4)(h), as their interests may appear. The clerk shall mail notices to such persons notifying them of the funds held for their benefit at the addresses provided in s. 197.502(4). Such notice constitutes compliance with the requirements of s. 717.117 ~~s. 717.117(6)~~. Any service charges and costs of mailing notices shall be paid out of the excess balance held by the clerk. Notice must be provided in substantially the following form:

NOTICE OF SURPLUS FUNDS
FROM TAX DEED SALE

CLERK OF COURT
.... COUNTY, FLORIDA

Tax Deed #.....
Certificate #.....
Property Description: .....

Pursuant to chapter 197, Florida Statutes, the above property was sold at public sale on ...(date of sale)..., and a surplus of $...(amount)... (subject to change) will be held by this office for 120 days beginning on the date of this notice to

benefit the persons having an interest in this property as described in section 197.502(4), Florida Statutes, as their interests may appear (except for those persons described in section 197.502(4)(h), Florida Statutes).

To the extent possible, these funds will be used to satisfy in full each claimant with a senior mortgage or lien in the property before distribution of any funds to any junior mortgage or lien claimant or to the former property owner. To be considered for funds when they are distributed, you must file a notarized statement of claim with this office within 120 days of this notice. If you are a lienholder, your claim must include the particulars of your lien and the amounts currently due. Any lienholder claim that is not filed within the 120-day deadline is barred.

A copy of this notice must be attached to your statement of claim. After the office examines the filed claim statements, it will notify you if you are entitled to any payment.

Dated: .....

Clerk of Court

Section 75. Paragraph (t) of subsection (1) of section 626.9541, Florida Statutes, is amended to read:

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.—

(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE ACTS.—The following are defined as unfair methods of competition and unfair or deceptive acts or practices:

(t) *Certain life insurance relations with funeral directors prohibited.*—

1. No life insurer shall permit any funeral director or

direct disposer to act as its representative, adjuster, claim agent, special claim agent, or agent for such insurer in soliciting, negotiating, or effecting contracts of life insurance on any plan or of any nature issued by such insurer or in collecting premiums for holders of any such contracts except as prescribed in s. 626.785(2) ~~s. 626.785(3)~~.

2. No life insurer shall:

a. Affix, or permit to be affixed, advertising matter of any kind or character of any licensed funeral director or direct disposer to such policies of insurance.

b. Circulate, or permit to be circulated, any such advertising matter with such insurance policies.

c. Attempt in any manner or form to influence policyholders of the insurer to employ the services of any particular licensed funeral director or direct disposer.

3. No such insurer shall maintain, or permit its agent to maintain, an office or place of business in the office, establishment, or place of business of any funeral director or direct disposer in this state.

Section 76. For the purpose of incorporating the amendment made by this act to section 717.101, Florida Statutes, in a reference thereto, paragraph (a) of subsection (6) of section 772.13, Florida Statutes, is reenacted to read:

772.13 Civil remedy for terrorism or facilitating or furthering terrorism.—

(6)(a) In any postjudgment execution proceedings to enforce a judgment entered against a terrorist party under this section or under 18 U.S.C. s. 2333 or a substantially similar law of the United States or of any state or territory of the United States,

including postjudgment execution proceedings against any agency or instrumentality of the terrorist party not named in the judgment pursuant to s. 201(a) of the Terrorism Risk Insurance Act, 28 U.S.C. s. 1610:

1. There is no right to a jury trial under s. 56.18 or s. 77.08;

2. A defendant or a person may not use the resources of the courts of this state in furtherance of a defense or an objection to postjudgment collection proceedings if the defendant or person purposely leaves the jurisdiction of this state or the United States, declines to enter or reenter this state or the United States to submit to its jurisdiction, or otherwise evades the jurisdiction of the court in which a criminal case is pending against the defendant or person. This subparagraph applies to any entity that is owned or controlled by a person to whom this paragraph applies;

3. Creditor process issued under chapter 56 or chapter 77 may be served upon any person or entity over whom the court has personal jurisdiction. Writs of garnishment issued under s. 77.01 and proceedings supplementary under s. 56.29 apply to intangible assets wherever located, without territorial limitation, including bank accounts as defined in s. 674.104(1)(a), financial assets as defined in s. 678.1021(1), or other intangible property as defined in s. 717.101. The situs of any intangible assets held or maintained by or in the possession, custody, or control of a person or entity so served shall be deemed to be in this state for the purposes of a proceeding under chapter 56 or chapter 77. Service of a writ or notice to appear under this section shall provide the court with

in rem jurisdiction over any intangible assets regardless of the location of the assets;

4. Notwithstanding s. 678.1121, the interest of a debtor in a financial asset or security entitlement may be reached by a creditor by legal process upon the securities intermediary with whom the debtor's securities account is maintained, or, if that is a foreign entity, legal process under chapter 56 or chapter 77 may be served upon the United States securities custodian or intermediary that has reported holding, maintaining, possessing, or controlling the blocked financial assets or security entitlements to the Office of Foreign Assets Control of the United States Department of the Treasury, and such financial assets or security entitlements shall be subject to execution, garnishment, and turnover by the United States securities custodian or intermediary; and

5. Notwithstanding s. 670.502(4), when an electronic funds transfer is not completed within 5 banking days and is canceled pursuant to s. 670.211(4) because a United States intermediary financial institution has blocked the transaction in compliance with a United States sanctions program, and a terrorist party or any agency or instrumentality thereof was either the originator or the intended beneficiary, then the blocked funds shall be deemed owned by the terrorist party or its agency or instrumentality and shall be subject to execution and garnishment.

Section 77. This act shall take effect upon becoming a law.

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 1494
INTRODUCER:	Senator Davis
SUBJECT:	Insurance Coverage for Breast Cancer Screening
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			AP	

I. Summary:

SB 1494 modifies required coverage for mammograms and supplemental breast cancer screenings in Florida for the following types of insurance coverage:

- An individual accident and health insurance policy ("individual insurance policy"),
- A group, blanket, and franchise health insurance ("group insurance policy"), and
- A health maintenance organization (HMO) contract.

The bill creates a new section that requires the mammogram and supplemental breast cancer screening coverage to apply to small group insurance policies and contracts ("small group policy").

Such policies or contracts are amended to increase mandatory mammogram coverage and to require coverage for supplemental breast cancer screenings in specified circumstances, including coverage for additional risk factors that are not covered under current law. The bill requires one medically necessary supplemental breast cancer screening a year, based upon a physician's recommendation, for any woman who is at an increased risk of developing breast cancer.

Such policies issued for an insured who has dense breast tissue in the absence of any abnormality or suspicious abnormality are subject to the mandated mammogram and supplemental breast cancer screening coverage in the bill for women who are an increased risk of breast cancer. Further, such policies must offer the mandated coverage in the bill after treatment for any breast cancer, even if the insured is in a remission and surveillance period, if the exam does not meet the definition of a diagnostic breast examination.

The relevant sections of current law are updated to conform to the revised coverage, and certain terms are defined in the relevant sections to clarify the scope of the coverage.

The bill may have an indeterminate, negative fiscal impact on state expenditures related to state employee insurance. The bill may have an indeterminate negative fiscal impact on private sector insurers and HMOs. **See Section V., Fiscal Impact Statement**.

The bill takes effect July 1, 2026.

II. Present Situation:

Background

Rates of breast cancer vary among different groups of people. Rates vary between women and men and among people of different ethnicities and ages. Rates of breast cancer incidence (new cases) and mortality (death) are much lower among men than among women. The American Cancer Society made the following estimates regarding cancer among women in the U.S. during 2024:

- 310,720 new cases of invasive breast cancer (This includes new cases of primary breast cancer, but not breast cancer recurrences);
- 56,500 new cases of ductal carcinoma in situ (DCIS), a non-invasive breast cancer; and
- 42,250 breast cancer deaths.[1]

The estimates for men in the U.S. for 2024 were:

- 2,790 new cases of invasive breast cancer (This includes new cases of primary breast cancers, but not breast cancer recurrences); and
- 530 breast cancer deaths.[2]

Breast cancer is the second most common form of cancer diagnosed in women, and it is estimated that one in eight women will be diagnosed with breast cancer in her lifetime.[3] It accounts for 30 percent of all new female cancers in the United States each year.[4] The median age at which a woman is diagnosed is 62 with a very small percentage of women who are diagnosed under the age of 45.[5]

Risks and Risk Factors

There are no absolute ways to prevent breast cancer as there might be with other forms of cancer; however, there are some risk factors that may increase a woman's chances of receiving a diagnosis. Some risk factors that are out of an individual's control are:

- Being born female;
- Aging beyond 55;
- Inheriting certain gene changes;
- Having a family or personal history of breast cancer;
- Being of certain race or ethnicity;

---

[1] *Cancer Facts & Figures*, pgs. 10-11, American Cancer Society - Cancer Facts & Figures 2024 (last visited Jan. 31, 2026).
[2] *Id.*
[3] American Cancer Society, *Key Statistics for Breast Cancer,* Breast Cancer Statistics | How Common Is Breast Cancer? | American Cancer Society (last visited Jan. 31, 2026).
[4] *Id.*
[5] *Id.*

- Being taller;
- Having dense breast tissue;
- Having certain benign breast conditions;
- Starting menstrual periods early, usually before age 12;
- Having radiation to the chest; and
- Being exposed to the drug, diethylstilbestrol.[6]

For many of the factors above, it is unclear why these characteristics make an individual more susceptible to a cancer diagnosis other than perhaps being female. However, men can and do receive breast cancer diagnoses, just in very small numbers. About one in every 100 breast cancers diagnosed in the United States is found in a man.[7]

Breast Cancer Screening

In Florida, an individual insurance policy, a group insurance policy, or a health maintenance contract issued, amended, delivered, or renewed in this state must provide coverage for at least the following:

- A baseline mammogram for any woman who is 35 years of age or older, but younger than 40 years of age.
- A mammogram every two years for any woman who is 40 years of age or older, but younger than 50 years of age, or more frequently based on the patient's physician's recommendation.
- A mammogram every year for any woman who is 50 years of age or older.
- One or more mammograms a year, based upon a physician's recommendation, for any woman who is at risk for breast cancer because of a personal or family history of breast cancer, having a history of biopsy-proven benign breast disease, having a mother, sister, or daughter who has or has had breast cancer, or a woman has not given birth before the age of 30.[8]

With respect to an individual insurance policy or a group insurance policy only, except for mammograms conducted more frequently than every 2 years for women between the ages of 40 to 50 years old, the coverage for mammograms described above only applies if the insured obtains a mammogram in an office, facility, or health testing service that uses radiological equipment registered with the Department of Health.[9] The coverage for individual and group policies and contracts is subject to the deductible and coinsurance applicable to other benefits.[10]

However, mammography is only the initial step in early detection and, by itself, unable to diagnose cancer. A mammogram is an x-ray of the breast.[11] While screening mammograms are routinely performed to detect breast cancer in women who have no apparent symptoms,

---

[6] American Cancer Society, *Breast Cancer Risk Factors You Cannot Change*- Breast Cancer Risk Factors You Can't Change | American Cancer Society (last visited Jan. 31, 2026).
[7] Centers for Disease Control and Prevention, *Breast Cancer in Men*- About Breast Cancer in Men | Breast Cancer | CDC (last visited Jan. 31, 2026).
[8] Sections 627.6418(1), 627.6613(2), and 641.31095(1), F.S.
[9] Sections 627.6418(2) and 627.6613(2), F.S.
[10] Sections 627.6418(2), 627.6613(2), and 641.31095(2), F.S.
[11] National Breast Cancer Foundation, *What Is The Difference Between A Diagnostic Mammogram And A Screening Mammogram?*, available at https://www.nationalbreastcancer.org/diagnostic-mammogram (last visited Jan. 31, 2026).

diagnostic mammograms are used after suspicious results on a screening mammogram or after some signs of breast cancer alert the physician to check the tissue.[12]

If a mammogram shows something abnormal, early detection of breast cancer requires diagnostic follow-up or additional supplemental imaging required to rule out breast cancer or confirm the need for a biopsy.[13] Out-of-pocket costs are particularly burdensome on those who have previously been diagnosed with breast cancer, as diagnostic tests are recommended rather than traditional screening.[14] When breast cancer is detected early, the five-year relative survival rate is ninety-nine percent.[15]

Regulation of Insurance in Florida

The Office of Insurance Regulation (OIR) regulates specified insurance products, insurers and other risk bearing entities in Florida.[16] As part of their regulatory oversight, the OIR may suspend or revoke an insurer's certificate of authority under certain conditions.[17] The OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each insurer that holds a certificate of authority to transact insurance business in Florida.[18] As part of the examination process, all persons being examined must make available to the OIR the accounts, records, documents, files, information, assets, and matters in their possession or control that relate to the subject of the examination.[19] The OIR is also authorized to conduct market conduct examinations to determine compliance with applicable provisions of the Insurance Code.[20]

The Agency for Health Care Administration (AHCA) regulates the quality of care by health maintenance organizations (HMO) under part III of ch. 641, F.S. Before receiving a certificate of authority from the OIR, an HMO must receive a Health Care Provider Certificate from the AHCA.[21] As part of the certificate process used by the agency, an HMO must provide information to demonstrate that the HMO can provide quality of care consistent with the prevailing standards of care.[22]

---

[12] *Id.*
[13] Susan G. Komen Organization, *Breast Cancer Screening & Early Detection*, available at https://www.komen.org/breast-cancer/screening/ (last visited Jan. 31, 2026).
[14] Susan G. Komen Organization, *New Susan G. Komen Study Unveils High Cost of Diagnostic Test for Breast Cancer Serves as a Barrier to Needed Care*, available at: New Susan G. Komen® Study Unveils High Cost of Diagnostic Tests for Breast Cancer Serves as a Barrier to Needed Care - Susan G. Komen® (last visited Jan. 31, 2026).
[15] National Breast Cancer Foundation, *3 Steps to Early Detection Guide*, Sept. 26, 2024, available at: 3 Steps to Early Detection - Breast Cancer Detection Guide (last visited Jan. 31, 2026).
[16] Section 20.121(3)(a), F.S. The Financial Services Commission, composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture, serves as agency head of the Office of Insurance Regulation for purposes of rulemaking. Further, the Financial Services Commission appoints the commissioner of the Office of Insurance Regulation.
[17] Section 624.418, F.S.
[18] Section 624.316(1)(a), F.S.
[19] Section 624.318(2), F.S.
[20] Section 624.3161, F.S.
[21] Section 641.21(1), F.S.
[22] Section 641.495, F.S.

Employee Health Care Access Act

The Employee Health Care Access Act is intended to promote health insurance availability for small employers[23] that employ an average of at least 1 but not more than 50 eligible employees on business days during the preceding calendar year.[24] To transact business in Florida, every small employer carrier must offer and issue all small employer health benefits plans on a guaranteed-issued basis to every eligible small employer that meets certain conditions.[25] The Financial Services Commission may establish rules to ensure that small employer carrier rates are reasonable and reflect objective differences in plan design.[26]

Florida's Medicaid Program[27]

Administration of the Program

The Agency for Health Care Administration (AHCA) is the single state agency responsible for the administration of the Florida Medicaid program, authorized under Title XIX of the Social Security Act (SSA). This authority includes establishing and maintaining a Medicaid state plan approved by the federal Centers for Medicare and Medicaid Services and maintaining any Medicaid waivers needed to operate the Florida Medicaid program as directed by the Florida Legislature.

A Medicaid state plan is an agreement between a state and the federal government describing how that state administers its Medicaid programs; it establishes groups of individuals covered under the Medicaid program, services that are provided, payment methodologies, and other administrative and organizational requirements. State Medicaid programs may request a formal waiver of the requirements codified in the SSA. Federal waivers give states flexibility not afforded through their Medicaid state plan.

In Florida, most Medicaid recipients receive their services through a managed care plan contracted with the AHCA under the Statewide Medicaid Managed Care (SMMC) program. The SMMC program has three components: Managed Medical Assistance (MMA), Long-Term Care (LTC), and Dental. Florida's SMMC program benefits are authorized through federal waivers and are specifically required by the Florida Legislature in ss. 409.973 and 409.98, F.S.

Mandatory Medicaid Coverage

Section 409.905, F.S., relating to mandatory Medicaid services, provides that the AHCA may make payments for delineated services, which are required of the state by Title XIX of the SSA. Currently, the Florida Medicaid program covers mammograms and other breast screening services under s. 409.905, F.S., and Rule 59G-4.240 of the Florida Administrative Code, which incorporates the Radiology and Nuclear Medicine Services Coverage Policy by reference. An eligible recipient must:

[23] Section 627.6699(2), F.S.
[24] Section 627.6699(3)(v), F.S.
[25] Section 627.6699(5)(b), F.S.
[26] Section 627.6699(6)(a), F.S.
[27] Agency for Health Care Administration, *Senate Bill 1578 Bill Analysis*, (Mar. 20, 2025) (on file with the Senate Committee on Banking and Insurance)

- Be enrolled in the Florida Medicaid program on the date of service,
- Meet the criteria of the policy, and
- Require medically necessary services.[28]

Mandatory services must not be duplicative.[29] Mammography screenings are covered at a frequency of one per year, per recipient.[30] No age limit or requirement is specified.[31] Any additional screening services are covered as listed on the associated Radiology Fee Schedule, which currently includes magnetic resonance imaging (MRI) of breast, molecular breast imaging of breast, ultrasound of breast, and digital breast tomosynthesis mammogram.[32]

Patient Protection and Affordable Care Act

Essential Benefits

Under the Patient Protection and Affordable Care Act (PPACA),[33] all non-grandfathered health plans in the non-group and small-group private health insurance markets must offer a core package of health care services known as the essential health benefits (EHBs). While the PPACA does not specify the benefits within the EHB, it provides 10 categories of benefits and services that must be covered and it requires the Secretary of Health and Human Services to further define the EHB.[34]

The 10 EHB categories are:
- Ambulatory patient services.
- Emergency services.
- Hospitalization.
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment.
- Prescription drugs.
- Rehabilitation and habilitation services and devices.
- Laboratory services.
- Preventive and wellness services and chronic disease management.
- Pediatric services, including oral and vision care.[35]

The PPACA requires each state to select its own reference benchmark plan as its EHB benchmark plan that all other health plans in the state use as a model. Beginning in 2020, states could choose a new EHB plan using one of three options, including: selecting another's state benchmark plan; replacing one or more categories of EHB benefits; or selecting a set of benefits

[28] Agency for Health Care Administration, *Florida Medicaid: Radiology and Nuclear Medicine Services Coverage Policy*, p. 2-3, May 2019, available at 59G-4.240_Radiology_and_Nuclear_Medicine_Coverage_Policy_2019.pdf (last visited Jan. 31, 2026).
[29] *Id.*
[30] *Id.*
[31] *Id.*
[32] Agency for Health Care Administration, *Senate Bill 1578 Bill Analysis*, (Mar. 20, 2025) (on file with the Senate Committee on Banking and Insurance)
[33] Patient Protection and Affordable Care Act of 2010. Pub. L. No. 111-141, as amended.
[34] 45 CFR 156.100. et seq.
[35] 45 CFR 156.110

that would become the State's EHB benchmark plan.[36] Florida selected its EHB plan before 2012 and has not modified that selection.[37]

State Employee Health Plan

For state employees who participate in the state employee benefit program, the Department of Management Services through the Division of State Group Insurance (DSGI) administers the state group health insurance program (Program).[38] The Program is a cafeteria plan managed consistent with section 125 of the Internal Revenue Service Code.[39] To administer the program, DSGI contracts with third party administrators for self-insured plans, a fully insured HMO, and a pharmacy benefits manager for the state employees' self-insured prescription drug program, pursuant to s.110.12315, F.S. For the 2025 Plan Year, which began January 1, 2026, the HMO plans under contract with DSGI are Aetna, Capital Health Plan, and United Healthcare, and the preferred provider organization (PPO) plan is Florida Blue.[40]

Breast Cancer Screening Coverage

Currently, the Program covers 100 percent of the costs of screening, preventive mammograms, (consistent with federal requirements related to essential health benefits coverage). Out of pocket costs, such as copayments, may vary for supplemental and diagnostic imaging based on the enrollee's plan and the provider selected.

Legislative Proposals for Mandated Health Benefit Coverage

Any person or organization proposing legislation which would mandate health coverage or the offering of health coverage by an insurance carrier, health care service contractor, or health maintenance organization as a component of individual or group policies, must submit to the AHCA and the legislative committees having jurisdiction a report which assesses the social and financial impacts of the proposed coverage.[41] Guidelines for assessing the impact of a proposed mandated or mandatorily offered health coverage, to the extent that information is available, include:

- To what extent is the treatment or service generally used by a significant portion of the population?
- To what extent is the insurance coverage generally available?
- If the insurance coverage is not generally available, to what extent does the lack of coverage result in persons avoiding necessary health care treatment?

---

[36] Centers for Medicare and Medicare Services, *Marketplace – Essential Health Benefits,* available at https://www.cms.gov/marketplace/resources/data/essential-health-benefits (last reviewed Jan. 31, 2026).
[37] Centers for Medicare and Medicaid Services, *Information on Essential Health Benefits (EHB) Benchmark Plans,* Florida State Required Benefits, available at https://downloads.cms.gov/ (last viewed on Jan. 31, 2026).
[38] Section 110.123, F.S.
[39] A section 125 cafeteria plan is a type of employer offered, flexible health insurance plan that provides employees a menu of pre-tax and taxable qualified benefits to choose from, but employees must be offered at least one taxable benefit such as cash, and one qualified benefit, such as a Health Savings Account.
[40] Department of Management Services, Division of State Group Insurance, *2024 Open Enrollment Brochure for Active State Employee Participants,* available at https://www.mybenefits.myflorida.com/beta_-_open_enrollment (last visited Jan. 31, 2026).
[41] Section 624.215(2), F.S.

- If the coverage is not generally available, to what extent does the lack of coverage result in unreasonable financial hardship?
- The level of public demand for the treatment or service.
- The level of public demand for insurance coverage of the treatment or service.
- The level of interest of collective bargaining agents in negotiating for the inclusion of this coverage in group contracts.
- To what extent will the coverage increase or decrease the cost of the treatment or service?
- To what extent will the coverage increase the appropriate uses of the treatment or service?
- To what extent will the mandated treatment or service be a substitute for a more expensive treatment or service?
- To what extent will the coverage increase or decrease the administrative expenses of insurance companies and the premium and administrative expenses of policyholders?
- The impact of this coverage on the total cost of health care.[42]

To date, such a report has not been received by the Senate Committee on Banking and Insurance.

III. Effect of Proposed Changes:

The bill amends certain minimum insurance coverage for mammograms and supplemental breast cancer screenings to apply to younger women and modifies risk factors.

Sections 1, 2, 3, and 4 modify ss. 627.6418, 627.6613, 627.6699, and 641.31095, F.S., relating to an individual insurance policy; a group insurance policy; small employer policy; and a health maintenance organization contract, respectively, to revise the state's coverage mandates for mammograms beginning on or after January 1, 2027. For any woman aged 40 or older, the policy or contract must provide coverage for one screening mammogram every year. "Screening mammogram" is defined as "a radiologic examination using equipment dedicated specifically for mammography, including digital breast tomosynthesis mammography but not including any diagnostic mammography imaging, for the purpose of detecting any potential breast cancer, which examination results in the production of at least two radiographic images of each breast."

The bill also provides that the policy or contract must cover one or more medically necessary screening mammogram based on a licensed physician's recommendation[43] for any woman who is at an increased risk of developing breast cancer. The increased risk factors in current law are replaced with a new definition of "increased risk" that means, in accordance with the National Comprehensive Cancer Network, any one of the following that enhances the likelihood that a woman may develop breast cancer, including:

- Having a known genetic predisposition or a pedigree suggestive of a genetic predisposition for breast cancer.
- Having a lifetime risk of breast cancer equal to or greater than 20 percent as defined by models that include a comprehensive family history, including first-, second-, and, when relevant to the model, third-degree relatives.
- Having previously received thoracic radiation between 10 and 30 years of age.

[42] Section 624.215(2)(a)-(l), F.S.
[43] *See* ch. 458 and 459, F.S.

- Being 35 years of age or older with a 5-year risk of invasive breast cancer equal to or greater than 1.7 percent.
- Having a lifetime risk equal to or greater than 20 percent based on a history of atypical ductal hyperplasia, lobular carcinoma in situ, or atypical lobular hyperplasia.
- Having heterogeneously or extremely dense breast tissue as defined under the BI-RADS, which is defined as the American College of Radiology Breast Imaging Reporting and Data System, and based on a woman's most recently completed mammogram results.

The bill also covers one supplemental breast cancer screening per year, based upon a physician's recommendation, if the woman is at an increased risk for breast cancer. The bill defines "supplemental breast cancer screening" to mean "an imaging examination of the breast, including, but not limited to, breast magnetic resonance imaging, breast ultrasound, contrast-enhanced mammography, or molecular breast imaging, which is used to screen for breast cancer when there is no abnormality seen or suspected."

The bill provides that the policies or contracts issued for an insured who has dense breast tissue by itself in the absence of any evidence of an abnormality or suspicious abnormality of the breast are subject to the medically necessarily screening mammogram and supplemental breast cancer screening coverage. The policies and contracts are subject to the mandated coverage provisions in the bill after treatment for breast cancer is completed, even if the insured is in remission and surveillance period prior to any clinical designation that the insured is in long-term remission or cured, if any examination conducted during this period does not meet the definition of diagnostic breast examination. The bill defines "diagnostic breast examination" as "a medically necessary imaging examination using diagnostic mammography, breast magnetic resonance imaging, or breast ultrasound, which is used to evaluate an abnormality that is seen or reasonably suspected during a screening examination for breast cancer." The term "reasonably suspected" is defined to mean "the screening examination evidences at least one observable sign of a potential abnormality."

With respect to **sections 1, 2 and 3 only** (relating to an individual insurance policy, small employer policy and a group insurance policy), the bill also modifies current law to require coverage of all mammograms and applicable supplement breast cancer screenings obtained in an office, facility, or health testing service that uses radiological equipment registered with the Department of Health, rather than only certain specified mammograms, and such coverage is subject to deductibles and coinsurance provisions applicable to outpatient visits.

Section 5 provides that the bill 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:

The fiscal impact on the private sector is indeterminate. Based on the additional coverage provided under the bill, a negative fiscal may impact the private sector if premiums are raised; however, the private sector may get earlier access to diagnosis and treatment.

Insurers may incur indeterminate administrative costs for implementing provisions of the bill. Any increased costs which the insurers may incur due to the enhanced coverage requirement within the bill would likely be passed on to insureds. However, if the bill increases early detection of breast cancer, it may lead to more successful health outcomes for women.

C. Government Sector Impact:

The Division of State Group Insurance may incur an indeterminate negative fiscal impact to cover state employees for the additional coverage required in the bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 627.6418, 627.6613, 627.6699, 641.31095

IX. Additional Information:

A. Committee Substitute – Statement of Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Davis

5-01179C-26 20261494__

A bill to be entitled

An act relating to insurance coverage for breast cancer screening; amending s. 627.6418, F.S.; defining terms; requiring that certain health insurance policies issued, amended, delivered, or renewed on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; specifying that specified health insurance policies are subject to certain provisions; revising applicability; amending s. 627.6613, F.S.; defining terms; requiring that certain health insurance policies issued, amended, delivered, or renewed on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; specifying that specified health insurance policies are subject to certain provisions; amending s. 627.6699, F.S.; defining terms; requiring that certain health benefit plans issued on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; specifying that specified health insurance policies are subject to certain provisions; providing applicability; providing construction; requiring insurers to make certain coverage available to the policyholder or contract holder without being subject to certain deductible or coinsurance provisions; amending s. 641.31095, F.S.; defining terms; requiring that certain health maintenance contracts issued or renewed on or after a specified date provide specified minimum coverage for breast cancer screening and diagnosis; specifying that specified health insurance policies are subject to certain provisions; providing an effective date.

Florida Senate - 2026 **SB 1494**

5-01179C-26 20261494__

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

Section 1. Section 627.6418, Florida Statutes, is amended to read:

627.6418 Coverage for mammograms.—

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

(a) "BI-RADS" means the American College of Radiology Breast Imaging Reporting and Data System.

(b) "Diagnostic breast examination" means a medically necessary imaging examination of the breast, including, but not limited to, an examination using diagnostic mammography, breast magnetic resonance imaging, or breast ultrasound, which is used to evaluate an abnormality that is seen or reasonably suspected during a screening examination for breast cancer. For purposes of this paragraph, the term "reasonably suspected" means the screening examination evidences at least one observable sign of a potential abnormality.

(c) "Increased risk" means, in accordance with the National Comprehensive Cancer Network, any one of the following categories which enhances the likelihood that a woman may develop breast cancer, including:

1. Having a known genetic predisposition or a pedigree suggestive of a genetic predisposition for breast cancer.

2. Having a lifetime risk of breast cancer equal to or greater than 20 percent as defined by models that include a

comprehensive family history, including first-, second-, and, when relevant to the model, third-degree relatives.

3. Having previously received thoracic radiation between 10 and 30 years of age.

4. Being 35 years of age or older with a 5-year risk of invasive breast cancer equal to or greater than 1.7 percent.

5. Having a lifetime risk equal to or greater than 20 percent based on a history of atypical ductal hyperplasia, lobular carcinoma in situ, or atypical lobular hyperplasia.

6. Having heterogeneously or extremely dense breast tissue as defined under the BI-RADS and based on a woman's most recently completed mammogram results.

(d) "Screening mammogram" means a radiologic examination using equipment dedicated specifically for mammography, including digital breast tomosynthesis mammography but not including any diagnostic mammography imaging, for the purpose of detecting any potential breast cancer, which examination results in the production of at least two radiographic images of each breast.

(e) "Supplemental breast cancer screening" means an imaging examination of the breast, including, but not limited to, breast magnetic resonance imaging, breast ultrasound, contrast-enhanced mammography, or molecular breast imaging, which is used to screen for breast cancer when there is no abnormality seen or suspected.

(2) ~~(1)~~ A major medical or similar comprehensive ~~An accident or~~ health insurance policy issued, amended, delivered, or renewed in this state on or after January 1, 2027, must provide all of the following minimum coverage in accordance with the

most recent applicable National Comprehensive Cancer Network's Breast Cancer Screening and Diagnosis guidelines ~~coverage for at least the following~~:

(a) ~~A baseline mammogram for any woman who is 35 years of age or older, but younger than 40 years of age.~~

~~(b) A mammogram every 2 years for any woman who is 40 years of age or older, but younger than 50 years of age, or more frequently based on the patient's physician's recommendation.~~

~~(c)~~ A screening mammogram every year for any woman who is 40 ~~50~~ years of age or older.

(b) ~~(d)~~ One or more medically necessary screening mammograms a year, based upon a ~~physician's~~ recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing ~~for~~ breast cancer ~~because of a personal or family history of breast cancer, because of having a history of biopsy-proven benign breast disease, because of having a mother, sister, or daughter who has or has had breast cancer, or because a woman has not given birth before the age of 30~~.

(c) One medically necessary supplemental breast cancer screening a year, based upon a recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing breast cancer.

(3) A major medical or similar comprehensive health insurance policy issued for an insured who has dense breast tissue by itself in the absence of any evidence of an abnormality or suspicious abnormality of the breast as defined by BI-RADS is subject to the coverage requirements provided in paragraphs (2)(b) and (c).

(4) A major medical or similar comprehensive health insurance policy is subject to this section after treatment for any breast cancer is completed, even if the insured is in a remission and surveillance period prior to any clinical designation that the insured is in long-term remission or cured, provided any examination conducted during such period does not meet the definition of a diagnostic breast examination.

(5)~~(2) Except as provided in paragraph (1)(b), for mammograms done more frequently than every 2 years for women 40 years of age or older but younger than 50 years of age,~~ The coverage required by paragraphs (2)(a) and (b) ~~subsection (1)~~ applies, with or without a licensed treating physician's ~~physician~~ prescription, if the insured obtains a screening mammogram in an office, facility, or health testing service that uses radiological equipment registered with the Department of Health for breast cancer screening. The coverage is subject to the deductible and coinsurance provisions applicable to outpatient visits, and is also subject to all other terms and conditions applicable to other benefits. This section does not affect any requirements or prohibitions relating to who may perform, analyze, or interpret a screening mammogram or the persons to whom the results of a screening mammogram may be furnished or released.

(6)~~(3)~~ This section applies ~~does not apply~~ to ~~disability income, specified disease, or hospital indemnity~~ policies providing major medical or similar comprehensive coverage or benefits.

(7)~~(4)~~ Every insurer subject to the requirements of this section shall make available to the policyholder as part of the

application, for an appropriate additional premium, the coverage required in this section without such coverage being subject to the deductible or coinsurance provisions of the policy.

Section 2. Section 627.6613, Florida Statutes, is amended to read:

627.6613 Coverage for mammograms.—

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

(a) "BI-RADS" means the American College of Radiology Breast Imaging Reporting and Data System.

(b) "Diagnostic breast examination" means a medically necessary imaging examination of the breast, including, but not limited to, an examination using diagnostic mammography, breast magnetic resonance imaging, or breast ultrasound, which is used to evaluate an abnormality that is seen or reasonably suspected during a screening examination for breast cancer. For purposes of this paragraph, the term "reasonably suspected" means the screening examination evidences at least one observable sign of a potential abnormality.

(c) "Increased risk" means, in accordance with the National Comprehensive Cancer Network, any one of the following categories which enhances the likelihood that a woman may develop breast cancer, including:

1. Having a known genetic predisposition or a pedigree suggestive of a genetic predisposition for breast cancer.

2. Having a lifetime risk of breast cancer equal to or greater than 20 percent as defined by models that include a comprehensive family history, including first-, second-, and, when relevant to the model, third-degree relatives.

3. Having previously received thoracic radiation between 10

and 30 years of age.

4. Being 35 years of age or older with a 5-year risk of invasive breast cancer equal to or greater than 1.7 percent.

5. Having a lifetime risk equal to or greater than 20 percent based on a history of atypical ductal hyperplasia, lobular carcinoma in situ, or atypical lobular hyperplasia.

6. Having heterogeneously or extremely dense breast tissue as defined under the BI-RADS and based on a woman's most recently completed mammogram results.

(d) "Screening mammogram" means a radiologic examination using equipment dedicated specifically for mammography, including digital breast tomosynthesis mammography but not including any diagnostic mammography imaging, for the purpose of detecting any potential breast cancer, which examination results in the production of at least two radiographic images of each breast.

(e) "Supplemental breast cancer screening" means an imaging examination of the breast, including, but not limited to, breast magnetic resonance imaging, breast ultrasound, contrast-enhanced mammography, or molecular breast imaging, which is used to screen for breast cancer when there is no abnormality seen or suspected.

(2)~~(1)~~ A group, blanket, or franchise major medical or similar comprehensive ~~accident or~~ health insurance policy issued, amended, delivered, or renewed in this state on or after January 1, 2027, must provide all of the following minimum coverage in accordance with the most recent applicable National Comprehensive Cancer Network's Breast Cancer Screening and Diagnosis guidelines ~~coverage for at least the following~~:

(a) ~~A baseline mammogram for any woman who is 35 years of age or older, but younger than 40 years of age.~~

~~(b) A mammogram every 2 years for any woman who is 40 years of age or older, but younger than 50 years of age, or more frequently based on the patient's physician's recommendation.~~

~~(c)~~ A screening mammogram every year for any woman who is 40 ~~50~~ years of age or older.

(b)~~(d)~~ One or more medically necessary screening mammograms a year, based upon a ~~physician's~~ recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing ~~for~~ breast cancer ~~because of a personal or family history of breast cancer, because of having a history of biopsy-proven benign breast disease, because of having a mother, sister, or daughter who has or has had breast cancer, or because a woman has not given birth before the age of 30~~.

(c) One medically necessary supplemental breast cancer screening a year, based upon a recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing breast cancer.

(3) A group, blanket, or franchise major medical or similar comprehensive health insurance policy issued for an insured who has dense breast tissue by itself in the absence of any evidence of an abnormality or suspicious abnormality of the breast as defined by BI-RADS is subject to the coverage requirements provided in paragraphs (2)(b) and (c).

(4) A group, blanket, or franchise major medical or similar comprehensive health insurance policy is subject to this section after treatment for any breast cancer is completed, even if the

insured is in a remission and surveillance period prior to any clinical designation that the insured is in long-term remission or cured, provided any examination conducted during such period does not meet the definition of a diagnostic breast examination.

(5)~~(2)~~ ~~Except as provided in paragraph (1)(b), for mammograms done more frequently than every 2 years for women 40 years of age or older but younger than 50 years of age,~~ The coverage required by paragraphs (2)(a) and (b) ~~subsection (1)~~ applies, with or without a licensed treating physician's ~~physician~~ prescription, if the insured obtains a screening mammogram in an office, facility, or health testing service that uses radiological equipment registered with the Department of Health for breast cancer screening. The coverage is subject to the deductible and coinsurance provisions applicable to outpatient visits, and is also subject to all other terms and conditions applicable to other benefits. This section does not affect any requirements or prohibitions relating to who may perform, analyze, or interpret a screening mammogram or the persons to whom the results of a screening mammogram may be furnished or released.

(6)~~(3)~~ Every insurer referred to in subsection (1) shall make available to the policyholder as part of the application, for an appropriate additional premium, the coverage required in this section without such coverage being subject to the deductible or coinsurance provisions of the policy.

Section 3. Present subsection (17) of section 627.6699, Florida Statutes, is redesignated as subsection (18), and a new subsection (17) is added to that section, to read:

627.6699 Employee Health Care Access Act.—

(17) COVERAGE FOR MAMMOGRAMS.—

(a) As used in this subsection, the term:

1. "BI-RADS" means the American College of Radiology Breast Imaging Reporting and Data System.

2. "Diagnostic breast examination" means a medically necessary imaging examination of the breast, including, but not limited to, an examination using diagnostic mammography, breast magnetic resonance imaging, or breast ultrasound, which is used to evaluate an abnormality that is seen or reasonably suspected during a screening examination for breast cancer. For purposes of this subparagraph, the term "reasonably suspected" means the screening examination evidences at least one observable sign of a potential abnormality.

3. "Increased risk" means, in accordance with the National Comprehensive Cancer Network, any one of the following categories which enhances the likelihood that a woman may develop breast cancer, including:

a. Having a known genetic predisposition or a pedigree suggestive of a genetic predisposition for breast cancer.

b. Having a lifetime risk of breast cancer equal to or greater than 20 percent as defined by models that include a comprehensive family history, including first-, second-, and, when relevant to the model, third-degree relatives.

c. Having previously received thoracic radiation between 10 and 30 years of age.

d. Being 35 years of age or older with a 5-year risk of invasive breast cancer equal to or greater than 1.7 percent.

e. Having a lifetime risk equal to or greater than 20 percent based on a history of atypical ductal hyperplasia,

lobular carcinoma in situ, or atypical lobular hyperplasia.

f. Having heterogeneously or extremely dense breast tissue as defined under the BI-RADS and based on a woman's most recently completed mammogram results.

4. "Screening mammogram" means a radiologic examination using equipment dedicated specifically for mammography, including digital breast tomosynthesis mammography but not including any diagnostic mammography imaging, for the purpose of detecting any potential breast cancer, which examination results in the production of at least two radiographic images of each breast.

5. "Supplemental breast cancer screening" means an imaging examination of the breast, including, but not limited to, breast magnetic resonance imaging, breast ultrasound, contrast-enhanced mammography, or molecular breast imaging, which is used to screen for breast cancer when there is no abnormality seen or suspected.

(b) A health benefit plan issued in this state on or after January 1, 2027, must provide for all of the following minimum coverage in accordance with the most recent applicable National Comprehensive Cancer Network's Breast Cancer Screening and Diagnosis guidelines:

1. A screening mammogram every year for any woman who is 40 years of age or older.

2. One or more medically necessary screening mammograms a year, based upon a recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing breast cancer.

3. One medically necessary supplemental breast cancer

screening a year, based upon a recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing breast cancer.

(c) A health benefit plan issued for an insured who has dense breast tissue by itself in the absence of any evidence of an abnormality or suspicious abnormality of the breast as defined by BI-RADS is subject to the coverage requirements provided in subparagraphs (b)2. and 3.

(d) A health benefit plan is subject to this section after treatment for any breast cancer is completed, even if the insured is in a remission and surveillance period prior to any clinical designation that the insured is in long-term remission or cured provided any examination conducted during such period does not meet the definition of a diagnostic breast examination.

(e) The coverage required by subparagraphs (b)2. and 3. applies, with or without a licensed treating physician's prescription, if the insured obtains a screening mammogram in an office, facility, or health testing service that uses radiological equipment registered with the Department of Health for breast cancer screening. The coverage is subject to the deductible and coinsurance provisions applicable to outpatient visits and is also subject to all other terms and conditions applicable to other benefits. This section does not affect any requirements or prohibitions relating to who may perform, analyze, or interpret a screening mammogram or the persons to whom the results of a screening mammogram may be furnished or released.

(f) This subsection applies to policies providing health benefit plan coverage or benefits.

(g) Every insurer subject to the requirements of this subsection shall make available to the policyholder or contract holder as part of the application, for an appropriate additional premium, the coverage required in this subsection without such coverage being subject to the deductible or coinsurance provisions of the policy.

Section 4. Section 641.31095, Florida Statutes, is amended to read:

641.31095 Coverage for mammograms.—

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

(a) "BI-RADS" means the American College of Radiology Breast Imaging Reporting and Data System.

(b) "Diagnostic breast examination" means a medically necessary imaging examination of the breast, including, but not limited to, an examination using diagnostic mammography, breast magnetic resonance imaging, or breast ultrasound, which is used to evaluate an abnormality that is seen or reasonably suspected during a screening examination for breast cancer. For purposes of this paragraph, the term "reasonably suspected" means the screening examination evidences at least one observable sign of a potential abnormality.

(c) "Increased risk" means, in accordance with the National Comprehensive Cancer Network, any one of the following categories which enhances the likelihood that a woman may develop breast cancer, including:

1. Having a known genetic predisposition or a pedigree suggestive of a genetic predisposition for breast cancer.

2. Having a lifetime risk of breast cancer equal to or greater than 20 percent as defined by models that include a

comprehensive family history, including first-, second-, and, when relevant to the model, third-degree relatives.

3. Having previously received thoracic radiation between 10 and 30 years of age.

4. Being 35 years of age or older with a 5-year risk of invasive breast cancer equal to or greater than 1.7 percent.

5. Having a lifetime risk equal to or greater than 20 percent based on a history of atypical ductal hyperplasia, lobular carcinoma in situ, or atypical lobular hyperplasia.

6. Having heterogeneously or extremely dense breast tissue as defined under the BI-RADS and based on a woman's most recently completed mammogram results.

(d) "Screening mammogram" means a radiologic examination using equipment dedicated specifically for mammography, including digital breast tomosynthesis mammography but not including any diagnostic mammography imaging, for the purpose of detecting any potential breast cancer, which examination results in the production of at least two radiographic images of each breast.

(e) "Supplemental breast cancer screening" means an imaging examination of the breast, including, but not limited to, breast magnetic resonance imaging, breast ultrasound, contrast-enhanced mammography, or molecular breast imaging, which is used to screen for breast cancer when there is no abnormality seen or suspected.

(2) ~~(1)~~ Every health maintenance contract issued or renewed on or after January 1, 2027 ~~1996~~, shall provide for all of the following minimum coverage in accordance with the most recent applicable National Comprehensive Cancer Network's Breast Cancer

Screening and Diagnosis guidelines ~~coverage for at least the following~~:

(a) ~~A baseline mammogram for any woman who is 35 years of age or older, but younger than 40 years of age.~~

~~(b) A mammogram every 2 years for any woman who is 40 years of age or older, but younger than 50 years of age, or more frequently based on the patient's physician's recommendations.~~

~~(c)~~ A screening mammogram every year for any woman who is 40 ~~50~~ years of age or older.

(b)~~(d)~~ One or more medically necessary screening mammograms and one supplemental breast cancer screening ~~mammograms~~ a year, based upon a ~~physician's~~ recommendation of a physician licensed under chapter 458 or chapter 459, for any woman who is at an increased risk of developing ~~for~~ breast cancer ~~because of a personal or family history of breast cancer, because of having a history of biopsy-proven benign breast disease, because of having a mother, sister, or daughter who has had breast cancer, or because a woman has not given birth before the age of 30~~.

(3) A health maintenance contract issued for a member who has dense breast tissue by itself in the absence of any evidence of an abnormality or suspicious abnormality of the breast as defined by BI-RADS is subject to the coverage requirements provided in paragraph (2)(b).

(4) A health maintenance contract is subject to this section after treatment for any breast cancer is completed even if the member is in a remission and surveillance period prior to any clinical designation that the member is in long-term remission or cured, provided any examination conducted during such period does not meet the definition of a diagnostic breast

examination.

(5)~~(2)~~ The coverage required by this section is subject to the deductible and copayment provisions applicable to outpatient visits, and is also subject to all other terms and conditions applicable to other benefits. A health maintenance organization shall make available to the subscriber as part of the application, for an appropriate additional premium, the coverage required in this section without such coverage being subject to any deductible or copayment provisions in the contract.

Section 5. 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:	SB 1500
INTRODUCER:	Senator Bradley
SUBJECT:	Estates
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Collazo	Cibula	JU	**Favorable**
2.	Knudson	Knudson	BI	**Pre-meeting**
3.			RC	

I. Summary:

SB 1500 amends various provisions of state law relating to uncontested probate proceedings. Probate is the court-supervised process for identifying and gathering a decedent's assets, paying the decedent's debts, and distributing the decedent's remaining assets to his or her beneficiaries.

Specifically, the bill:

- Increases the value of estates eligible for summary administration from $75,000 to $150,000.
- Increases the value of intestate estates consisting only of certain personal property that may be disposed of without administration from $10,000 to $20,000.
- Increases the maximum income tax refund that may be claimed by a decedent's spouse or child without administration of the decedent's estate from $2,500 to $5,000.
- Increases the maximum amount of funds in a qualified account held by a financial institution which may be distributed to a family member using affidavit procedures from $1,000 to $2,000.
- Requires financial institutions to grant personal representatives access to a decedent's safe deposit box and allows them to pay any accumulated charges for, and terminate, the safe deposit box lease.
- Authorizes personal representatives to initiate legal proceedings to enforce their authority under the Florida Probate Code and to recover any associated costs, including attorney fees.

In 2024, the Florida Supreme Court established the Workgroup on Uncontested Probate Proceedings (Workgroup) within the Judicial Management Council to make recommendations and improve the efficiency and effectiveness of Florida's processes and procedures for uncontested probate proceedings. The bill implements the Workgroup's recommendations.

The bill takes effect July 1, 2026.

II. Present Situation:

The Florida Probate Code ("Probate Code")[1] outlines the state's probate process, which is the court-supervised process[2] for identifying and gathering a decedent's assets, paying the decedent's debts, and distributing the decedent's remaining assets to his or her beneficiaries.[3] The probate process is also known as "estate administration."[4]

Whenever a decedent dies leaving a valid will,[5] estate administration generally proceeds in accordance with the will's terms, with estate assets being distributed to the named beneficiaries;[6] however, if a decedent dies intestate, which means the decedent died and did not leave a valid will, asset distribution generally occurs by operation of Florida's intestate succession laws.[7]

Personal Representatives

Regardless of whether a decedent had a will or died intestate, when an estate is probated, the court appoints a personal representative[8] to oversee the estate's administration and grants him or her letters of administration.[9] A personal representative's primary purpose is to ensure that the administration of the decedent's estate proceeds in accordance with the decedent's wishes (as outlined in a will) or, if there is no will, in accordance with state law; however, Florida law imposes numerous other, specific duties and obligations on a personal representative.

Duties and Powers

A personal representative is a fiduciary who must observe the standard of care applicable to trustees of express trusts[10] and who is liable to interested persons for damage or loss resulting from the breach of his or her fiduciary duty.[11] This duty generally begins upon appointment[12] and includes the following:

---

[1] Chapters 731-735, F.S.; *see also* s. 731.005, F.S. (providing the short title).
[2] In Florida, the circuit courts have jurisdiction over probate proceedings. Office of the State Courts Administrator, *Trial Courts-Circuit,* https://www.flcourts.gov/Florida-Courts/Trial-Courts-Circuit (last visited Jan. 15, 2026).
[3] "Beneficiary" means an heir at law in an intestate estate and a devisee in a testate estate. Section 731.201(2), F.S. Note that probate is not initiated in every circumstance in which a person dies leaving assets; in some instances, other asset distribution mechanisms (such as a trust or a pay-on-death clause) transfer asset ownership without court intervention. In other circumstances, a decedent's assets may be held jointly with a surviving person, requiring no asset ownership transfer, and thus, no court intervention.
[4] "Estate" means the property of a decedent that is the subject of administration. Section 731.201(14), F.S.
[5] A "will" means a testamentary instrument executed by a person in the manner provided in the Florida Probate Code, which disposes of a person's property on or after his or her death. Section 731.201(40), F.S. Until admitted to probate, a will is ineffective to prove title to, or the right to possession of, the testator's property. Section 733.103(1), F.S.
[6] *See generally* Parts V, VI, and IX, ch. 732, F.S. (governing wills, rules of will construction, and will production, respectively).
[7] *See generally* Part I, ch. 732, F.S. (governing intestate succession).
[8] "Personal representative" means the fiduciary appointed by the court to administer the estate and refers to what has been known as, among other things, an executor. Section 731.201(28), F.S.
[9] Letters of administration convey the legal authority to manage a decedent's estate. Section 731.201(24), F.S.
[10] An "express trust" is a trust created with the settlor's express intent, usually declared in writing. *Byrne Realty Co. v. South Florida Farms Co.*, 89 So. 318, 326-27 (Fla. 1921).
[11] Section 733.609(1), F.S.
[12] Section 733.601, F.S.

- Settle and distribute the estate in accordance with the decedent's will (if any) and applicable law.[13]
- Expeditiously proceed with the settlement and distribution of the decedent's estate.[14]
- Act in the best interests of interested persons including creditors.[15]
- File a verified inventory of estate property, subject to statutory requirements.[16]
- Take all steps reasonably necessary for the estate's management, protection, and preservation.[17]

To assist in the exercise of such duties, the personal representative also has statutorily enumerated rights and powers. Specifically, the personal representative may (and in some cases, must), among other things:

- Take possession and control of the decedent's property.
- Perform or, when proper, refuse to perform the decedent's contracts.
- Invest the estate's funds.
- Acquire or dispose of assets including, in certain circumstances, by sale or abandonment.
- Enter into leases.
- Pay taxes, assessments, and other expenses incident to estate administration.
- Continue any unincorporated business or venture in which the decedent was engaged at the time of death.
- Prosecute or defend claims or proceedings for the protection of the estate or the decedent's property.
- Employ persons, including attorneys, accountants, auditors, appraisers, investment advisers, and others to advise or assist the personal representative in estate administration.[18]

Compensation

A personal representative is entitled to reasonable compensation for ordinary service, payable from the estate's assets, without a court order.[19] Such compensation must be based on the estate's compensable value, which is the inventory value of the estate's assets and the income the estate earns during administration, and Florida law provides that such compensation is presumed to be reasonable if calculated at statutorily-specified rates.[20] However, the court may increase or decrease the personal representative's compensation for ordinary services upon petition of any interested parties.[21]

[13] Section 733.602(1), F.S.
[14] Section 733.603, F.S.
[15] Section 733.602(1), F.S.
[16] Section 733.604, F.S.
[17] Section 733.607(1), F.S.
[18] *See generally* s. 733.612, F.S.
[19] Section 733.617(1), F.S.
[20] Those rates are 3 percent for the first $1 million; 2.5 percent for all above $1 million and not exceeding $5 million; 2 percent for all above $5 million and not exceeding $10 million; 1.5 percent for all above $10 million. Section 733.617(2), F.S.
[21] Section 733.617(7), F.S.

A personal representative is also entitled to reasonable compensation for any extraordinary services, which the court may award upon petition of any interested person.[22] Extraordinary services may include:

- The sale of real or personal property;
- Litigating on behalf of the estate;
- Involvement in proceedings for the adjustment or payment of any taxes;
- The carrying on of the decedent's business;
- Dealing with protected homestead;
- The rendering of legal services in connection with estate administration, if the personal representative is a Florida Bar member;[23] and
- Any other special services that may be necessary for the personal representative to perform.[24]

Further, if a will provides that a personal representative's compensation must be based on specific criteria, other than a general reference to compensation allowed by law, the personal representative is entitled to compensation in accordance with that provision; however, the personal representative may renounce the provision and receive compensation as provided in law, unless a contract with the decedent would prohibit such renunciation.[25]

Attorneys for personal representatives are also entitled to reasonable compensation, payable from estate assets without court order, for ordinary and extraordinary services rendered.[26]

Alternatives to Formal Administration

Florida law provides for certain simplified probate processes, which function as abbreviated alternatives to the formal administration process.

Summary Administration

A summary administration may be had in the administration of either a resident or nonresident decedent's estate if it appears that the value of the entire estate subject to administration in Florida, less the value of property exempt from the claim of creditors, does not exceed $75,000 or that the decedent has been dead for more than 2 years.[27]

For summary administration to be available in the administration of a testate estate, the will must not direct administration as required by the statutes governing the administration of estates.[28] Such estates may be administered in the same manner as the administration of any other estate, or they may be administered in conformance with summary administration.[29]

---

[22] Section 733.617(3), F.S.
[23] Section 733.617(6), F.S. The Florida Supreme Court regulates the practice of law in Florida, through the Florida Bar. The Florida Bar, *About the Bar*, https://www.floridabar.org/about/ (last visited Jan. 15, 2026); FLA. CONST. art. V, s. 15.
[24] Section 733.617(3), F.S.
[25] Section 733.617(4), F.S.
[26] *See generally* s. 733.6171, F.S.
[27] Section 735.201(2), F.S.
[28] Section 735.201(1), F.S. (referencing ch. 733, F.S.).
[29] Section 735.202, F.S.

Disposition without Administration

No administration is required if the decedent leaves an estate only consisting of:

- Personal property exempt under state law.[30]
- Personal property classified as exempt from the claims of the decedent's creditors by the Florida Constitution.
- Nonexempt personal property, the value of which does not exceed the total of the cost of preferred funeral expenses, and the amount of all reasonable and necessary medical and hospital expenses incurred in the last 60 days of the decedent's final illness, if any.[31]

Administration is also not required if a decedent dies intestate leaving only a small estate consisting of:

- Personal property exempt under state law.[32]
- Personal property classified as exempt from the claims of the decedent's creditors by the Florida Constitution.
- Nonexempt personal property, the value of which does not exceed the sum of $10,000 and the amount of preferred funeral expenses and reasonable and necessary medical and hospital expenses of the last 60 days of the last illness, if any, provided the decedent has been deceased for more than 1 year and no administration of the decedent's estate is pending in Florida.[33]

Additionally, state law permits:

- A maximum of $2,500 in income tax refunds to be claimed by a decedent's spouse or child without administration of the decedent's estate.[34]
- A maximum of $1,000 in funds in a qualified account held by a financial institution to be distributed to a family member of a decedent using affidavit procedures.[35]

Judicial Management Council Workgroup on Uncontested Probate Proceedings

On April 30, 2024, the Florida Supreme Court issued Administrative Order No. AOSC24-20. That order established the Workgroup on Uncontested Probate Proceedings (Workgroup) within the Judicial Management Council (Council)[36] to make recommendations to redesign and improve the efficiency and effectiveness of Florida's processes and procedures for uncontested probate proceedings.[37]

---

[30] Section 732.402, F.S.
[31] Section 735.301(1), F.S.
[32] Section 732.402, F.S.
[33] Section 735.304, F.S.
[34] Section 735.302, F.S.
[35] Section 735.303, F.S.
[36] The Judicial Management Council is a focused advisory body that assists the chief justice and the Supreme Court. The Council is charged, among other responsibilities, with identifying and evaluating information that would assist in improving the performance and effectiveness of the judicial branch. Florida Courts, Office of the State Courts Administrator, *Judicial Management Council,* https://www.flcourts.gov/Services/innovations-outreach/judicial-management-council.
[37] *In re: Workgroup on Uncontested Probate Proceedings,* Fla. Admin. Order No. AOSC24-20 (April 30, 2024), available at https://flcourts-media.flcourts.gov/content/download/2425605/file/AOSC24-20.pdf.

The Workgroup conducted a comprehensive review of Florida's probate procedures, probate laws in other states, and probate data trends. It also requested and received feedback from stakeholders. Based upon that information, the Workgroup prepared and submitted its Final Report and Recommendations to the Judicial Management Council on July 15, 2025 (Final Report). The Final Report was approved by the Council on August 11, 2025, for submission to the Florida Supreme Court.[38]

The Final Report identified numerous recurring challenges in Florida's probate proceedings that contribute to inefficiencies, delays, and inconsistent outcomes statewide. These challenges, which include barriers imposed by financial institutions and outdated statutory small estate values,[39] are discussed in more detail in Section III, Effect of Proposed Changes.

III. Effect of Proposed Changes:

The bill amends various provisions of state law relating to uncontested probate proceedings, consistent with the recommendations of the Workgroup on Uncontested Probate Proceedings (Workgroup).

Barriers Imposed by Financial Institutions

According to the Workgroup, interactions with financial institutions are a significant source of delay in probate proceedings; personal representatives frequently face obstacles when financial institutions refuse to honor valid letters of administration, impose inconsistent or extralegal requirements, or restrict access to account information and safe deposit boxes. These practices delay asset distribution, generate unnecessary court filings, and impose additional burdens on judges, attorneys, and personal representatives.[40]

To address these issues, the Workgroup's Final Report recommended an amendment to s. 655.933, F.S., which regulates access to safe deposit boxes by fiduciaries, to require, rather than permit, financial institutions to grant personal representatives access to a decedent's safe deposit box.[41] **Section 1** of the bill implements this recommendation.

The Workgroup's Final Report also recommended an amendment to s. 655.936, F.S., which regulates the delivery of safe deposit box contents or property held in safekeeping to personal representatives, to require financial institutions to allow personal representatives or their attorneys to pay accumulated charges for a safe deposit box lease and to terminate the safe deposit box lease.[42] **Section 2** of the bill implements this recommendation.

---

[38] Florida Courts, Office of the State Courts Administrator, *Uncontested Probate Proceedings,* 1, undated (on file with the Committee on Judiciary).
[39] *Id.;* The Workgroup on Uncontested Probate Proceedings, *Final Report and Recommendations* (July 15, 2025), https://www.flcourts.gov/Services/innovations-outreach/workgroups/workgroup-on-uncontested-probate-proceedings2/the-workgroup-on-uncontested-probate-proceedings-report.
[40] *Id.*
[41] Florida Courts, Office of the State Courts Administrator, *Uncontested Probate Proceedings,* 2, undated (on file with the Committee on Judiciary); The Workgroup on Uncontested Probate Proceedings, *Final Report and Recommendations* (July 15, 2025), https://www.flcourts.gov/Services/innovations-outreach/workgroups/workgroup-on-uncontested-probate-proceedings2/the-workgroup-on-uncontested-probate-proceedings-report.
[42] *Id.*

Regarding the apparent obstacles faced by personal representatives, the Workgroup's Final Report recommended amendments to:

- Section 733.603, F.S., which regulates the duties of personal representatives without court order.
- Section 733.612, F.S., which authorizes personal representatives to undertake certain transactions.
- Section 733.6171, F.S., which regulates the compensation a personal representative's attorney may collect.

The recommended amendments expressly authorize personal representatives to initiate legal proceedings to enforce their authority under the Florida Probate Code and to clarify that that attorney involvement in enforcement proceedings constitutes an extraordinary service for which reasonable compensation is warranted.[43] **Sections 3, 4, and 6** implement these recommendations.

The Workgroup's Final Report also recommended creating s. 733.6125, F.S., entitled "Proceedings to enforce authority," to require the award of taxable costs, including attorney fees, against any person whose actions or inactions necessitate a successful enforcement proceeding by a personal representative.[44] **Section 5** of the bill implements this recommendation.

Outdated Statutory Small Estate Values

Another challenge identified by the Workgroup is the statutory value of small estates eligible for Florida's simplified probate processes. According to the Workgroup, these statutory values have not kept pace with inflation and evolving economic conditions, limiting access to simplified probate processes for small estates and resulting in more cases being directed to formal administration.[45]

The Workgroup's Final Report recommended amending s. 735.201, F.S., which regulates summary administration eligibility, to increase the value of estates eligible for summary administration from $75,000 to $150,000.[46] **Section 7** of the bill implements this recommendation.

The Workgroup's Final Report also recommended amending s. 735.302, F.S., which regulates such tax refunds, to increase the maximum income tax refund that may be claimed by a decedent's spouse or child without administration of the decedent's estate from $2,500 to $5,000.[47] **Section 8** of the bill implements this recommendation.

The Workgroup's Final Report also recommended amending s. 735.303, F.S., which regulates the payment of successors without court proceedings, to increase the amount of funds in a qualified account held by a financial institution that may be distributed to a family member of the

[43] *Id.*
[44] *Id.*
[45] *Id.*
[46] *Id.*
[47] *Id.*

decedent using affidavit procedures from $1,000 to $2,000.[48] **Section 9** of the bill implements this recommendation.

The Workgroup's Final Report also recommended amending s. 735.304, F.S., which provides for the disposition of intestate property in small estates without administration, to increase the value of intestate estates consisting only of certain personal property that may be disposed of without administration from $10,000 to $20,000. **Section 10** of the bill implements this recommendation.

Reenactments

The bill implements the following reenactments:
- **Section 11** of the bill reenacts s. 655.937(1)(b), F.S., for the purpose of incorporating the amendment made by the bill to s. 655.933, F.S.
- **Section 12** of the bill reenacts s. 734.101(4), F.S., for the purpose of incorporating the amendment made by the bill to s. 655.936, F.S.
- **Section 13** of the bill reenacts s. 733.106, F.S., for the purpose of incorporating the amendment made by the bill to s. 733.6171, F.S.

Effective Date

Section 14 of the bill provides an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

[48] *Id.*

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill will increase the number of estates eligible for summary administration or no administration, which means fewer personal representatives will need to incur the legal and other costs to formally administer estates. Additionally, because the bill clarifies the authority of personal representatives to access certain assets held by financial institutions, it is anticipated the bill will result in fewer legal disputes with financial institutions.

C. Government Sector Impact:

The bill will increase the number of estates eligible for summary administration or no administration. It will also increase the number of assets held by financial institutions that may be distributed without further action by the court. Accordingly, it is anticipated that the bill will conserve judicial resources because it will result in fewer probate cases requiring formal administration or other court action.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 655.933, 655.936, 733.603, 733.612, 733.6171, 735.201, 735.302, 735.303, and 735.304.

This bill creates section 733.6125 of the Florida Statutes.

This bill reenacts the following sections of the Florida Statutes: 655.937(1)(b), 734.101(4), and 733.106.

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.

227952

LEGISLATIVE ACTION

Senate . House

. . . . .

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

Senate Amendment

Delete line 52
and insert:
~~more~~ of the persons acting as personal representatives who present the lessor with a copy of the letters of administration; and~~.~~

By Senator Bradley

6-00418A-26 20261500__

A bill to be entitled

An act relating to estates; amending ss. 655.933 and 655.936, F.S.; revising the responsibilities a lessor of a safe-deposit box has to certain persons; amending s. 733.603, F.S.; revising the issues a court may resolve for a personal representative; amending s. 733.612, F.S.; revising the list of transactions a personal representative may make if acting reasonably for the benefit of certain persons; creating s. 733.6125, F.S.; requiring the court to award taxable costs and attorney fees in certain proceedings; authorizing the court to direct such payment from certain persons; providing that such payment may be satisfied from certain property; amending s. 733.6171, F.S.; revising what constitutes an extraordinary service of an attorney; making technical changes; amending s. 735.201, F.S.; revising when summary administration proceedings may commence for either a resident or nonresident decedent's estate; amending s. 735.302, F.S.; revising the sum at which an overpayment of taxes by a decedent may be refunded by the United States Treasury Department; amending s. 735.303, F.S.; revising the sum for funds certain financial institutions may make payable to a decedent's family member; conforming provisions to changes made by the act; amending s. 735.304, F.S.; revising the prohibition against certain proceedings for a decedent when he or she dies intestate and leaves only certain personal property worth a

Florida Senate - 2026 **SB 1500**

6-00418A-26 20261500__

specified sum; reenacting s. 655.937(1)(b), F.S., relating to access to safe-deposit boxes leased in two or more names, to incorporate the amendment made to s. 655.933, F.S., in a reference thereto; reenacting s. 734.101(4), F.S., relating to foreign personal representatives, to incorporate the amendment made to s. 655.936, F.S., in a reference thereto; reenacting s. 733.106(4), F.S., relating to costs and attorney fees, to incorporate the amendment made to s. 733.6171, F.S., in a reference thereto; providing an effective date.

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

Section 1. Section 655.933, Florida Statutes, is amended to read:

655.933 Access by fiduciaries.—If a safe-deposit box is made available by a lessor to one or more persons acting as fiduciaries, the lessor ~~may~~, except as otherwise expressly provided in the lease or the writings pursuant to which such fiduciaries are acting~~, allow access thereto as follows~~:

(1) Must allow access to the safe-deposit box by any ~~one or more~~ of the persons acting as personal representatives; and~~.~~

(2) May allow access to the safe-deposit box by:

(a) Any ~~one or more~~ of the persons otherwise acting as fiduciaries if authorized in writing, which writing is signed by all other persons so acting; or~~.~~

(b)~~(3)~~ ~~By~~ Any agent authorized in writing, which writing is signed by all persons acting as fiduciaries.

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

Section 2. Subsection (1) of section 655.936, Florida Statutes, is amended to read:

655.936 Delivery of safe-deposit box contents or property held in safekeeping to personal representative.—

(1) Subject to ~~the provisions of~~ subsection (3), the lessor shall:

(a) Immediately deliver to a personal representative appointed by a court in this state, upon presentation of a certified copy of his or her letters of authority, all property deposited with it by the decedent for safekeeping;~~, and shall~~

(b) Grant the personal representative access to any safe-deposit box in the decedent's name and allow ~~permit~~ him or her to remove from such box any part or all of the contents thereof; and

(c) Allow the personal representative or the personal representative's attorney to pay the accumulated charges and terminate the lease.

Section 3. Section 733.603, Florida Statutes, is amended to read:

733.603 Personal representative to proceed without court order.—A personal representative shall proceed expeditiously with the settlement and distribution of a decedent's estate and, except as otherwise specified by this code or ordered by the court, shall do so without adjudication, order, or direction of the court. A personal representative may invoke the jurisdiction of the court to resolve questions concerning the estate or its administration or to enforce the authority of a personal representative conferred by this code.

Section 4. Subsection (28) is added to section 733.612,

Florida Statutes, to read:

733.612 Transactions authorized for the personal representative; exceptions.—Except as otherwise provided by the will or court order, and subject to the priorities stated in s. 733.805, without court order, a personal representative, acting reasonably for the benefit of the interested persons, may properly:

(28) Institute a proceeding to enforce his or her authority as personal representative as conferred by this code.

Section 5. Section 733.6125, Florida Statutes, is created to read:

733.6125 Proceedings to enforce authority.—In any proceeding to enforce the authority of a personal representative as conferred by this code, the court shall award to a prevailing personal representative taxable costs as in chancery actions, including attorney fees. When awarding taxable costs and attorney fees under this section, the court may direct payment from any person whose action or inaction necessitated the enforcement proceeding or from any person having an interest in the estate and may enter a judgment that may be satisfied from other property.

Section 6. Paragraph (b) of subsection (2) and subsection (6) of section 733.6171, Florida Statutes, are amended, and paragraph (l) is added to subsection (4) of that section, to read:

733.6171 Compensation of attorney for the personal representative.—

(2)

(b) An attorney representing a personal representative in

an estate administration who intends to charge a fee based upon the schedule set forth in subsection (3) shall make the following disclosures in writing to the personal representative:

1. There is not a mandatory statutory attorney fee for estate administration.

2. The attorney fee is not required to be based on the size of the estate, and the presumed reasonable fee provided in subsection (3) may not be appropriate in all estate administrations.

3. The fee is subject to negotiation between the personal representative and the attorney.

4. The selection of the attorney is made at the discretion of the personal representative, who is not required to select the attorney who prepared the will.

5. The personal representative is ~~shall be~~ entitled to a summary of ordinary and extraordinary services rendered for the fees agreed upon at the conclusion of the representation. The summary must ~~shall~~ be provided by counsel and must ~~shall~~ consist of the total hours devoted to the representation or a detailed summary of the services performed during the representation.

(4) Subject to subsection (2), in addition to fees for ordinary services, the attorney for the personal representative shall be allowed further reasonable compensation for any extraordinary service. What is an extraordinary service may vary depending on many factors, including the size and complexity of the estate. Extraordinary services may include, but are not limited to:

(l) Involvement in any proceeding to enforce the authority of a personal representative as conferred by this code.

(6) If a separate written agreement regarding compensation exists between the attorney and the decedent, the attorney must ~~shall~~ furnish a copy to the personal representative before ~~prior to~~ commencement of employment, and, if employed, must ~~shall~~ promptly file and serve a copy on all interested persons. A separate agreement or a provision in the will suggesting or directing that the personal representative retain a specific attorney does not obligate the personal representative to employ the attorney or obligate the attorney to accept the representation, but if the attorney who is a party to the agreement or who drafted the will is employed, the compensation paid may ~~shall~~ not exceed the compensation provided in the agreement or in the will.

Section 7. Subsection (2) of section 735.201, Florida Statutes, is amended to read:

735.201 Summary administration; nature of proceedings.—Summary administration may be had in the administration of either a resident or nonresident decedent's estate, when it appears:

(2) That the value of the entire estate subject to administration in this state, less the value of property exempt from the claims of creditors, does not exceed $150,000 ~~$75,000~~ or that the decedent has been dead for more than 2 years.

Section 8. Subsection (1) of section 735.302, Florida Statutes, is amended to read:

735.302 Income tax refunds in certain cases.—

(1) In any case when the United States Treasury Department determines that an overpayment of federal income tax exists and the person in whose favor the overpayment is determined is dead

at the time the overpayment of tax is to be refunded, and notwithstanding ~~irrespective of~~ whether the decedent had filed a joint and several or separate income tax return, the amount of the overpayment, if not in excess of $5,000 ~~$2,500~~, may be refunded as follows:

(a) Directly to the surviving spouse on his or her verified application; or

(b) If there is no surviving spouse, to one of the decedent's children who is designated in a verified application purporting to be executed by all of the decedent's children over the age of 14 years.

In either event, the application must show that the decedent was not indebted, that provision has been made for the payment of the decedent's debts, or that the entire estate is exempt from the claims of creditors under the constitution and statutes of the state, and that no administration of the estate, including summary administration, has been initiated and that none is planned, to the knowledge of the applicant.

Section 9. Subsection (2), paragraph (c) of subsection (3), and subsection (4) of section 735.303, Florida Statutes, are amended to read:

735.303 Payment to successor without court proceedings.—

(2) A financial institution in this state may pay to the family member of a decedent, without any court proceeding, order, or judgment, the funds on deposit in all qualified accounts of the decedent at the financial institution if the total amount of the combined funds in the qualified accounts at the financial institution do not exceed an aggregate total of

$2,000 ~~$1,000~~. The financial institution may not make such payment earlier than 6 months after the date of the decedent's death.

(3) In order to receive the funds described in subsection (2), the family member must provide to the financial institution a certified copy of the decedent's death certificate and a sworn affidavit that includes all of the following:

(c) A statement attesting that the total amount in all qualified accounts held by the decedent in all financial institutions known to the affiant does not exceed an aggregate total of $2,000 ~~$1,000~~.

(4) The family member may use an affidavit in substantially the following form to fulfill the requirements of subsection (3):

AFFIDAVIT UNDER
SECTION 735.303, FLORIDA STATUTES,
TO OBTAIN BANK PROPERTY OF DECEASED
ACCOUNT HOLDER: ...(Name of decedent)...

State of .....
County of .....

Before the undersigned authority personally appeared ...(name of affiant)..., of ...(residential address of affiant)..., who has been sworn and says the following statements are true:

(a) The affiant is (initial one of the following responses):

.... The surviving spouse of the decedent.

.... A surviving adult child of the decedent, and the

decedent left no surviving spouse.

.... A surviving adult descendant of the decedent, and the decedent left no surviving spouse and no surviving adult child.

.... A surviving parent of the decedent, and the decedent left no surviving spouse, no surviving adult child, and no surviving adult descendant.

(b) As shown in the certified death certificate, the date of death of the decedent was ...(date of death)..., and the address of the decedent's last residence was ...(address of last residence)....

(c) The affiant is entitled to payment of the funds in the decedent's depository accounts and certificates of deposit held by the financial institution ...(name of financial institution).... The total amount in all qualified accounts held by the decedent in all financial institutions known to the affiant does not exceed an aggregate total of $2,000 ~~$1,000~~. The affiant requests full payment from the financial institution.

(d) A personal representative has not been appointed to administer the decedent's estate, and no probate proceeding or summary administration procedure has been commenced with respect to the estate.

(e) The affiant has no knowledge of any last will and testament or other document or agreement relating to the distribution of the decedent's estate.

(f) The payment of the funds constitutes a full release and discharge of the financial institution regarding the amount paid.

(g) The affiant understands that he or she is personally liable to the creditors of the decedent and other persons

rightfully entitled to the funds under the Florida Probate Code, to the extent the amount paid exceeds the amount properly attributable to the affiant's share.

(h) The affiant understands that making a false statement in this affidavit may be punishable as a criminal offense.

By ...(signature of affiant)...

Sworn to and subscribed before me this .... day of .... by ...(name of affiant)..., who is personally known to me or produced .... as identification, and did take an oath.

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

My commission expires: ...(date of expiration of commission)...

Section 10. Subsection (1) of section 735.304, Florida Statutes, is amended to read:

735.304 Disposition without administration of intestate property in small estates.—

(1) ~~No~~ Administration is not ~~shall be~~ required and ~~or~~ formal proceedings may not be instituted upon the estate of a decedent who has died intestate leaving only personal property exempt under ~~the provisions of~~ s. 732.402, personal property exempt from the claims of creditors under the State Constitution, and nonexempt personal property the value of which

does not exceed the sum of $20,000 ~~$10,000~~ and the amount of preferred funeral expenses and reasonable and necessary medical and hospital expenses of the last 60 days of the last illness, provided the decedent has been deceased for more than 1 year and no administration of the decedent's estate is pending in this state.

Section 11. For the purpose of incorporating the amendment made by this act to section 655.933, Florida Statutes, in a reference thereto, paragraph (b) of subsection (1) of section 655.937, Florida Statutes, is reenacted to read:

655.937 Access to safe-deposit boxes leased in two or more names.—

(1) Unless specifically provided in the lease or rental agreement to the contrary, if a safe-deposit box is rented or leased in the names of two or more lessees, access to the safe-deposit box will be granted to:

(b) Subject to s. 655.933, those persons named in s. 655.933.

Section 12. For the purpose of incorporating the amendment made by this act to section 655.936, Florida Statutes, in a reference thereto, subsection (4) of section 734.101, Florida Statutes, is reenacted to read:

734.101 Foreign personal representative.—

(4) Except as provided in s. 655.936, all persons indebted to the estate of a decedent, or having possession of personal property belonging to the estate, who have received no written demand from a personal representative or curator appointed in this state for payment of the debt or the delivery of the property are authorized to pay the debt or to deliver the

personal property to the foreign personal representative after the expiration of 90 days from the date of appointment of the foreign personal representative.

Section 13. For the purpose of incorporating the amendment made by this act to section 733.6171, Florida Statutes, in a reference thereto, subsection (4) of section 733.106, Florida Statutes, is reenacted to read:

733.106 Costs and attorney fees.—

(4) If costs and attorney fees are to be paid from the estate under this section, s. 733.6171(4), s. 736.1005, or s. 736.1006, the court, in its discretion, may direct from what part of the estate they shall be paid.

(a) If the court directs an assessment against a person's part of the estate and such part is insufficient to fully pay the assessment, the court may direct payment from the person's part of a trust, if any, if a pour-over will is involved and the matter is interrelated with the trust.

(b) All or any part of the costs and attorney fees to be paid from the estate may be assessed against one or more persons' part of the estate in such proportions as the court finds to be just and proper.

(c) In the exercise of its discretion, the court may consider the following factors:

1. The relative impact of an assessment on the estimated value of each person's part of the estate.

2. The amount of costs and attorney fees to be assessed against a person's part of the estate.

3. The extent to which a person whose part of the estate is to be assessed, individually or through counsel, actively

participated in the proceeding.

4. The potential benefit or detriment to a person's part of the estate expected from the outcome of the proceeding.

5. The relative strength or weakness of the merits of the claims, defenses, or objections, if any, asserted by a person whose part of the estate is to be assessed.

6. Whether a person whose part of the estate is to be assessed was a prevailing party with respect to one or more claims, defenses, or objections.

7. Whether a person whose part of the estate is to be assessed unjustly caused an increase in the amount of costs and attorney fees incurred by the personal representative or another interested person in connection with the proceeding.

8. Any other relevant fact, circumstance, or equity.

(d) The court may assess a person's part of the estate without finding that the person engaged in bad faith, wrongdoing, or frivolousness.

Section 14. 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:	SB 1568
INTRODUCER:	Senator DiCeglie
SUBJECT:	Florida Stablecoin Pilot Program
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	**Pre-meeting**
2.			AEG	
3.			RC	

I. Summary:

SB 1568 establishes the Florida Stablecoin Pilot Program (the "program") which allows the Department of Financial Services (the "Department") to accept, hold, and disburse eligible payment stablecoins ("stablecoins"). The bill also authorizes DFS to create state-issued eligible payment stablecoins. The bill provides the Legislative intent of the program is to yield benefits from acceptance of stablecoins for the payment of governmental fees.

The bill defines "eligible payment stablecoin" that specifies conditions which must be met for use in the program. The Department is authorized to accept payment specified regulatory fees, or other moneys or fees in stablecoin, and to issue refunds, reimbursements, or other disbursements in stablecoin. An applicant, a licensee, or other program participant may elect to participate in the program and remit stablecoins to a compatible digital wallet address designated by the Department. The Department is required to provide a compatible digital wallet address for the receipt of stablecoins and must convert such coins to U.S. currency and credit the applicable licensing account upon receipt of payment.

The bill requires any earnings on the reserves received on the stablecoin created by the state to be credited to the benefit of the state.

The Department is required to make sure the issuer of the stablecoin used in the program is licensed as a money services business or registered as a payment stablecoin issuer under federal law. The Department is authorized to conduct examinations, audits, and investigations of the stablecoin issuer to verify asset backing, redeemability, and adherence to consumer protection standards, including standards related to fraud prevention and dispute resolution.

There is an indeterminate fiscal impact to state revenues and expenditures. **See V. Fiscal Impact Statement.**

The bill is effective upon becoming a law.

II. Present Situation:

There are approximately 300 stablecoins issued[1] with a market cap of over $300 billion.[2] Stablecoin transaction volume in August 2025 totaled $969.9 billion.[3] Tether and USDC are the top two stablecoin issuers based on their market cap of $187.03 billion and $75.43 billion, respectively.[4]

Stablecoins are a type of digital asset that maintain a stable value relative to a referenced asset, such as the United States dollar or another fiat currency, or a commodity like gold.[5] Such value usually tracks the referenced assets on a one-for-one basis and may use different methods to maintain a stable value, such as holding the referenced asset in reserves or applying algorithms that "increase or decrease the supply of stablecoins in response to demand."[6]

A stablecoin is created in the form of a digital token and logged on a shared digital ledger.[7] Stablecoin may be secured in a custodial or noncustodial wallet that stores private keys required for transaction authorization.[8] Custodial wallets are maintained by third-party services for key management, whereas noncustodial wallets are maintained by the stablecoin owner keeping full control.[9] There are "hot" wallets that are connected to the internet or a device that is connected to the internet and "cold" wallets that have no connection.[10] The most common types of wallets are noncustodial software hot wallets, noncustodial hardware cold or hot wallets, or custodial hardware cold wallets.[11]

Some reported benefits of stablecoins include: fast transactions, transparency, programmability, unrestricted availability, minimal cost, global access, and flexibility in models.[12] Some risks or challenges include: liquidity gaps, technology and integration challenges, regulatory uncertainty, trustworthiness of issuers and custodians, market risks, a lack of understanding about stablecoins, and costs to convert from fiat currencies to stablecoins.[13]

---

[1] Kemmerer, D., *Stablecoin Market Share and Transaction Volume – [September 2025 Data]*, CoinLedger, Dec. 8, 2025, available at: Stablecoin Market Share and Transaction Volume - [September 2025 Data] | CoinLedger (last visited Jan. 4, 2026) (hereinafter cited as "Stablecoin Market Share and Transaction Volume Article").
[2] Forbes, *Top Stablecoins Coins Today by Market Cap*, available at: Top Stablecoins Coins By Market Cap | Forbes (last visited Jan. 4, 2026).
[3] Stablecoin Market Share and Transaction Volume Article.
[4] *Id.*
[5] The Securities and Exchange Commission, *Stablecoins*, Apr. 4, 2025, available at: SEC.gov | Statement on Stablecoins (last visited Jan. 4, 2026).
[6] *Id.*
[7] Association for Financial Professionals, *Stablecoins*, available at: Stablecoins | Benefits and Risks for Treasury and Payments Teams (last visited Jan. 4, 2026) (hereinafter cited as "AFP Stablecoins Article").
[8] The Investopedia Team, *Cryptocurrency Wallets Explained: Types, Functionality & Security*, Jan. 6, 2026, available at: Cryptocurrency Wallets Explained: Types, Functionality & Security (last visited Feb. 1, 2026).
[9] *Id.*
[10] *Id.*
[11] *Id.*
[12] AFP Stablecoins Article; *Forbes*, *What Are Stablecoins and How Can One Use Them for Payments?*, Oct. 13, 2024, available at: What Are Stablecoins And How Can One Use Them For Payments in October 2025? (last visited Jan. 4, 2026).
[13] AFP Stablecoins Article.

Stablecoin Regulation

Last year, the Guiding and Establishing National Innovation for U.S. Stablecoins Act (the "GENIUS Act")[14] was passed to regulate stablecoins. Prior to the GENIUS Act, New York passed comprehensive legislation relating to virtual currencies, including stablecoins. Several states attempted to pass legislation in 2025, and some states have pending legislation now to regulate the industry.

Federal Law

GENIUS Act

The GENIUS Act was signed into law on July 18, 2025, and is effective January 2027 or 120 days after final regulations implementing the Act are issued, whichever is earlier. The GENIUS Act establishes a framework for the regulation of payment stablecoin issuers, and restricts the issuance, offer, or sale of a payment stablecoin[15] to permitted payment stablecoin issuers,[16,17] which must:[18]

- Maintain identifiable reserves backing the outstanding payment stablecoins on at least a one-to-one basis[19] comprising on specified types of reserves, such as U.S. coin and currency.
- Publicly disclose the issuer's redemption policy that meets certain criteria.
- Publish the monthly composition of the issuer's reserve containing specified information on its website.

[14] Guiding and Establishing National Innovation for U.S. Stablecoin Act, Pub. L. 119-27 (July 18, 2025).
[15] 12 U.S.C. s. 5901(22) defines "payment stablecoin" as (A) a digital asset – (A) that is, or is designed to be, used as a means of payment or settlement; and (ii) the issuer of which – (I) is obligated to convert, redeem, or repurchase for a fixed amount of monetary value, not including a digital asset denominated in a fixed amount of monetary value; and (II) represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value; and (B) does not include a digital asset that – (i) is a national currency; (ii) is a deposit (as defined in section 1813 of Title 12), including a deposit recorded using distributed ledger technology; or (iii) is a security, as defined in section 77b of title 15, section 78c of title 15, ,or section 80a-2 of title 15, except that, for the avoidance of doubt, no bond, note, evidence of indebtedness, or investment contract that was issued by a permitted payment stablecoin issuer shall qualify as a security solely by virtue of its satisfying the conditions described in subparagraph (A), consistent with section 17 of this Act.
[16] 12 U.S.C. s. 5901(23) defines "permitted payment stablecoin issuer" as a person formed in the United States that is – (A) a subsidiary of an insured depository institution that has been approved to issue payment stablecoins under section 5904 of title 12; (B) a federal qualified payment stablecoins issuer; or (C) a state qualified payment stablecoin issuer. 12 U.S.C. s. 5901(11) defines "federal qualified payment stablecoin issuer" as (A) a nonbank entity, other than a state qualified payment stablecoin issuer, approved by the Comptroller, pursuant to section 5904 of title 12, to issue payment stablecoins; (B) an uninsured national bank – (i) that is chartered by the Comptroller, pursuant to title LXII of the Revised Statutes; and (ii) that is approved by the Comptroller, pursuant to section 5904 of this title, to issue payment stablecoins; and (C) a federal branch that is approved by the Comptroller, pursuant to section 5904 of this title, to issue payment stablecoins. 12 U.S.C. s. 5901(31) defines "state qualified payment stablecoin issuer" as an entity that – (A) is legally established under the laws of a state and approved to issue payment stablecoins by a state payment stablecoin regulator; and (B) is not an uninsured national bank chartered by the Comptroller pursuant to title LXII of the Revised Statutes, a Federal branch, an insured depository institution, or a subsidiary of such national bank, Federal branch, or insured depository institution.
[17] 12 U.S.C. s. 5902(a).
[18] 12 U.S.C. s. 5903(a)(1).
[19] 12 U.S.C. s. 5903(a)(2) prohibits the required reserves from being pledged, rehypothecated, or reused by the permitted payment stablecoin issuer except for specified bases provided in the Act.

A permitted payment stablecoin issuer must have monthly reports examined by a registered public accounting firm.[20] The GENIUS Act requires the primary federal payment stablecoin regulator (the "federal regulator"),[21] or the state payment stablecoin regulator (the "state regulator") for a state payment stablecoin regulatory regime, to issue regulations implementing:

- Capital requirements that meet certain criteria;
- Liquidity standards;
- Reserve asset diversification and interest rate risk management standards; and
- Appropriate operational, compliance and information technology risk management principles-based requirements and standards.[22]

The GENIUS Act creates a tiered oversight model between federal and state authorities. A state regulator has authority to supervisor, examine, and enforcement all state qualified payment stablecoin issuers[23] with a consolidated total outstanding issuance of less than $10 billion that elect to be regulated under a state-level regulatory regime provided such regime is "substantially similar" to the GENIUS Act regulatory framework.[24]

Other Federal Regulation

Congress is considering passage of the Digital Asset Market Clarity Act of 2025 (the "CLARITY Act")[25] which would establish a regulatory framework for digital commodities[26] that are defined as digital assets[27] and rely upon blockchain[28] for their value.[29] The CLARITY Act requires a digital commodity broker, dealer, or exchange to register with the Commodity Futures Trading

[20] 12 U.S.C. s. 5903(a)(3). 12 U.S.C. s. 5901(26) provides the term "registered public accounting firm" has the same meaning as the term is given under section 7201 of title 15. 15 U.S.C. s. 7201 defines "registered public accounting firm" as a public accounting firm registered with the Public Company Accounting Oversight Board in accordance with Public Company Accounting Reform and Corporate Responsibility Act.
[21] 12 U.S.C. s. 5901(25) defines "primary federal payment stablecoin regulator" to mean – (A) with respect to a subsidiary of an insured depository institution (other than an insured credit union), the appropriate federal banking agency of such insured depository institution; (B) with respect to an insured credit union or a subsidiary of an insured credit union, the National Credit Union Administration; (C) with respect to a State chartered depository institution not specified under subparagraph (A), the Federal Deposit Insurance Corporation, the Office of the Comptroller (the "Comptroller"), or the Board of Governors of the Federal Reserve System (the "Board"); and (D) with respect to a federal qualified payment stablecoin issuer, the Comptroller.
[22] 12 U.S.C. s. 5903(a)(4).
[23] 12 U.S.C. s. 5906(a).
[24] 12 U.S.C. s. 5903(c).
[25] *The CLARITY Act*, H.R. 3633 – 119th Congress (2025), available at: H.R.3633 - 119th Congress (2025-2026): Digital Asset Market Clarity Act of 2025 | Congress.gov | Library of Congress (last visited Jan. 5, 2026) (hereinafter cited as "The CLARITY Act").
[26] The CLARITY Act defines "digital commodity" as having the given that term under section 1a of the Commodity Exchange Act (7 U.S.C. 1a).
[27] *Id.* defines "digital asset" as any digital representation of value which is recorded on a cryptographically-secured distributed ledger or similar technology.
[28] *Id.* defines "blockchain" as (A) any technology – (i) where data is – (I) shared across a network to create a distributed ledger of independently verifiable transactions or information among network participants; (II) linked using cryptography to maintain the integrity of the distributed ledger and to execute other functions; and (III) propagated among network participants to reach consensus on the state of the distributed ledger and any other function; and (ii) composed of source code that is publicly available; and (B) any similar technology to the technology described in (A)."
[29] Congress.Gov, *Summary: H.R. 3633 – 119th Congress (2025-2026)*, available at: H.R.3633 - 119th Congress (2025-2026): Digital Asset Market Clarity Act of 2025 | Congress.gov | Library of Congress (last visited Jan. 5, 2025).

Commission unless an exemption applies,[30] and requires a digital commodities transaction to meet specified requirements including qualifications to trade on an exchange.[31] While the CLARITY Act is consistent with the GENIUS Act in that it does not authorize interest or yield on stablecoins, there has been some discussion and negotiation about allowing interest, yield, or activity-based rewards.[32] The CLARITY Act has passed the House and is currently in the Senate Banking, Housing, and Urban Affairs Committee.[33]

Florida Regulation

Florida law does not specifically address the regulation of payment stablecoin issuers. Entities engaging in the issuance or redemption of payment stablecoins may fall within the scope of ch. 560, F.S., relating to money services businesses, as payment instrument sellers. The OFR reports that if Florida does not enact a state framework for payment stablecoins then the state's oversight would be limited to violations of the Florida Deceptive and Unfair Trade Act and related laws. Stablecoin issuers operating in Florida would be required to obtain licensure in another state or at the federal level.[34]

Department of Financial Services

The Department of Financial Services (the "Department") consists of several divisions including, for instance, the Division of Insurance Agent and Agency Services (the "Insurance Division"),[35] and is jointly responsible with the Office of Insurance Regulation for enforcing the applicable statutory provisions related to the Florida Insurance Code.[36] Part of the Department's responsibilities include licensing insurance agents, agencies, adjusters, and adjusting firms,[37] and collecting licensing fees with respect to such licensing.[38]

The Insurance Division "monitors 1.27 million active licenses, processes more than 2.9 million appointment requests, reviews over 100,00 (sic) applications, and conducts over 3,000 investigations each year."[39] The Insurance Division's efforts generate approximately $120 million which are credited to the Insurance Regulatory Trust Fund.[40]

---

[30] *Id.*
[31] The CLARITY Act.
[32] *See* Holtz-Eakin, D., *Some Clarity on GENIUS?* American Action Forum, Jan. 7, 2026, available at: Some Clarity on GENIUS? - AAF; Schwartz, L., *Landmark Crypto Bill on Knife's Edge as Coinbase CEO Pulls Support Ahead of Key Senate Vote*, Fortune, Jan. 14, 2026, available at: Landmark crypto bill on knife's edge as Coinbase CEO pulls support ahead of key Senate vote | Fortune; Shen, T. and Wynn, S., *Senate Unveils Updated Market Structure Bill Limiting Stablecoin Rewards on Idle Holdings*, available at: Senate unveils updated market structure bill limiting stablecoin rewards on idle holdings | The Block (all sites last visited Jan. 31, 2026).
[33] Congress.Gov, *H.R.3633 – Digital Asset Market Clarity Act of 2025*, available at: H.R.3633 - 119th Congress (2025-2026): Digital Asset Market Clarity Act of 2025 | Congress.gov | Library of Congress (last visited Jan. 5, 2026).
[34] The OFR, *2026 Agency Legislative Bill Analysis, Florida Office of Financial Regulation*, p. 4, Oct. 30, 2025 (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as "2026 OFR Agency Analysis for SB 314).
[35] Section 20.121(2), F.S.
[36] Section 624.307(1), F.S.
[37] Section 626.112(1)(a), F.S. and s. 626.172(1), F.S.
[38] Section 624.501, F.S.
[39] The Department of Financial Services, *Department of Financial Services 2026 Legislative Bill Analysis for SB 1568*, Jan. 30, 2026 (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as "The Department's Agency Analysis for SB 1568").
[40] *Id.*; s. 624.523, F.S.

Money Services Businesses

The Office of Financial Regulation (OFR) regulates money services businesses (MSB) under ch. 560, F.S. A "money service business" is defined as any person located in or doing business in this state, from this state, or into this state from locations outside this state or country who acts as a payment instrument seller, foreign currency exchanger, check casher, or money transmitter. [41] The OFR is responsible for enforcing regulations and imposing disciplinary actions against MSBs.[42]

III. Effect of Proposed Changes:

SB 1568 creates a pilot program for the Department of Financial Services (the "Department") to accept eligible payment stablecoin for payment of governmental fees and hold and disburse eligible payment stablecoin. **Section 1** of the bill establishes the Florida Stablecoin Pilot Program (the "program") and specifies the intent of the Legislature is for the program to yield benefits from acceptance of eligible payment stablecoins for governmental fees.

The bill defines the following terms:

- "Compatible digital wallet address" means the address of a software application that securely stores private keys for accessing and completing transactions with eligible payment stablecoins.
- "Department" means the Department of Financial Services.
- "Eligible payment stablecoin" means a stablecoin that meets the following requirements:
  - The stablecoin is fully backed by at least $1 billion in reserve assets. This requirement does not apply to a stablecoin created by the Department.
  - The stablecoin is redeemable at all times for United States dollars through the issuer or its agent.
  - The issuer does not charge a fee to mint or create the stablecoin.
  - The issuer does not charge withdrawal or redemption fees.
  - The stablecoin meets any additional criteria for a permitted payment stablecoin under federal law.

  The definition of "eligible payment stablecoin" excludes a central bank digital currency issued directly or indirectly by a central bank, monetary authority, or other governmental agency, whether foreign or domestic. The bill also provides that an eligible payment stablecoin is not a security[43] as defined in s. 517.021, F.S.

[41] Section 560.103(23), F.S.
[42] Section 560.114(1), F.S.
[43] Section 517.021, F.S., provides a "security" includes (a) a note, (b) a stock, (c) a treasury stock, (d) a bond, (e) a debenture, (f) an evidence of indebtedness, (g) a certificate of deposit, (h) a certificate of deposit for a security, (i) a certificate of interest or participation, (j) a whiskey warehouse receipt or other commodity warehouse receipt, (k) a certificate of interest in a profit-sharing agreement or the right to participate therein, (l) a certificate of interest in an oil, gas, petroleum, mineral, or mining title or lease or the right to participate therein, (m) a collateral trust certificate, (n) a reorganization certificate, (o) a preorganization certificate, (p) a transferable share, (q) an investment contract, (r) a beneficial interest in title to property, profits, or earnings, (s) an interest in or under a profit-sharing or participation agreement or scheme, (t) an option contract that entitles the holder to purchase or sell a given amount of the underlying security at a fixed price within a specified period of time, (u) any instrument commonly known as a security, including an interim or temporary bond, debenture, note, or certificate, (v) a receipt for a security, or for subscription to a security, or a right to subscribe to or purchase any security, (w) a viatical settlement investment.

- "Licensing fees" means any fee, assessment, application fee, renewal fee, or other charge imposed by the Department for licensure, registration, certification, or regulatory oversight.

The Department is authorized to accept eligible payment stablecoin ("stablecoin") as a form of payment for licensing, application, renewal, other regulatory fees administered by the Department, or any other money or fee owed to the Department. An applicant, a licensee, or other program participant may remit stablecoins to a compatible digital wallet address designated by the Department as a valid form of payment. The Department must provide a compatible digital wallet address for the receipt of stablecoins. Upon receipt of payment, the Department may convert the stablecoins into U.S. currency and credit the licensing account in the same manner as they would have been credited for payments made by other authorized means.

The bill authorizes the Department to send stablecoins for refunds, reimbursements, or other disbursements to participants who elect to receive the payments in stablecoins. The bill allows a participant who receives funds from the Department to elect to receive refunds, reimbursements, or other disbursements in stablecoins to a compatible digital wallet address provided by the recipient.

The Department may accept, hold, or create eligible payment stablecoins for use in the program. Any earnings on the reserves associated with stablecoin issued by the state must be credited to the benefit of the state. The Department must ensure that the issuer of the eligible payment stablecoin designated for use in the program is licensed as a money services business under chapter 560, F.S., or registered as a payment stablecoin issuer under federal law.

The bill authorizes the Department to conduct examinations, audits, and investigations of the issuer of the stablecoin that is selected for use in the program to verify asset backing, redeemability, and adherence to consumer protection standards, such as standards related to fraud prevention and dispute resolution.

The bill requires the Department to monitor and evaluate the program and collect data on transaction volume, cost savings, security incidents, regulatory compliance, economic impacts, and any instances of fraud or disputes. Every February 1,st beginning in 2027, the Department must submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives which must include findings, recommendations for expansion or termination of the program, and proposed statutory changes, if appropriate.

The bill includes statutory construction to explain that the bill's provisions do not alter or supersede any existing statutory fee obligations, licensing requirements, or enforcement authority of the Department. Further, the bill clarifies that acceptance of eligible payment stablecoins is an optional payment method and does not require acceptance of any other digital asset.

The Department is authorized to adopt rules to implement the provisions of the bill.

Section 2 provides the bill is effective 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:

SB 1568 authorizes the Department to create a state payment stablecoin; however, the U.S. Constitution provides Congress with the exclusive power to coin money and regulate its value,[44] and explicitly prohibits a state from coining money.[45] Thus, if the state's creation of a stablecoin constitutes "coining money", doing so would be prohibited by the U.S. Constitution.

At least one state has a state-created payment stablecoin. Wyoming in January 2026 issued the Frontier Stable Token (FRNT), the first fiat-backed, fully reserved stable token issued by a public entity in the United States of America.[46] The Wyoming Legislature authorized the creation of a state-issued stablecoin in the Wyoming Stable Token Act.[47] Pursuant to the requirement of the Wyoming act, a Wyoming stable token is a virtual currency representative of and redeemable for one United States dollar[48] held in trust[49] by the state of Wyoming. as provided by W.S. 40-31-106. Under Wyoming law, state-created stable tokens may only be issued in exchange for United States dollars.[50] Wyoming initially launched FRNT in August 2025, and made the stablecoin publicly available in January 2026.[51]

---

[44] Art. I, s. 8, cl. 5 U. S. Const. (providing "[t]he Congress shall have the power …to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures.")
[45] Art. I, s. 10, cl. 2 U.S. Const. (providing "No State shall …coin money.")
[46] Wyoming Stable Token Commission, *What is FRNT?*, https://stabletoken.wyo.gov/pages/FRNT (last accessed February 1, 2026).
[47] Section 40-31-101 through s. 40-31-110, Wyoming Statutes.
[48] Section 40-31-107, Wyoming Statutes.
[49] Section 40-31-106, Wyoming Statutes.
[50] Section 40-31-104, Wyoming Statutes.
[51] Wyoming Stable Token Commission, *What is FRNT?-History*, https://stabletoken.wyo.gov/pages/FRNT (last accessed February 1, 2026).

The bill's guidance regarding the authorization to DFS that it may issue its own eligible payment stablecoins is limited to a requirement that moneys generated from such stablecoin "must be credited to the benefit of the state" and that a state-created stablecoin would need to meet the definition of "eligible payment stablecoin", except that it need not be fully backed by at least $1 billion in reserve assets..[52] Should DFS elect to create a state-issued eligible payment stablecoin, it is likely that the agency would need to engage in a significant amount of rulemaking. However, the minimal statutory guidance in the bill, paired with a nonspecific grant of rulemaking "to implement this section", may implicate Florida's non-delegation doctrine. Florida's non-delegation doctrine is outgrowth of Article II, Section 3 of the Florida Constitution.

> The powers of the state government shall be divided into legislative, executive and judicial branches. No person belonging to one branch shall exercise any powers appertaining to either of the other branches unless expressly provided herein.

The Florida Supreme Court has expressed that the non-delegation doctrine requires that fundamental and primary policy decisions shall be made by members of the legislature who are elected to perform those tasks, and administration of legislative programs must be pursuant to some minimal standards and guidelines ascertainable by reference to the enactment establishing the program.[53]

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Department reports that "[t]he bill may result in operational efficiencies or cost savings associated with payment processing, settlement times, and transactions fees; however, the magnitude of any savings is indeterminate and would depend on program participation and implementation decisions made by the department."[54]

The Department also recognizes that there could be expenditures associated with the program, noting "[t]here could be associated custody costs with the stablecoin program. More information will have to be obtained through the contracting process. In addition, there will be nominal, but indeterminate network fees for each transaction."[55]

[52] Section 40-31-109, Wyoming Statutes.
[53] *Askew v. Cross Key Waterways*, 372 So. 2d 913, 925 (Fla. 1978)
[54] The Department's Agency Analysis for SB 1568.
[55] *Id.*

The Department expects a fiscal impact to the Department's technology systems and reports "[t]he Treasury will have to contract with the appropriate custody and technology providers in order to receive, convert, and/or create stablecoin. The impact to current business systems and processes will have to be addressed throughout."[56]

Finally, the Department anticipates a fiscal impact because "[t]he state will have to remain in compliance with federal law related to stablecoin and financial reporting."[57]

The state will likely incur costs if the DFS elects to create an eligible payment stablecoin. The Wyoming Legislature appropriated $500,000 in 2023 and $5.8 million in 2024[58] to implement Wyoming's state-created stablecoin, FRNT, though the Wyoming Stable Token Commission, tasked by the Wyoming Legislature with the task of creating FRNT, asserts it has spent half of each appropriation.[59]

VI. Technical Deficiencies:

None.

VII. Related Issues:

The 2023 Legislature revised Florida's Uniform Commercial Code at s. 672.201, F.S., by prohibiting a central bank digital currency (CBDC), to the extent one is developed by the United States Federal Reserve or a federal agency, and any foreign CBDC, from being treated as money under the Florida Uniform Commercial Code (Florida UCC).[60] Florida law defines CBDC in the Florida UCC as a digital currency, digital medium of exchange, or digital monetary unit of account that is issued by the U.S. Federal Reserve, a federal agency, a foreign government, a foreign reserve system, or a foreign reserve system that is made directly available to a consumer by such entities, and includes when such digital currency is processed or validated directly by them. If the DFS created a payment stablecoin as authorized by this bill, it would not meet the definition of CBDC, as it would not be "issued by the United States Federal Reserve System, a federal agency, a foreign government, a foreign central bank, or a foreign reserve system."

The bill's guidance regarding the authorization to DFS that it may issue its own eligible payment stablecoins is limited to a requirement that moneys generated from such stablecoin "must be credited to the benefit of the state" and that a state-created stablecoin would need to meet the definition of "eligible payment stablecoin", except that it need not be fully backed by at least $1 billion in reserve assets.[61] Should DFS elect to create a state-issued eligible payment stablecoin, it is likely that the agency would need to engage in a significant amount of rulemaking. However, the minimal statutory guidance in the bill, paired with a nonspecific grant of rulemaking "to implement this section" may implicate Florida's nondelegation doctrine in

[56] *Id.*
[57] *Id.*
[58] Wyoming Stable Token Commission, *Commission Factbook 2026 Budget Session*, pg. 8 (December 12, 2025) https://wyoleg.gov/InterimCommittee/2025/02-20251208091-STC-152-Factbook.pdf (last accessed February 1, 2026).
[59] *Id.*, at pg. 12.
[60] Chapter 2023-80, Laws of Florida (SB 7054).
[61] Section 40-31-109, Wyoming Statutes.

The creation by a Florida governmental agency of an eligible payment stablecoin raises the question of to what extent a state-issued stablecoin would be backed by state funds. SB 1568 does not address this issue. Wyoming law expressly provides that Wyoming's state-issued stablecoin is not backed by the full faith and credit of the state nor by any funds other than those in the Wyoming stable token trust account.

The bill does not address how the identifiable reserves backing the outstanding payment stablecoin on at least a 1 to 1 basis would be held and whether such funds would be required to be placed in a trust fund designated for such purpose. The creation of a trust fund must be in a separate bill for that purpose only and requires a three-fifths vote of the membership of each house of the Legislature.

VIII. Statutes Affected:

This bill creates the following sections of the Florida Statutes: 17.72

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.

652444

LEGISLATIVE ACTION

Senate . House

. .

. .

. .

. .

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

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 17.72, Florida Statutes, is created to read:

17.72 Florida Stablecoin Pilot Program.—There is established within the Department of Financial Services the Florida Stablecoin Pilot Program. It is the intent of the Legislature that the Florida Stablecoin Pilot Program yield

652444

benefits from the acceptance of payment stablecoins as a form of payment for governmental fees through this voluntary pilot program.

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

(a) "Compatible digital wallet address" means the address of a software application that securely stores private keys for accessing and completing transactions with payment stablecoins.

(b) "Digital asset" means any digital representation of value that is recorded on a cryptographically secured digital ledger.

(c) "Exchange platform" means a company licensed and regulated by the federal or a state government which provides trading, custody, or money transmission services of payment stablecoins or other digital assets.

(d) "Federal qualified payment stablecoin issuer" means any of the following:

1. A nonbank entity, other than a state qualified payment stablecoin issuer, approved by the Office of the Comptroller of the Currency to issue payment stablecoins.

2. An uninsured national bank that is chartered by the Office of the Comptroller of the Currency pursuant to title LXII of the Revised Statutes and is approved to issue payment stablecoins. As used in this subsection, the term "national bank" has the same meaning as in the GENIUS Act, Pub. L. No. 119-27.

3. A Federal branch that is approved by the Office of the Comptroller of the Currency to issue payment stablecoins. For purposes of this subparagraph, the term "Federal branch" has the same meaning as in section 3 of the Federal Deposit Insurance

652444

Act, 12 U.S.C. s. 1813.

(e)1. "Payment stablecoin" means a digital asset that meets all of the following requirements:

a. Is, or is designed to be, used as a means of payment or settlement.

b. The issuer of which:

(I) Is obligated to convert, redeem, or repurchase the digital asset for a fixed amount of monetary value, not including a digital asset denominated in a fixed amount of monetary value.

(II) Represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value.

2. The term does not include a digital asset that is any of the following:

a. A national currency.

b. A deposit as defined in section 3 of the Federal Deposit Insurance Act, 12 U.S.C. s. 1813, including a deposit recorded using distributed ledger technology. For purposes of this subparagraph, the term "distributed ledger" has the same meaning as in the GENIUS Act, Pub. L. No. 119-27.

c. A security, as defined in s. 517.021, section 2 of the Securities Act of 1933, 15 U.S.C. s. 77b, section 3 of the Securities and Exchange Act of 1934, 15 U.S.C. s. 78c, or section 2 of the Investment Company Act of 1940, 15 U.S.C. s. 80a-2.

(f) "Permitted payment stablecoin issuer" means a person formed in the United States that is one of the following:

1. A subsidiary of an insured depository institution that

652444

has been approved to issue payment stablecoins under the GENIUS Act, Pub. L. No. 119-27. For purposes of this subparagraph, the term "insured depository institution" has the same meaning as in the GENIUS Act, Pub. L. No. 119-27.

2. A federal qualified payment stablecoin issuer.

3. A state qualified payment stablecoin issuer.

(g) "State qualified payment stablecoin issuer" means an entity legally established under the laws of a state and approved by the Office of Financial Regulation to issue payment stablecoins.

(2) PROGRAM PARTICIPATION.—

(a) The department may engage in any of the following activities that meet the requirements of this section:

1. Accept payment stablecoin for the payment of authorized fees as provided in paragraph (c).

2. Hold payment stablecoin and, unless exempted by law, the custody of such payment stablecoin must be held in a qualified public depository pursuant to chapter 280.

3. Issue refunds, reimbursements, or other similar disbursements in the form of payment stablecoins to any participant who elects to receive a payment in such form.

(b) The department may designate one or more payment stablecoin for activities authorized in paragraph (a). Any payment stablecoin that is accepted, held, or disbursed by the department pursuant to this section must meet all of the following criteria:

1. Have an average market capitalization of at least $1 billion during the preceding 24-month period.

2. Be redeemable at all times for United States dollars

652444

through the permitted payment stablecoin issuer or its agent.

3. Be minted by a permitted payment stablecoin issuer.

4. Be purchased by the department directly from a permitted payment stablecoin issuer or indirectly through an exchange platform, or received by the department from a program participant.

5. If the permitted payment stablecoin issuer or exchange fees are paid by the department, be subject to reasonable permitted payment stablecoin issuer or exchange platform fees, including, but not limited to, minting, purchasing, selling, transacting, converting, withdrawing, payment processing, or gas fees, which are consistent with industry standards. Such fees must not exceed the fees that would be charged to the department if payment were accepted by credit card or wire transfer.

6. Be issued by an issuer that meets the criteria for a permitted payment stablecoin issuer under the applicable federal or state law.

(c) The department may accept payment stablecoins as a form of payment for fees that include, but are not limited to, licensing fees, registration fees, certification fees, assessment fees, application fees, renewal fees, other regulatory fees administered by the department, or any other fee owed to the department.

(d) An applicant, a licensee, or other program participant may elect to voluntarily participate in the pilot program and remit payment stablecoins to a compatible digital wallet address designated by the department as a valid form of payment for any fee authorized in paragraph (c). A participant that elects to receive from the department a refund, reimbursement, or other

652444

similar disbursement in the form of payment stablecoin must provide the department with a compatible digital wallet address where such payment may be sent.

(3) DEPARTMENT DUTIES.—

(a) The department must comply with all of the following requirements:

1. Ensure that any payment stablecoin issuer designated for use in the pilot program is a permitted payment stablecoin issuer.

2. Provide a compatible digital wallet address to any participant that elects to participate in the voluntary pilot program for the payment of any fees authorized in paragraph (2)(c) to be paid in the form of payment stablecoins.

3. Upon receipt of payment stablecoin, if such stablecoin is not being held by a qualified public depository as defined in s. 280.02 and is not exempted from being held in a qualified public depository as provided in s. 280.03, immediately convert the payment stablecoin received from any participant into United States currency and credit the applicable account where the funds would be held in a qualified public depository in the same manner as a payment made by any other authorized means. The department is required to attempt to minimize the amount of potential fees when determining on what date and time to convert the payment stablecoin.

(b) The department may conduct examinations, audits, or investigations of a permitted payment stablecoin issuer of a payment stablecoin designated for use in the pilot program to verify asset backing, redeemability, and adherence to consumer protection standards, including standards related to fraud

652444

prevention and dispute resolution. To the extent that the department intends to engage in such conduct as to a state qualified payment stablecoin issuer, the department must coordinate with the Office of Financial Regulation to avoid duplicated efforts and to efficiently regulate such issuer.

(4) REPORTING.—

(a) The department shall monitor and evaluate the pilot program and collect data on transaction volume, cost savings, security incidents, regulatory compliance, and economic impacts, as well as any instances of fraud or disputes.

(b) Beginning February 1, 2027, and annually thereafter, the department must submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives which must include all of the following:

1. A summary of the data collected pursuant to paragraph (a).

2. Any findings the department makes with respect to the pilot program which include, but are not limited to, findings regarding any trends or patterns relating to financial matters, such as fiscal impacts, or nonfinancial matters, such as utilization analysis.

3. Any recommendations for expansion or termination of the pilot program.

4. Any proposed statutory changes, if appropriate.

(5) CONSTRUCTION.—This section does not alter or supersede any existing statutory fee obligations, licensing requirements, or enforcement authority of the department. Acceptance of payment stablecoins is an optional payment method and does not require or authorize the acceptance of any other digital asset.

652444

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

Section 2. This act shall take effect upon becoming a law.

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

And the title is amended as follows:

Delete everything before the enacting clause and insert:

A bill to be entitled

An act relating to the Florida Stablecoin Pilot Program; creating s. 17.72, F.S.; establishing the Florida Stablecoin Pilot Program within the Department of Financial Services; providing legislative intent; defining terms; authorizing the department to engage in certain activities; authorizing the department to designate one or more payment stablecoin for certain activities; requiring certain payment stablecoin meet certain criteria; authorizing the department to accept payment stablecoins; authorizing program participants to elect to voluntarily participate in the program and remit payment stablecoins to a compatible digital wallet address; requiring certain participants to provide the department with a compatible digital wallet address; requiring the department to comply with certain requirements; requiring the department to provide a compatible digital wallet address for a specified purpose; authorizing the department to conduct examinations, audits, and investigations of permitted payment stablecoin issuers; requiring the

652444

department to coordinate with the Office of Financial Regulation under certain circumstances; requiring the department to monitor and evaluate the pilot program and collect certain data; requiring the department to submit an annual report containing certain information to the Governor and the Legislature, beginning on a specified date and annually thereafter; providing construction; authorizing the department to adopt rules; providing an effective date.

By Senator DiCeglie

18-01556D-26 20261568__

A bill to be entitled

An act relating to the Florida Stablecoin Pilot Program; creating s. 17.72, F.S.; establishing the Florida Stablecoin Pilot Program within the Department of Financial Services; providing legislative intent; defining terms; authorizing the department to accept eligible payment stablecoins for the payment of certain fees; authorizing the department to send eligible payment stablecoins for refunds, reimbursements, or other disbursements to participants who elect to receive such payments in the form of eligible payment stablecoins; providing that participation in the pilot program is voluntary; authorizing applicants, licensees, or other participants to submit eligible payment stablecoin to a compatible digital wallet address; authorizing participants to elect to receive refunds, reimbursements, or other disbursements in eligible payment stablecoins; requiring the department to provide a compatible digital wallet address for a specified purpose; authorizing the department to convert eligible payment stablecoins into United States currency and to credit an applicable licensing account in a certain manner; authorizing the department to accept, hold, or create eligible payment stablecoins for use in the pilot program; requiring certain earnings to be credited to the benefit of the state; requiring the department to ensure that the issuer of an eligible payment stablecoin meets certain

18-01556D-26 20261568__

requirements; authorizing examinations, audits, and investigations to verify certain information relating to the issuer of the eligible payment stablecoin designated for use in the pilot program; requiring the department to monitor and evaluate the pilot program and collect certain data; requiring the department to submit an annual report containing certain information to the Governor and the Legislature, beginning on a specified date; providing construction; authorizing the department to adopt rules; providing an effective date.

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

Section 1. Section 17.72, Florida Statutes, is created to read:

17.72 Florida Stablecoin Pilot Program.—There is established within the Department of Financial Services the Florida Stablecoin Pilot Program. It is the intent of the Legislature that the Florida Stablecoin Pilot Program yield benefits from the acceptance of eligible payment stablecoins for governmental fees.

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

(a) "Compatible digital wallet address" means the address of a software application that securely stores private keys for accessing and completing transactions with eligible payment stablecoins.

(b) "Department" means the Department of Financial Services.

(c) "Eligible payment stablecoin" means a stablecoin that meets all of the following requirements:

1. The stablecoin is fully backed by at least $1 billion in reserve assets. This requirement does not apply to a stablecoin created by the department.

2. The stablecoin is redeemable at all times for United States dollars through the issuer or its agent.

3. The issuer does not charge a fee to mint or create the stablecoin.

4. The issuer does not charge withdrawal or redemption fees.

5. The stablecoin meets any additional criteria for a permitted payment stablecoin under federal law.

The term does not include a central bank digital currency issued directly or indirectly by a central bank, monetary authority, or other governmental agency, whether foreign or domestic. An eligible payment stablecoin is not a security as defined in s. 517.021.

(d) "Licensing fees" means any fee, assessment, application fee, renewal fee, or other charge imposed by the department for licensure, registration, certification, or regulatory oversight.

(2)(a) The department may allow the acceptance of eligible payment stablecoins as a form of payment for fees that include but are not limited to, licensing fees, application fees, renewal fees, other regulatory fees administered by the department, or any other money or fee owed to the department. The department may send eligible payment stablecoins for refunds, reimbursements, or other disbursements provided by the

department to participants who elect to receive such payments in the form of eligible payment stablecoins under paragraph (b).

(b) Participation in the pilot program is voluntary. An applicant, a licensee, or other participant may submit eligible payment stablecoins to a compatible digital wallet address designated by the department as a valid form of payment to the department. A participant receiving funds from the department may also elect to receive refunds, reimbursements, or other disbursements in eligible payment stablecoins to a compatible digital wallet address provided by the recipient.

(3)(a) The department shall provide a compatible digital wallet address for the receipt of eligible payment stablecoins for licensing fees. Upon receipt of payment, the department may convert the eligible payment stablecoins into United States currency and credit the applicable licensing account in the same manner as payments made by other authorized means.

(b) The department may accept, hold, or create eligible payment stablecoins for use in the pilot program.

(c) Any earnings on the reserves associated with stablecoin issued by the state shall be credited to the benefit of the state.

(d) The department shall ensure that the issuer of the eligible payment stablecoin designated for use in the pilot program is licensed as a money services business under chapter 560 or registered as a payment stablecoin issuer under federal law.

(e) The department may conduct examinations, audits, and investigations of the issuer of the eligible payment stablecoin designated for use in the pilot program to verify asset backing,

redeemability, and adherence to consumer protection standards, including standards related to fraud prevention and dispute resolution.

(4)(a) The department shall monitor and evaluate the pilot program and collect data on transaction volume, cost savings, security incidents, regulatory compliance, and economic impacts, as well as any instances of fraud or disputes.

(b) Beginning February 1, 2027, and annually thereafter, the department shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must include findings, recommendations for expansion or termination of the pilot program, and proposed statutory changes, if appropriate.

(5) This section does not alter or supersede any existing statutory fee obligations, licensing requirements, or enforcement authority of the department. Acceptance of eligible payment stablecoins is an optional payment method and does not require acceptance of any other digital asset.

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

Section 2. This act shall take effect upon becoming a law.

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 1706
INTRODUCER:	Senator Pizzo
SUBJECT:	My Safe Florida Condominium Pilot Program
DATE:	February 3, 2026
REVISED:	

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Knudson	Knudson	BI	**Pre-meeting**
2.			RI	
3.			AP	

I. Summary:

The bill expands the scope of the Pilot Program statewide by eliminating the requirement that eligible condominium property must be within 15 miles inward of a coastline. However, the bill restricts participation to condominium associations in which:

- The structures or buildings on the condominium property were constructed before January 1, 2008, and
- At least 80 percent of the occupied units within the condominium property are owned and occupied by a person or family whose household annual income is at or below 80 percent of the area median income, adjusted for household size, applicable to the county in which the condominium is located.

The bill specifies that Pilot Program grants funds must be used only for a mitigation improvement that addresses the common elements of the condominium property. The bill repeals the requirement that grant funds must be used for mitigation improvements that will result in a mitigation credit, discount, or other rate differential for the building or structure to which the improvement is made. The bill instead requires that a condominium association receiving a grant must complete 100 percent of the opening protection improvements to the common elements which were recommended in the final hurricane mitigation inspection report. Given that mitigation credits generally are only awarded if all openings are hurricane resistant, this new requirement should serve the same purpose as the old one, to ensure that mitigation grants harden the structure against hurricane risk. It will also allow mitigation grants to be awarded for water intrusion mitigation devices, which generally do not result in mitigation credits.

The bill is effective July 1, 2026.

II. Present Situation:

The Legislature created the My Safe Florida Condominium Pilot Program (program) within the Department of Financial Services (DFS), in 2024.[1] The program received a nonrecurring appropriation of $30 million from the General Revenue Fund.[2] The program provides a condominium association (association) a program similar to that of the My Safe Florida Home Program for single-family, detached residential properties and townhomes.[3] Implementation of the program is subject to annual legislative appropriations. The program supports eligible condominium associations by providing free inspections and grant funding for wind mitigation improvements, which may have the added benefit of lowering wind insurance premiums.

The program is limited to associations located in the "service area," which is the area of the state within 15 miles inward of a coastline as defined in s. 376.031, F.S.[4] The 2025 Legislature further limited participation by excluding detached units on individual parcels of land[5], limiting participation in the Pilot Program to structures or buildings on the condominium property that are three or more stories in height and contain at least two single-family dwellings[6], and prohibiting an association application for an inspection or mitigation grant unless the windows of the subject property are established as common elements in the declaration and the association has complied with the inspection requirements in ss. 553.899 and 718.112(2)(g) and (h), F.S.[7]

The DFS issued its 2025 Annual Report program with the following findings:

- Approximately 700 initial inspections have been completed across 206 condominium associations.
- 206 grant applications have been received by the program at a total value of $36,050,000.
- 42 condominium associations have been fully approved for grants and are advancing through construction.
- The total value of approved applications is $7,350,000
- Two condominium associations have progressed to the reimbursement state.[8]

Condominium Associations and Unit Owners

A condominium is a "form of ownership of real property created pursuant to this chapter, which is comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements." Condominiums are created under ch. 718, F.S,"[9] the "Condominium Act." Condominium unit owners are in a unique legal

[1] Chapter 2024-108, Laws of Fla.
[2] Line 2375 of the General Appropriations Act, ch. 2024-231, Laws of Fla. ($27,636,000 for grants; $600,000 for inspections; and $1,764,000 for operations and administration).
[3] *See* s. 215.5586, F.S.
[4] "Coastline" means the line of mean low water along the portion of the coast that is in direct contact with the open sea and the line marking the seaward limit of inland waters, as determined under the Convention on Territorial Seas and the Contiguous Zone, 15 U.S.T. (Pt. 2) 1606. Section 376.031(4), F.S.
[5] Section 215.55871(1)(d), F.S.
[6] Section 215.55871(2)(a), F.S.
[7] Section 215.55871(2)(b), F.S.
[8] Department of Financial Services, *2025 Annual Report My Safe Florida Condominium Pilot Program Report*, February 1, 2025 (on file with the Senate Committee on Banking and Insurance).
[9] Section 718.103(12), F.S.

position because they are exclusive owners of property within a community, joint owners of community common elements, and members of the condominium association.[10] For unit owners, membership in the association is an unalienable right and required condition of unit ownership.[11]

The term "unit" means "a part of the condominium property which is subject to exclusive ownership. A unit may be in improvements, land, or land and improvements together, as specified in the declaration."[12]

To apply for an inspection of condominium parcels under the program, the association must receive approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association.[13] In order to apply for a grant, the association must receive both of the following:

- Approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association to participate in a mitigation grant; and
- Approval by at least a 75 percent vote of all unit owners within the structure or building that is the subject of the mitigation grant.[14]

Associations may vote on participation in the program at either an annual meeting or a unit owner meeting called for the purpose of taking a vote on such participation.[15] The association must provide unit owners with clear disclosure of the program prior to a vote taking place.[16] The president and treasurer of the board of administration are required to sign the disclosure form indicating a copy of the disclosure form was provided to each unit owner.[17] The association must maintain the signed disclosure form and the minutes from the meeting at which the unit owners voted to participate in the program as part of the official records of the association.[18] Within 14 days after an affirmative vote to participate in the program, the association must provide written notice as required under s. 718.112(2)(d), F.S., to all unit owners of the decision to participate in the program.[19]

Pilot Program Hurricane Mitigation Inspections

Hurricane mitigation inspections provided to an association must, at a minimum, include:

- An inspection of the property, and a report that summarizes the results and identifies recommended improvements the association may take to mitigate hurricane damage;
- A range of cost estimates regarding the recommended mitigation improvements; and
- Information regarding estimated insurance premium discounts, correlated to the current mitigation features and the recommended mitigation improvements identified by the inspection.[20]

[10] *See* s. 718.103, F.S., for the terms used in the Condominium Act.
[11] Section 718.103(3), F.S.
[12] Section 718.103(31), F.S.
[13] Section 215.55871(2)(b), F.S.
[14] Section 215.55871(2)(c), F.S.
[15] Section 215.55871(2)(e), F.S.
[16] *Id.*
[17] *Id.*
[18] *Id.*
[19] *Id.*
[20] Section 215.55871(4)(a), F.S.

An application for an inspection must contain a signed or electronically verified statement made under penalty of perjury by the president of the board of administration that the association has submitted only a single application for each property that the association operates or maintains.[21] An association may apply for and receive an inspection without also applying for a grant.[22]

Hurricane Mitigation Inspectors

Only licensed inspectors may perform inspections of the property to determine the mitigation measures that are needed, the insurance premium discounts that may be available, and which identify recommended improvements the association may take to mitigate hurricane damage.[23] The DFS must contract with wind certification entities to provide the inspections.[24] Eligible wind certification entities must, at a minimum:

- Use inspectors who are licensed or certified as:
  - A building inspector under s. 468.607, F.S.;
  - A general, building, or residential contractor under s. 489.111, F.S.;
  - A professional engineer under s. 471.015, F.S.;
  - A professional architect under s. 481.213, F.S.; or
  - A home inspector under s. 468.8314, F.S., who has completed at least three hours of hurricane mitigation training approved by the Construction Industry Licensing Board, which must include hurricane mitigation techniques, compliance with the uniform mitigation verification form, and completion of a proficiency exam;
- Use inspectors who have undergone drug testing and a background screening that includes submission and processing of fingerprints; and
- Provide a quality assurance program, including a reinspection component.[25]

Pilot Program Mitigation Grants

Grants must be used by associations to make improvements recommended by an inspection which increases the condominium parcel's resistance to hurricane damage.[26] An application for a grant must:

- Contain a signed or electronically verified statement made under penalty of perjury by the president of the board of administration that the association has submitted only a single application for each property that the association operates or maintains;
- Include a notarized statement from the president of the board of administration containing the name and license number of the contractor it intends to use for the mitigation project; and
- Include a notarized statement from the president of the board of administration which commits to the DFS that the association will complete the mitigation improvements. If the grant will be used to improve units, the application must also include an acknowledged statement from each unit owner who is required to provide approval for a grant.[27]

[21] Section 215.55871(4)(b), F.S.
[22] Section 215.55871(4)(c), F.S.
[23] Section 215.55871(3)(a), F.S.
[24] Section 215.55871(3)(b), F.S.
[25] *Id.*
[26] Section 215.55871(5), F.S.
[27] Section 215.55871(5)(a), F.S.

An association may select its own contractor for the mitigation project so long as the contractor meets all qualification, certification, or licensing requirements in general law.[28] A mitigation project must be performed by a properly licensed contractor who has secured all required local permits necessary for the project.[29] The DFS must electronically verify that the contractor's state license number is accurate and up to date before approving a grant application.[30]

All grants must be matched on the basis of one dollar provided by the association for two dollars provided by the state.[31] An association may receive grant funds for both roof-related and opening protection-related projects, but the total grant award may not exceed $175,000 per association.[32]

Grant funds may only be used for water intrusion mitigation devices or mitigation improvements that will result in a mitigation credit, discount, or other rate differential for the building or structure to which such device or improvement is applied or made.[33] An association awarded a grant must complete the entire mitigation project in order to receive the final grant award and must agree to make the property available for a final inspection once the mitigation project is finished.[34] Improvements must be verified in the final hurricane mitigation inspection in order for an association to receive grant funds.[35] Grant awards are conditioned on a requirement that mitigation improvements be made to all openings if doing so is necessary for the building or structure to qualify for a mitigation credit, discount, or other rate differential.[36] The mitigation project must be completed in a manner consistent with the intent of the program and must meet or exceed applicable Florida Building Code requirements.[37] The association must submit a request to the DFS for a final inspection, or request an extension of time, within one year after receiving grant approval; otherwise the application is deemed abandoned and the grant money reverts back to the DFS.[38]

When recommended by a hurricane mitigation inspection report, grants may be used for the following improvements:

- Opening protection, including exterior doors, garage doors, windows, and skylights;
- Roof improvements, including reinforcing roof-to-wall connections, improving the strength of roof deck attachments, installing secondary water resistance for the roof, and replacing the roof covering.
- Water intrusion mitigation devices, however, grant awards are not being awarded for such devices because of the requirement that grant funds must result in a mitigation credit, discount, or differential, which are not provided by most insurers for such devices.[39]

[28] Section 215.55871(5)(b), F.S.
[29] *Id.*
[30] *Id.*
[31] Section 215.55871(5)(d)1., F.S.
[32] Section 215.55871(5)(d)4., F.S.
[33] Section 215.55871(5)(e). F.S.
[34] Section 215.55871(5)(c), F.S.
[35] Section 215.55871(5)(f), F.S.
[36] Section 215.55871(5)(j), F.S.
[37] Section 215.55871(5)(g), F.S.
[38] Section 215.55871(2)(c), F.S.
[39] Section 215.55871(5)(e), F.S.

If improvements to protect the property that complied with the current applicable building code at the time have been previously installed, the association must use a mitigation grant to install improvements that do both of the following:

- Comply with or exceed the applicable building code in effect at the time the association applied for the grant; and
- Provide more protection than the improvements that the association previously installed.[40]

The association may not use a mitigation grant to:

- Install the same type of improvements that were previously installed; or
- Pay a deductible for a pending insurance claim for damage that is part of the property for which grant funds are being received.[41]

Contract Management

The DFS is charged with developing a process that ensures the most efficient means to collect and verify grant applications to determine eligibility and may direct hurricane mitigation inspectors to collect and verify grant application information or use the Internet or other electronic means to collect information and determine eligibility.[42] The DFS may contract with third parties for grant management, inspection services, contractor services, information technology, educational outreach, and auditing services.[43] Such contracts are considered direct costs of the program and are not subject to administrative cost limits.[44] Such contracts must be with providers that have a demonstrated record of successful business operations in areas directly related to the services to be provided and must ensure the highest accountability for use of state funds.[45]

The DFS is required to implement a quality assurance and reinspection program that determines whether initial inspections and mitigation improvements are completed in a manner consistent with the intent of the program.[46] The DFS may use a valid random sampling in order to perform the quality assurance portion of the program.[47]

Reports

By February 1 of each year, the DFS must submit a report to the President of the Senate and the Speaker of the House of Representatives on the activities of the program and the use of state funds.[48] The report must include:

- The number of inspections requested;
- The number of inspections performed;
- The number of grant applications received;
- The number of grants approved and the monetary value of each grant;

[40] Section 215.55871(5)(g), F.S.
[41] Section 215.55871(5)(h)., F.S.
[42] Section 215.55871(5)(i), F.S.
[43] Section 215.55871(6)(a), F.S.
[44] *Id.*
[45] *Id.*
[46] Section 215.55871(6)(b), F.S.
[47] *Id.*
[48] Section 215.55871(7), F.S.

- The estimated average annual amount of insurance premium discounts each association received and the total estimated annual amount of insurance premium discounts received by all associations participating in the program; and
- The estimated average annual amount of insurance premium discounts each unit owner received as a result of the improvements to the building or structure.[49]

Requests for Information

During the application process, the DFS may request an applicant provide additional information.[50] If the DFS does not receive a response for additional information from the applicant within 60 days after the applicant is notified of the error or omission, the application is deemed withdrawn by the applicant.[51]

Rulemaking Authority

The DFS is authorized to adopt rules pursuant to ss. 120.536(1) and 120.54, F.S., to implement the program.[52]

III. Effect of Proposed Changes:

SB 1706 modifies the My Safe Florida Condominium Pilot Program by revising which condominium associations may participate in the program and by revising the requirements for receiving a mitigation grant through the Pilot Program.

Pilot Program Participation Requirements

The bill expands the scope of the Pilot Program statewide by eliminating the requirement that eligible condominium property must be within 15 miles inward of a coastline. However, the bill restricts participation to condominium associations in which:

- The structures or buildings on the condominium property were constructed before January 1, 2008, and
- At least 80 percent of the occupied units within the condominium property are owned and occupied by a person or family whose household annual income is at or below 80 percent of the area median income, adjusted for household size, applicable to the county in which the condominium is located.

The bill provides that in determining whether the new 80 percent income threshold requirement is satisfied:

- "Area median income" means the median household income, as published annually by the United States Department of Housing and Urban Development, for the county in which the condominium property is located.
- Only occupational units may be counted.

[49] *Id.*
[50] Section 215.55871(8), F.S.
[51] *Id.*
[52] Section 215.55871(9), F.S.

- Owner-occupied residential units may be counted only if the persons or families living in such units provide income documentation to the DFS and the DFS verifies that such person or family meets the income requirements.
- A condominium property with mixed-income occupancies is eligible to participate in the pilot program under this section if the income threshold is met
- The DFS may adopt rules establishing acceptable methods for verifying household income, which may include owner-self certification, tax returns, income statements, or other documentation the DFS deems sufficient.

Pilot Program Grant Usage Requirements

The bill specifies that Pilot Program grants funds must be used only for a mitigation improvement that addresses the common elements of the condominium property. The bill repeals the requirement that grant funds must be used for mitigation improvements that will result in a mitigation credit, discount, or other rate differential for the building or structure to which the improvement is made. The bill instead requires that a condominium association receiving a grant must complete 100 percent of the opening protection improvements to the common elements which were recommended in the final hurricane mitigation inspection report. Given that mitigation credits generally are only awarded if all openings are hurricane resistant, this new requirement should serve the same purpose as the old one, to ensure that mitigation grants harden the structure against hurricane risk. It will also allow mitigation grants to be awarded for water intrusion mitigation devices, which generally do not result in mitigation credits.

Effective Date

Section 2 provides an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following section of the Florida Statutes: 215.55871

IX. Additional Information:

A. Committee Substitute – Statement of Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Pizzo

37-01529A-26 20261706__

A bill to be entitled

An act relating to the My Safe Florida Condominium Pilot Program; amending s. 215.55871, F.S.; defining the term "area median income"; deleting the definition of the term "service area"; revising definitions; revising eligibility requirements for participation in the My Safe Florida Condominium Pilot Program; requiring the Department of Financial Services to adopt rules to verify household income; authorizing the department to require periodic recertification; specifying that condominium property with mixed-income occupancies is eligible to participate in the pilot program under certain circumstances; requiring that an application for a mitigation grant include documentation to verify household income; limiting the award of grant funds; requiring an association to complete a certain percentage of opening protection improvements; providing an effective date.

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

Section 1. Subsections (1) and (2) and paragraphs (a) and (j) of subsection (5) of section 215.55871, Florida Statutes, are amended to read:

215.55871 My Safe Florida Condominium Pilot Program.—There is established within the Department of Financial Services the My Safe Florida Condominium Pilot Program to be implemented pursuant to appropriations. The department shall provide fiscal accountability, contract management, and strategic leadership

37-01529A-26 20261706__

for the pilot program, consistent with this section. This section does not create an entitlement for associations or unit owners or obligate the state in any way to fund the inspection or retrofitting of condominiums in the state. Implementation of this pilot program is subject to annual legislative appropriations. It is the intent of the Legislature that the My Safe Florida Condominium Pilot Program provide licensed inspectors to perform inspections for and grants to eligible associations as funding allows.

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

(a) "Area median income" means the median household income, as published annually by the United States Department of Housing and Urban Development, for the county in which the condominium property is located.

(b) ~~(a)~~ "Association" has the same meaning as in s. 718.103.

(c) ~~(b)~~ "Association property" means property, real and personal, which is owned or leased by, or is dedicated by a recorded plat to, an association for the use and benefit of its members ~~and is located in the service area~~.

(d) ~~(c)~~ "Board of administration" has the same meaning as in s. 718.103.

(e) ~~(d)~~ "Condominium" has the same meaning as in s. 718.103. For purposes of this section, the term does not include detached units on individual parcels of land.

(f) ~~(e)~~ "Condominium property" means the lands, leaseholds, and personal property that are subjected to condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium ~~and are~~

~~located in the service area~~.

(g) ~~(f)~~ "Department" means the Department of Financial Services.

(h) ~~(g)~~ "Property" means association property and condominium property, as applicable~~, located in the service area~~.

~~(h) "Service area" means the area of the state which is 15 miles inward of a coastline, as that term is defined in s. 376.031.~~

(i) "Unit" has the same meaning as in s. 718.103.

(j) "Unit owner" has the same meaning as in s. 718.103.

(2) PARTICIPATION.—

(a) Participation in the pilot program is limited to:

1. Condominium associations in which the structures or buildings on the condominium property were constructed before January 1, 2008.

2. Condominium associations in which at least 80 percent of the occupied units within the condominium property are owned and occupied by a person or family whose household annual income is at or below 80 percent of the area median income, adjusted for household size, applicable to the county in which the condominium is located. Eligibility must be determined using the area median income published at the time an application is submitted. For purposes of determining whether a condominium association meets the 80 percent unit-occupied threshold:

a. Only occupied residential units may be counted.

b. Owner-occupied residential units may be counted as long as the persons or families living in such residential units provide income documentation to the department and the

department has verified that such person or family meets the income requirements of this subparagraph.

3. Structures or buildings on the condominium property which are three or more stories in height, provided that each structure or building that is the subject of a mitigation grant contains at least two single-family dwellings.

(b) The department shall adopt rules establishing acceptable methods for verifying household income, including, but not limited to, owner self-certification, tax returns, income statements, or other documentation deemed sufficient by the department. The department may require periodic recertification of income eligibility to ensure compliance with this section.

(c) A condominium property with mixed-income occupancies is eligible to participate in the pilot program under this section if the income threshold in subparagraph (a)2. is met.

(d) ~~(b)~~ In order to apply for an inspection under subsection (4) or a grant under subsection (5) for association property or condominium property, an association must receive approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association to participate in the pilot program. An association may not apply for an inspection under subsection (4) or a grant under subsection (5) for association property or condominium property unless the association has complied with the inspection requirements in ss. 553.899 and 718.112(2)(g) and (h). An association may not apply for a grant under subparagraph (5)(e)1. for association property or condominium property unless the windows of the association property or condominium property are established as common

elements in the declaration.

(e)~~(c)~~ In order to apply for a grant under subsection (5) which improves one or more units within a condominium, an association must receive both of the following:

1. Approval by a majority vote of the board of administration or a majority vote of the total voting interests of the association to participate in a mitigation inspection.

2. Approval by at least 75 percent of all unit owners who reside within the structure or building that is the subject of the mitigation grant.

(f)~~(d)~~ A unit owner may participate in the pilot program through a mitigation grant awarded to the association but may not participate individually in the pilot program.

(g)~~(e)~~ The votes required under this subsection may take place at the annual budget meeting of the association or at a unit owner meeting called for the purpose of taking such vote. Before a vote of the unit owners may be taken, the association must provide to the unit owners a clear disclosure of the pilot program on a form created by the department. The president and the treasurer of the board of administration must sign the disclosure form indicating that a copy of the form was provided to each unit owner of the association. The signed disclosure form and the minutes from the meeting at which the unit owners voted to participate in the pilot program must be maintained as part of the official records of the association. Within 14 days after an affirmative vote to participate in the pilot program, the association must provide written notice in the same manner as required under s. 718.112(2)(d) to all unit owners of the decision to participate in the pilot program.

(5) MITIGATION GRANTS.—Financial grants may be used by associations to make improvements recommended in a hurricane mitigation inspection report which increase the condominium's resistance to hurricane damage.

(a) An application for a mitigation grant must:

1. Contain a signed or electronically verified statement made under penalty of perjury by the president of the board of administration that the association has submitted only a single application for each property that the association operates or maintains.

2. Include a notarized statement from the president of the board of administration containing the name and license number of each contractor the association intends to use for the mitigation project.

3. Include a notarized statement from the president of the board of administration which commits to the department that the association will complete the mitigation improvements. If the grant will be used to improve units, the application must also include an acknowledged statement from each unit owner who is required to provide approval for a grant under paragraph (2)(e)~~(2)(c)~~.

4. Include documentation deemed sufficient by the department under paragraph (2)(b) for verifying household income.

(j) Grant funds may only be awarded for a mitigation improvement that addresses the common elements of the condominium property ~~that will result in a mitigation credit, discount, or other rate differential for the building or structure to which the improvement is made~~. As a condition of

receiving ~~awarding~~ a grant, the association ~~department~~ must complete 100 percent of the opening protection improvements to the common elements which were recommended in the final hurricane mitigation inspection report ~~require mitigation improvements to be made to all openings~~, including exterior doors, garage doors, windows, and skylights that are a part of the common elements~~, if doing so is necessary for the building or structure to qualify for a mitigation credit, discount, or other rate differential~~.

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